

**Request for Applications for
Multifamily Energy Retrofit Program
A Florida Housing Finance Corporation Public Meeting**

Monday, September 15, 2014

1. Funding Uses
 - a. The RFA's objective is to retrofit building components with energy efficient components as well as other improvements that reduce energy and water costs, provide ongoing resident and property management staff education and outreach to maximize the benefits of the retrofit (see Exhibit B) and collect data on energy use/savings resulting from the retrofit improvements.
 - b. MERP loans may be used for the following improvements:
 - (1) Air infiltration (e.g., envelope sealing, duct sealing, weather stripping); and
 - (2) Appliances, lighting, faucets/showerheads, HVAC systems, programmable thermostats, boilers/water heaters, insulation and window film. Windows may be replaced on a very limited basis, and only when there are other building shell or heating measures that are being done in order to achieve the minimum required energy savings of 15% and the collective Savings to Investment Ratio (SIR) of 1.0 or greater.
 - (3) Applicants may carry out these retrofits as part of a broader rehabilitation plan that has non-MERP financing associated with it. However, MERP funding will not be provided in conjunction with financing provided through separate Corporation-issued RFAs.
 - c. MERP funding cannot be used for the costs of a construction or renovation project that are not directly related to energy efficiency measures.
2. Eligible Applicants - Multifamily Developments within the FHFC portfolio that were originally Completed prior to December 31, 1999.
3. Funding available
 - a. Total funding available is \$7,533,084 of Multifamily Energy Retrofit Program (MERP) loan funds.
 - b. The Applicant's Maximum Eligible Funding Amount (Maximum Construction Funding plus Maximum Soft Cost Funding)
 - (1) Determining the Applicant's Maximum Eligible Funding Amount

- (a) Maximum Construction Funding: \$5,000 multiplied by the total number of Units
 - (b) Maximum Soft Cost Funding: \$40,000
 - (2) The Maximum Eligible Funding Amount will be the amount of funding used for the Funding Selection Process.
 - (3) The actual amount of the MERP loan may be less than the Maximum Eligible Funding Amount. The funding amount needed for actual energy retrofit costs and the funding needed for soft costs will be determined during the Credit Underwriting process.
- c. Determining the Actual MERP Loan Amount:
- (1) Adjustments to the Maximum Construction Funding: - In credit underwriting, if the funding necessary for the eligible scope of work directly related to energy savings is determined to be less than the Maximum Construction Funding of \$5,000 per unit, the remaining funding will be considered Returned Funding.
 - (2) Adjustments to the Maximum Soft Cost Funding: - Each successful Applicant will be eligible for reimbursement of expenses associated with the Corporation Qualified Provider Energy Audit, the Corporation attorneys' fees and the Initial Credit Underwriting fee. If these expenses are determined to cost less than the Maximum Soft Cost Funding of \$40,000, the remaining funding will be considered Returned Funding.
 - (3) If the costs associated with the scope of work is more than the Maximum Eligible Funding Amount, the Applicant will be required to demonstrate in credit underwriting that it can secure enough sources to pay for all expenses.

4. Utility Information

- a. Difference between Individually Metered and Master Metered.
- b. Individually Metered property for either electricity or gas is limited to those utility providers outlined in RFA.
- c. Applicants that select and qualify as a Master Metered Property for electric and also gas, if the property uses gas, will receive preference in the funding selection process.

5. Timeline

- a. The Corporation will order a Corporation Qualified Provider Energy Audit.
 - (1) The Energy Audit must show an estimated minimum energy savings of 15 percent for the energy retrofits proposed in the audit, and the collective

recommended retrofit must have a projected SIR of 1.0 or greater or the funding will be revoked.

- (2) An invitation to credit underwriting will not be issued unless these requirements are met.
 - b. Within seven (7) Calendar Days of the date of the invitation to enter credit underwriting, the Applicant must respond to the invitation and, if accepting the invitation, the Applicant must also submit the credit underwriting fee as explained in Exhibit E, Item B.
 - c. Within 30 Calendar Days of the date of the invitation to enter credit underwriting, the Development must schedule a Utility Provider Energy Audit through the Development's utility provider(s). These results shall be submitted to the credit underwriter.
 - d. Within 30 Calendar Days of receiving the recommendations from the Utility Provider Energy Audit, the Development must submit a completed list of Other Sources of Retrofit Funding or Rebates as outlined in Exhibit D of this RFA.
 - e. Within 12 months of the date of the invitation to enter into credit underwriting or within 120 Calendar Days of the date of the firm loan commitment, whichever is first, the MERP loan must close. In the event that the loan does not close, an extension is available with extension fees being assessed as outlined in the fee section of Exhibit E.
6. FUNDING SELECTION process
- a. Sorting Order
 - (1) Master Meter Preference
 - (2) Age of Development Preference
 - (3) Florida Job Creation Preference
 - (4) Lottery
 - b. Selection Process
 - (a) County Award Tally
 - (b) Funding Test
 - c. Waiting List