

**Florida Housing Finance Corporation  
Request for Applications (RFA) Workshop Agenda  
August 9, 2016, 2:00 p.m., Eastern Time  
227 North Bronough Street, 6<sup>th</sup> Floor Seltzer Conference Room,  
Tallahassee, Florida  
Call-In: 1 888 339.2688; Passcode: 998 050 83**

**RFA 2016-109 - SAIL Financing of Affordable Multifamily Housing  
Developments to be used in Conjunction with Tax-Exempt Bond Financing and  
Non-Competitive Housing Credits**

**1. Available SAIL Funding**

a. Estimated total SAIL funding amount of \$74,835,000, to be divided as follows:

(1) Demographic Funding Available:

(a) \$21,735,000 of Elderly funding (Demographic Commitment of Elderly ALF or Non-ALF)

(b) \$53,100,000 of Family funding (Demographic Commitment of Family)

(2) Geographic Funding Available:

(a) \$39,662,550 for Large Counties

(b) \$27,688,950 for Medium Counties

(c) \$7,483,500 for Small Counties

b. SAIL ELI Loan for Extremely Low Income (ELI) Set-Aside units:

All Applications are eligible for SAIL ELI gap funding for the required ELI Set-Aside units, not to exceed 10 percent of the total units

In order for an Application to be selected for funding, there must be enough of the applicable Demographic funding and Geographic funding available to fully fund the Applicant's Total SAIL Request Amount (i.e., total of the Applicant's Eligible SAIL Request Amount plus the Applicant's Eligible SAIL ELI Request Amount).

c. A total of \$4,598,821 in NHTF Funding will be made available to Applicants with proposed Developments selected for funding to meet the seven (7) Medium County and Large County new construction goals. Each of these Applications will receive NHTF Funding and must meet the NHTF Unit requirements as outlined in the RFA.

**2. Tax-Exempt Bond Financing and 4 Percent Non-Competitive Housing Credits**

All proposed Developments must use the SAIL funding offered under this RFA in conjunction with Tax-Exempt Bonds and 4% (Non-Competitive) Housing Credits.

The Applicant must apply for the following as a part of its SAIL RFA Application submission:

- a. Corporation-issued Multifamily Mortgage Revenue Bonds (MMRB) and 4% Housing Credits (HC); or
- b. 4% HC, to be used with Non-Corporation-issued Tax-Exempt Bonds (i.e., bonds obtained through a Public Housing Authority (established under Chapter 421, F.S.), a County Housing Finance Authority (established pursuant to Section 159.604, F.S.), or a Local Government).

Applicants cannot utilize the Non-Competitive Application for purposes of applying for MMRB and/or 4% Housing Credits to be used with the SAIL funding offered in this RFA. Any Non-Competitive Application for the proposed Development that is submitted prior to the Application Deadline for this RFA will not be considered. If the Applicant’s Application is not selected for funding under this RFA and the Applicant wishes to still receive the desired MMRB and/or 4% HC, the Applicant will be required to submit a new Application for the MMRB and/or 4% HC using the most current version of the Non-Competitive Application to request the MMRB and/or 4% HC.

**3. Demographic Commitment:**

- a. Family
- b. Elderly (Assisted Living Facility (ALF) or Non-ALF)

**4. Applicant Information:**

- a. Applicant Name
- b. Evidence Applicant entity has been legally formed as of Application Deadline
- c. Whether applying as a Non-Profit entity
- d. Disclosure of the Principals of the Applicant and for each Developer. The **Principals of the Applicant and Developer(s) Disclosure form (Form Rev. 08-16)** has been changed to a form that must be uploaded with the Application.

**5. Developer and Management Company Information:**

- a. Developer:
  - (1) Name of Developer (including all co-Developers)
  - (2) General Development Experience of at least one (1) Principal of at least one (1) Developer. The Corporation will now require a natural person to be named as the Principal with the required experience in the General Developer Experience Chart.
- b. Management Company:
  - (1) Name of Management Company
  - (2) General Management Company Experience

**6. General Development Information:**

- a. Development Name
- b. County and Address
  - (1) Flagler and Highlands county are now Medium Counties due to population changes.
  - (2) Applicants will be asked if the proposed Development meets the Scattered Sites definition.
- c. Development Category
  - (1) Selection of category (i.e., New Construction, Substantial Rehabilitation (with or without Acquisition), or Redevelopment (with or without Acquisition); and
  - (2) Rental Assistance information
- d. Development Type (i.e., Garden, Townhouses, Mid-Rise (4, 5 or 6 stories), or High-Rise (7 or more stories))
- e. Number of units and occupancy status
- f. Number of buildings (SAIL Developments must consist of minimum of 5 dwelling units per building)
- g. There will be Ability to Proceed forms (i.e., status of site/plat plan, appropriately zoned, availability of infrastructure (electricity, water, sewer and roads) – all as of Application Deadline). These will be posted to the webpage soon.
- h. Unit Mix (i.e., total number of bedrooms/unit, total number of bathrooms/unit, total number of units/bedroom type, and number of units that are Extremely Low Income (ELI) Set-Aside Units)
- i. Anticipated Placed-In-Service date

**7. Proximity:**

- a. Surveyor Certification forms
  - (1) Mandatory requirement for all Applicants to provide the Florida Housing Surveyor Certification form. A new form has been created that will ask the Surveyor to certify the DDA ZCTA, in addition to the Development Location Point and information for all services.
  - (2) Applicants of proposed Developments that consist of Scattered Sites will also be required to submit a Surveyor Certification of Scattered Sites form, certifying latitude and longitude coordinates to two (2) decimal places, and the DDA ZCTA status for each site. (Applicants may need to submit multiple forms for all sites.)
- b. Proximity to Transit and Community Services (Maximum 18 Points):
  - (1) PHA Proximity Point Boost – 3 Points
  - (2) Minimum / Maximum Proximity Points
  - (3) Minimum Transit Services Score (Large Counties only)
  - (4) Mandatory Distance Requirement based on FHFC Development Proximity List (the list is expected to be finalized this week)

**8. Set-Aside Requirements:**

- a. Minimum Set-Aside Selection:
  - (1) 20 percent of the total units at 50 percent of the Area Median Income (AMI); or
  - (2) 40 percent of the total units at 60 percent of the AMI
- b. Total Income Set-Aside:
  - (1) For Family and Elderly Non-ALF Demographics - at least 80 percent of the total units must be set aside at 60 percent or less of the AMI; or
  - (2) For Elderly ALF Demographic - at least 50 percent of the total units must be set aside at 60 percent or less of the AMI.
- c. ELI Set-aside:
  - (1) 10 percent of the total units must be set aside as ELI Set-Aside units if the proposed Development is not located within a Limited Development Area (LDA); or
  - (2) 30 percent of the total units must be set aside as ELI Set-Aside units if the proposed Development is located within an LDA.
- d. Link Units for Persons with a Disabling Condition:
  - (1) 50 percent of the ELI Set-Aside units must be set aside as Link Units for Persons with a Disabling Condition if the proposed Development is not located within an LDA; or
  - (2) 30 percent of the ELI Set-Aside units must be set aside as Link Units for Persons with a Disabling Condition if the proposed Development is located within an LDA.

Applicants will be required to enter into a Memorandum of Understanding (MOU) with at least one designated Special Needs Household Referral Agency that provides supportive services for Persons with a Disabling Condition for the county where the proposed Development is located. For proposed Developments with a HUD contract, Applicants shall establish an owner-adopted preference in admission policies specifically for individuals or families referred by a partnering service agency designated by a Special Needs Household Referral Agency. The deadline for the MOU and demonstration of HUD's approval of the preference policies is 6 months prior to the anticipated placed-in-service date.

- e. In addition to the SAIL funding, ELI gap loan funding, non-competitive Housing Credits, and, bond funding, \$4,598,821 in NHTF Funding will be made available to Applicants with proposed Developments selected for funding to meet the seven (7) new construction goals: three (3) in Medium County and four (4) in Large County. Each of these Applications will receive NHTF Funding and must meet the following NHTF Unit requirements as further outlined in the RFA:
  - (1) Three (3) units that were committed to serving 60% AMI will be deemed NHTF Units;
  - (2) NHTF Units will be committed to serving 22% AMI;
  - (3) NHTF Units must be set aside as Link units for Persons with Special Needs who are referred by a Corporation-designated Special Needs Household Referral Agency; and
  - (4) After 30 years, all of the NHTF Units may convert to serve residents at or below 60 percent AMI.

Examples relating to c., d. and e. above for a proposed Development consisting of 76 total units:

- If not located within an LDA, the Applicant is required to provide 8 ELI Set-Aside units (76 total units x 10%, rounded up to the next whole unit) and 4 of the 8 ELI Set-Aside units must be set aside for Persons with a Disabling Condition (8 ELI Set-Aside units x 50%). If the Application is selected for funding to meet the Medium or Large County, Elderly or Family, New Construction Application goals, the Applicant is also required to provide 3 NHTF Units, in addition to the ELI required units;

or

- If located within an LDA, the Applicant is required to provide 23 ELI Set-Aside units (76 total units x 30%, rounded up to the next whole unit) and 7 of the 23 ELI Set-Aside units must be set aside for Persons with a Disabling Condition (23 ELI Set-Aside units x 30%, rounded up to the next whole unit). If the Application is selected for funding to meet the Medium or Large County, Elderly or Family, New Construction Application goals, the Applicant is also required to provide 3 NHTF Units, in addition to the ELI required units.

f. Limited Development Area (LDA):

(1) Updated LDA Areas

(2) Proposed Developments that qualify as an LDA Development are eligible to be considered for funding only if:

- (a) 30 percent of the total units are set aside as ELI Set-Aside units;
- (b) The proposed Development is classified as RA level 1 or RA Level 2; and
- (c) The percentage of total units that will receive Rental Assistance is greater than 75 percent.

g. Compliance Period for all Developments funded through this RFA:

The Compliance Period committed to includes the units set aside for the Demographic Commitments made in the RFA, which includes the commitments for Link Units, ELI Households, and if funded to meet the Medium County and Large County new construction goals, NHTF Units. The proposed Development must be set aside for a minimum length of 50 years with no option to convert to market after year 14. After 15 years all of the ELI Set-Aside units may convert to serve residents at or below 60 percent AMI, and, after 30 years, all of the NHTF Units may convert to serve residents at or below 60 percent AMI; however, the Persons with Disabling Condition set-aside commitment must be maintained through the entire Compliance Period.

**9. Site Control:**

Applicants must demonstrate site control as of Application Deadline, with an eligible contract (with effective date through at least April 30, 2017), a deed and/or a lease (with a minimum 50 year term). Site control must show the Applicant as the buyer, sole grantee, or lessee, as applicable, and must be demonstrated for all sites if the proposed Development consists of Scattered Sites.

**10. Construction Features and Resident Programs:**

a. Construction Features:

- (1) Required Construction Features – outlined in Item 4 of Exhibit C.
- (2) Additional Green Features must be selected by the Applicant in the Application.

b. Resident Programs:

- (1) Required Resident Programs – outlined in Item 5 of Exhibit C.
- (2) Additional Programs for Family and Elderly Non-ALF Demographics must be selected by the Applicant in the Application.

**11. Local Government Contributions:**

a. Applications with Development Category of Substantial Rehabilitation (with or without Acquisition) automatically qualify for 5 Points.

b. Applications with Development Category of New Construction or Redevelopment (with or without Acquisition) may qualify for points, as follows:

- (1) By providing a Florida Housing Local Government Contributions form(s) (Form Rev. 01-14), demonstrating a monetary grant, loan, fee deferral and/or fee waiver;
- (2) The total value of the contribution(s) must be a dollar amount equal to or greater than amounts listed on the County Contribution List in the RFA;
- (3) The contribution(s) must be in effect as of Application Deadline and must be effective at least through June 30, 2017; and
- (4) Loans and fee deferrals must be net present valued using the discount rate of 5.50%.

**12. Funding:**

a. Corporation Funding Sources:

(1) Eligible SAIL Loan Request Amount – the lesser of:

- \$70,000 per unit;
- If the Development Category is New Construction or Redevelopment (with or without Acquisition), \$7 million per Development;
- If the Development Category is Substantial Rehabilitation (with or without Acquisition), \$5 million per Development; or
- 35% of Total Development Cost

Miami-Dade County Applications must reflect a minimum SAIL Loan Request Amount of \$3 million. If any adjustments are made during the scoring process which cause the Applicant's SAIL Loan Request Amount to fall below \$3 million, the Application will no longer be eligible to be considered for any funding.

The SAIL loan shall be non-amortizing and have an interest rate of 1 percent. The loan subject to the SAIL program requirements, credit underwriting, and loan terms and conditions outlined in Rule Chapter 67-48, F.A.C.

(2) Eligible SAIL ELI Loan Request Amount:

- (a) All Applications are eligible for SAIL ELI gap funding for the required ELI Set-Aside units, not to exceed 10 percent of the total units. Applicants with a proposed Development located within an LDA Area are not eligible to receive the gap funding for the remaining 20 percent ELI requirement.
- (b) The amount of the loan is dependent upon the county where the proposed Development is located and the Development's unit mix. Applicants should use the RFA 2016-109 ELI Maximum Determination Worksheet which is expected to be made available this week on the Corporation website  
<http://www.floridahousing.org/Developers/MultiFamilyPrograms/Competitive/2016-109/> also available by clicking [here](#)) to determine the eligible amount of SAIL ELI gap funding.
- (c) The SAIL ELI Loan shall be forgivable and is subject to the credit underwriting and loan terms and conditions outlined in the RFA.

(3) Tax-Exempt Bonds:

- (a) Applicants electing to use Corporation-issued MMRB must state an MMRB Request Amount. MMRB is issued in increments of \$5,000.
- (b) Applicants electing to use Non-Corporation-issued Tax-Exempt Bonds (i.e., bonds obtained through a Public Housing Authority (established under Chapter 421, F.S.), a County Housing Finance Authority (established pursuant to Section 159.604, F.S.), or a Local Government), must provide a letter from the entity issuing the Bonds that (i) confirms that the Applicant has submitted an application for the Bonds for the proposed Development and (ii) states the amount of the Applicant's Bond request.

A proposed Development is not eligible to apply for any funding offered in this RFA if the Applicant has already closed on the Tax-Exempt Bond financing prior to the Application Deadline or if the Applicant closes on the Tax-Exempt Bond financing prior to the date of the preliminary commitment for the SAIL funding.

(4) Non-Competitive 4% HC:

All Applicants must state the anticipated 4% HC Request Amount and provide:

- (a) The required equity proposal if the Applicant will be syndicating/selling the HC; or
- (b) The required owner's commitment to provide equity if the Applicant will not be syndicating/selling the HC.
- (c) DDA ZCTA (DDA Zip Code Tabulation Area) and QCT Status

"DDA ZCTA" or "DDA Zip Code Tabulation Area," applies only if any of the proposed Development site(s) is/are located within a metropolitan area which has been designated by the Department of Housing and Urban Development (HUD) as a Small Area Difficult Development Area (SADDA) and assigned a ZCTA number at <https://www.huduser.gov/portal/Datasets/qct/DDA2016M.PDF>. This can be determined by entering the applicable information at the HUD mapping software, which can be found at [https://www.huduser.gov/portal/sadda/sadda\\_qct.html](https://www.huduser.gov/portal/sadda/sadda_qct.html)

To be classified as a Development located in a Difficult Development Area (DDA ZCTA) or Qualified Census Tract (QCT), Applicants must indicate the proposed Development's DDA ZCTA/QCT status as of Application Deadline and whether the proposed Development is the first phase or a subsequent phase of a multiphase Development.

The following anticipated sources of funding must be reflected on the Construction/Rehab Analysis and the Permanent Analysis: SAIL Loan amount, SAIL ELI Loan amount, MMRB or Non-Corporation Bonds amount, 4% HC amount, and other Non-Corporation funding sources, as well as Local Government loans and grants for Miami-Dade County Applications.

- b. Developer Fee for this RFA is based on 18% of Development Cost.
- c. Per Unit Construction Funding Preference (for all Counties other than Miami-Dade):
  - (1) Applications with a Development Category of New Construction or Redevelopment (with or without Acquisition) will automatically qualify for the funding preference.
  - (2) Applications with a Development Category of Rehabilitation/Moderate Rehabilitation/Substantial Rehabilitation (with or without Acquisition) will qualify for the funding preference only if the amount listed in the Total column of the Development Cost Pro Forma for Actual Construction Cost divided by the total number of units equals at least \$32,500 per unit.

### **13. Ranking and Funding Selection:**

- a. Eligibility Requirements
  - Submission Requirements
  - Financial Arrearage Requirement
  - LDA Development Conditions, if applicable
  - Minimum Transit Score, if applicable
  - Minimum Proximity Score
  - Mandatory Distance Requirement
  - Minimum Eligible SAIL Request Amount if located in Miami-Dade
  - Total Development Cost Per Unit Limitation
  - All Mandatory Items
- b. Sorting Order:
  - First, by the Application's eligibility for the Per Unit Construction Funding Preference;
  - Next, by the Application's Leveraging Level (excludes ELI Loan amount);
  - Next, by the Application's eligibility for the Florida Job Creation Preference; and
  - Finally, by the Application's lottery number.
- c. Funding Tests:

As each Application is selected for funding, the Total SAIL Request Amount, which is comprised of the Applicant's Eligible SAIL Loan Request Amount plus the Applicant's Eligible SAIL ELI Loan Request Amount, will be deducted from both the Geographic Funding Amount for the applicable county category (Large, Medium or Small) and the Demographic Funding Amount for the applicable Demographic commitment (Family or Elderly).

An Application will not be selected for funding if there is not enough funding available in both the applicable Geographic Category and the Demographic Category.

d. County Award Tally:

As each Application is selected for funding, 1 Application will be credited to the applicable county's County Award Tally.

e. Funding Selection

For purposes of the funding selection, Applications with the Development Category of New Construction, Redevelopment, or Acquisition and Redevelopment at question 5.c.(1) of Exhibit A will qualify as New Construction Applications and Applications with the Demographic Commitment of Elderly (ALF or Non-ALF) at question 2.b. of Exhibit A will qualify as Elderly Applications.

(1) Goal to Fund one (1) Elderly, Large County, New Construction Application

- (a) The first Application selected for funding will be the highest ranking eligible Elderly, Large County, New Construction Application that is located in Miami-Dade County.
- (b) If there are no eligible Miami-Dade Applications that qualify for this goal, then the highest ranking eligible Elderly, Large County, New Construction Application that is located in Broward County will be selected for funding. If there are no eligible Broward County Applications that qualify for this goal, then the highest ranking eligible Elderly, Large County, New Construction Application that is located in any large county, other than Miami-Dade or Broward, will be selected for funding.

The Application that is selected to meet this goal will be awarded NHTF Funding and be required to meet the requirements outlined in the RFA.

(2) Goal to Fund three (3) Family, Large County, New Construction Applications

- (a) If a Miami-Dade Application was not selected to meet the goal to fund one (1) Elderly, Large County, New Construction Application, the highest ranking eligible Family, Large County, New Construction Application that is located in Miami-Dade County will be selected for funding.
- (b) The highest ranking eligible Family, Large County, New Construction Applications that are located in any Large County will be selected for funding until this goal is met, subject to the County Award Tally and both Funding Tests.

The Applications that are selected to meet this goal will be awarded NHTF Funding and be required to meet the requirements outlined in the RFA.

(3) Goal to Fund two (2) Family, Medium County, New Construction Applications

The Applications selected for funding will be the highest ranking eligible Family, Medium County, New Construction Applications, subject to the County Award Tally and Funding Tests.

The Applications that are selected to meet this goal will be awarded NHTF Funding and be required to meet the requirements outlined in the RFA.

(4) Goal to Fund one (1) Elderly, Medium County, New Construction Application

The Application selected for funding will be the highest ranking eligible Elderly, Medium County, New Construction Application, subject to the County Award Tally and Funding Tests.

The Application that is selected to meet this goal will be awarded NHTF Funding and be required to meet the requirements outlined in the RFA.

(5) Small County Applications

The highest ranking eligible unfunded Small County Applications, regardless of the Development Category, will be selected for funding, subject to the SAIL Funding Tests and the County Award Tally.

If funding remains and none of the eligible unfunded Small County Applications can meet both of the SAIL Funding Tests, the remaining Small County Geographic funding will be allocated to the Medium County Geographic Category and to the Large County Geographic Category on a pro-rata basis based on the geographic distribution adjusted to meet the requirements of Section 420.5087, F.S.

(6) Medium County Applications

The highest ranking eligible unfunded Medium County Applications, regardless of the Development Category, will be selected for funding, subject to the SAIL Funding Tests and the County Award Tally.

If funding remains and none of the eligible unfunded Medium County Applications can meet both of the SAIL Funding Tests, the remaining Medium County Geographic funding will be allocated to the Large County Geographic Category.

(7) Large County Applications

(a) The highest ranking eligible unfunded Large County Applications, regardless of Development Category, will be selected for funding, subject to the Funding Tests and County Award Tally.

(b) If funding remains and no eligible unfunded Large County Applications can meet the Funding Tests, then no further Applications will be selected for funding and the remaining funding will be distributed as approved by the Board.

**14. Time Line**

**15. Other Discussion Topics**