

Questions and Answers for RFA 2016-101

HOME FINANCING TO BE USED FOR RENTAL DEVELOPMENTS IN RURAL AREAS

Question 1:

Are the funds a grant or a loan that must be repaid?

Answer:

A loan. The terms are stated in Rule 67-48.020, F.A.C.

Question 2:

As a non-profit organization, can we serve as the applicant and the developer?

Answer:

Yes. All Applicants can be both the Applicant and Developer if the requirements of Applicant and Developer are both met by the same entity.

Question 3:

Is there a requirement to have a licensed general contractor?

Answer:

General Contractor, as defined in subsection 67-48.002(53), F.A.C., means a person or entity duly licensed in the state of Florida with the requisite skills, experience and credit worthiness to successfully provide the units required in the Application, and which meets the criteria described in Rule 67-48.0072, F.A.C.

Question 4:

Do the homes have to be concrete block construction? We are currently building Energy Star homes utilizing SIP's panel construction (Structural Insulated Panels).

Answer:

Concrete construction is not a requirement.

Question 5:

Are there other FHFC funds, such as SAIL, that can be used with HOME to assist us in financing this type of project other than a market rate first mortgage?

Answer:

No.

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Question 6:

With a Housing Authority (established in Florida through a County Commission Resolution) as the Applicant, what paperwork can be used to satisfy Attachments 2 & 6 since they are not established through the Florida Department of State, Division of Corporations?

Answer:

Per Section Four, A.3.b. of the RFA (regarding Attachment 2) and Per Section Four, A.4.a.(2) of the RFA (regarding Attachment 6), the evidence that is required to be presented as Attachment 2 and Attachment 6 must come from the Florida Department of State, Division of Corporations.

Question 7:

Can a Housing Authority (established in Florida through a County Commission Resolution) be considered a Non-Profit Applicant? If so, what paperwork can be used to satisfy Attachment 3 since they cannot get an IRS determination letter and they do not have Articles of Incorporation?

Answer:

Section Four, A.3.c. states the requirements that an Applicant must meet in order to be considered a Non-Profit. These requirements include providing both an IRS determination letter and the Articles of Incorporation.

Question 8:

Can a Housing Authority (established in Florida through a County Commission Resolution) be considered public (government)?

Answer:

No. As defined in 218.31 (1), F.S. a Local Government entity means a county agency, a municipality, or a special district as defined in s. 189.012, F.S. and only for purposes of s. 218.32 F.S. does the term also includes a housing authority created under chapter 421, F.S.

Question 9:

Upon receiving an Invitation to Underwriting, what can be used to satisfy the timing requirements for providing a Federal Identification Number when the Applicant (which is a Housing Authority established in Florida through a County Commission Resolution) does not have one?

Answer:

Item 1.a.(2) of Exhibit C states that within seven (7) Calendar Days of the date of the invitation to enter credit underwriting, the Applicant must . . . Provide the Applicant's Federal Identification Number. If the

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number has not yet been obtained, the Applicant must provide a copy of the completed, submitted application for the number.”

Failure to provide the required information by the stated deadline shall result in the withdrawal of the invitation to enter credit underwriting.

Question 10:

Upon receiving an Invitation to Underwriting, what can be used to satisfy the timing requirements for providing IRS Form 8821 when the Applicant (which is a Housing Authority established in Florida through a County Commission Resolution) does not file tax returns?

Answer:

Item 1.b. of Exhibit C states that “Within 14 Calendar Days of the date of the invitation to enter credit underwriting, Applicants shall submit IRS Tax Information Authorization Form 8821 for all Financial Beneficiaries to the Corporation”.

Failure to provide the required information by the stated deadline shall result in the withdrawal of the invitation to enter credit underwriting.

Question 11:

I am the chairman of the Board of a CHDO organization. The CHDO organization was established as a sibling to a Non-Profit entity that is very experienced in developing affordable housing in *homeownership*, which sometimes has included a lease-to-own arrangement. Can this experience be used to meet the affordable housing *rental* experience requirements outlined in the RFA? Would the Non-Profit entity’s experience with managing millions of dollars in HUD regulated funding (SHOP and NSP2) count towards meeting the HOME funding experience requirement?

Answer:

There is no affordable housing rental experience requirement in the RFA, but instead there is preference given for Applicants with previous affordable housing experience. As stated in Section Four, A.4.a.(3)(a), “To qualify for this funding preference, at least one Principal of the Developer entity, or if more than one Developer entity, at least one Principal of at least one of the Developer entities, must demonstrate experience in the completion; (i.e., the certificate of occupancy has been issued for at least one building), 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”.

As stated in Section Four, A.4.a.(3)(b), to qualify for the HOME Funding Experience Preference, “the prior experience chart outlined in (3)(a) above must include at least one development consisting of at least 10 total units that was funded with HOME Funding.”

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HOME or HOME Program, as defined in subsection 67-48.002(56), F.A.C., means the HOME Investment Partnerships Program administered by the Corporation pursuant to 24 CFR Part 92 and Section 420.5089, F.S.

Please Note: The Q&A process for RFA 2016-101 is concluded and Florida Housing does not expect to issue any further Q&As regarding RFA 2016-101.

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