

**REQUEST FOR APPLICATIONS 2017-104**

**SAIL FUNDING TO PRESERVE FARMWORKER AND COMMERCIAL FISHING  
WORKER HOUSING**

**Issued By:**

**FLORIDA HOUSING FINANCE CORPORATION**

**Issued: March 2, 2017**

**Due: March 31, 2017**

## **SECTION ONE INTRODUCTION**

This Request for Applications (RFA) is open to Applicants proposing the Substantial Rehabilitation or Acquisition and Substantial Rehabilitation of existing Farmworker or Commercial Fishing Worker Developments that are currently in the Corporation's portfolio and/or the United States Department of Agriculture Rural Development (RD) portfolio. The Developments eligible to compete for the State Apartment Incentive Loan (SAIL) Program funding offered in this RFA and the required criteria that must be met to be eligible to be considered for this funding are further outlined in Section Four of the RFA.

Florida Housing Finance Corporation (the Corporation) expects to offer an estimated \$5,750,000, comprised of the Farmworker/Commercial Fishing Worker Demographic portion of the SAIL funding appropriated by the 2016 Florida Legislature as well as SAIL Program income.

The Corporation is soliciting applications from qualified Applicants that commit to provide housing in accordance with the terms and conditions of this RFA, inclusive of Exhibits A, B, C, and D, applicable laws, rules and regulations, and the Corporation's generally applicable construction and financial standards.

## **SECTION TWO DEFINITIONS**

Capitalized terms within this RFA shall have the meaning as set forth in Exhibit D of the RFA, Rule Chapter 67-60, F.A.C., or in applicable federal regulations.

## **SECTION THREE PROCEDURES AND PROVISIONS**

### A. Submission Requirements.

A complete Application for this RFA consists of the Application and Development Cost Pro Forma found at Exhibit A of the RFA and the Applicant Certification and Acknowledgement form and other applicable verification forms found at Exhibit B of the RFA), as well as all other applicable documentation to be provided by the Applicant, as outlined in Section Four of the RFA.

1. The Application Deadline is **11:00 a.m., Eastern Time, on March 31, 2017**. To meet the submission requirements, prior to the Application Deadline the Applicant must do all of the following for its Application:
  - a. Download and complete the Application and Development Cost Pro Forma found at <http://www.floridahousing.org/Developers/MultiFamilyPrograms/Competitive/2017-104/>. The download process may take several minutes. Applicants should save the files with a file name that is unique to that Application.
  - b. Next, when the Applicant is ready to submit the completed Application and Development Cost Pro Forma to the Corporation, the Applicant must go to the webpage <http://www.floridahousing.org/Developers/MultiFamilyPrograms/>

Competitive/2017-104/ (also available by clicking [here](#)) and click the link to login and upload the completed Application and Development Cost Pro Forma. To upload the Application and Development Cost Pro Forma, a username and password must be entered. If the Applicant has not previously created a username and password, the Applicant will need to create one prior to the upload process.

- c. After successfully logging in, click “Upload Application.” The Applicant must also enter the Development Name, click “Browse” to locate the completed Application and Development Cost Pro Forma that were saved on the Applicant’s computer, and then click “Upload Selected File.” The selected Application will then be listed as an Uploaded Application (consisting of the Application and the Development Cost Pro Forma) and its assigned Response Number will be visible in the first column.
- d. Next, to view and print the Uploaded Application (the completed Application and Development Cost Pro Forma), the Applicant must click “Print Application for Submission to Florida Housing.” The assigned Response Number will be reflected on each page of the printed Uploaded Application. The Applicant must submit four (4) printed copies of the Uploaded Application to the Corporation, as outlined in item e. below.

Note: If the Applicant clicks “Delete” prior to the Application Deadline, the Application will no longer be considered an Uploaded Application and the Applicant will be required to upload the complete Application and the Development Cost Pro Forma again in order for these documents to be considered an Uploaded Application. This will generate a new Response Number.

- e. The Applicant must provide to the Corporation by the Application Deadline sealed package(s) containing four (4) printed copies of the final Uploaded Application with all applicable attachments, as outlined in Section Four, with each copy housed in a separate 3-ring-binder with numbered divider tabs for each attachment. The final assigned Response Number should be reflected on each page of the printed Application and Development Cost Pro Forma.
  - (1) One (1) printed copy of the complete Uploaded Application with all applicable attachments must be labeled “Original Hard Copy” and must include the following items:
    - (a) The required non-refundable \$3,000 Application fee, payable to Florida Housing Finance Corporation (check or money order only); and
    - (b) The Applicant Certification and Acknowledgement form with an original signature (blue ink preferred); and
  - (2) The remaining three (3) printed copies of the complete Uploaded Application with all applicable attachments should be labeled “Copy.”
- f. The Applicant should label the outside of each shipping box with the applicable RFA number. The Corporation will not consider faxed or e-mailed Applications.

2. After 11:00 a.m., Eastern Time, on the Application Deadline, each Application for which hard copies are received by the Application Deadline will be assigned an Application number. In addition, these Applications will be assigned a lottery number by having the Corporation's internal auditors run the total number of Applications received through a random number generator program.

The printed copies of the complete Application must be addressed to:

Ken Reecy  
Director of Multifamily Programs  
Florida Housing Finance Corporation  
227 N. Bronough Street, Suite 5000, Tallahassee, FL 32301

If any of the printed copies of the Application and/or Development Cost Pro Forma are not identical to the complete Uploaded Application, the Uploaded Application will be utilized for scoring purposes.

Pursuant to subsection 67-60.004(2), F.A.C., any Applicant may request withdrawal of its Application from a competitive solicitation by filing a written notice of withdrawal with the Corporation Clerk. For purposes of the funding selection process, the Corporation shall not accept any Application withdrawal request that is submitted between 5:00 p.m., Eastern Time, on the last business day before the date the scoring committee meets to make its recommendations until after the Board has taken action on the scoring committee's recommendations, and such Application shall be included in the funding selection process as if no withdrawal request had been submitted. Any funding or allocation that becomes available after such withdrawal is accepted shall be treated as returned funds and disposed of according to Section B.2.(f) of the RFA.

B. This RFA does not commit the Corporation to award any funding to any Applicant or to pay any costs incurred in the preparation or delivery of an Application.

C. Florida Housing reserves the right to:

1. Waive Minor Irregularities; and
2. Accept or reject any or all Applications received as a result of this RFA.

D. Any interested party may submit any inquiry regarding this RFA in writing to the Director of Multifamily Programs via e-mail at RFA\_2017-104\_Questions@floridahousing.org. The subject line of the e-mail should reference RFA 2017-104. All inquiries are due by 5:00 p.m., Eastern Time, on March 13, 2017. Phone calls or written inquiries other than at the above e-mail address will not be accepted. The Corporation expects to respond to all inquiries by 5:00 p.m., Eastern Time, on March 17, 2017 and will post a copy of all inquiries received, and their answers, on the Corporation's Website <http://www.floridahousing.org/Developers/MultiFamilyPrograms/Competitive/2017-104/> . The Corporation will also send a copy of those inquiries and answers in writing to any interested party that requests a copy. The Corporation will determine the method of sending its answers, which may include regular United States mail, overnight delivery, fax, e-mail, or any combination of the above. No other means of communication, whether oral or written, shall be construed as an official response or statement from the Corporation.

E. Any person who wishes to protest the specifications of this RFA must file a protest in compliance with Section 120.57(3), Fla. Stat., and Rule Chapter 28-110, F.A.C. Failure to file a protest within the time prescribed in Section 120.57(3), Fla. Stat., shall constitute a waiver of proceedings under Chapter 120, Fla. Stat.

F. By submitting this Application, each Applicant agrees to the terms and conditions outlined in the RFA. By inclusion of Exhibit A of the RFA, along with all applicable attachments thereto, each Applicant certifies that:

1. **Public Records.** Any material submitted in response to this RFA is a public record pursuant to Chapter 119, Fla. Stat. Per Section 119.071(1)(b)2., the sealed Applications received by the Corporation are exempt from disclosure until such time as the Board provides notice of an intended decision or until 30 Calendar Days after the opening of the sealed Applications, whichever is earlier.

2. **Noninterference.** At no time during the review and evaluation process, commencing with the Application Deadline and continuing until the Board renders a final decision on the RFA, may Applicants or their representatives contact Board members or Corporation staff, except Corporation legal staff, concerning their own or any other Applicant's Application. If an Applicant or its representative does contact a Board or staff member in violation of this section, the Board shall, upon a determination that such contact was made in an attempt to influence the selection process, disqualify the Application.

3. **Requirements.** Proposed Developments funded with SAIL funding under this RFA will be subject to the requirements of the RFA, the Application requirements outlined in Rule Chapter 67-60, F.A.C., the definitions and SAIL loan credit underwriting, loan terms and conditions, and program requirements outlined in Exhibit D of the RFA, and the Compliance requirements of Rule Chapter 67-53, F.A.C.

G. The Corporation expects to select one (1) or more Applications to award the funding contemplated by this RFA. Any such Applications will be selected through the Corporation's review of each Application, considering the factors identified in this RFA.

#### **SECTION FOUR INFORMATION TO BE PROVIDED IN APPLICATION**

The Applicant must provide a completed Application and Development Cost Pro Forma found in Exhibit A to RFA 2017-104, along with all applicable attachments thereto, including the applicable certification forms set out in Exhibit B of the RFA, which includes the following information.

##### **A. Exhibit A Items:**

##### **1. Applicant Certification and Acknowledgement:**

The Applicant must include a signed Applicant Certification and Acknowledgement form as **Attachment 1** to Exhibit A to indicate the Applicant's certification and acknowledgement of the provisions and requirements of the RFA. The form included in the copy of the Application labeled "Original Hard Copy" must reflect an original signature (blue ink is preferred). The Applicant Certification and Acknowledgement form is provided in Exhibit B of this RFA and on the Corporation's Website

<http://www.floridahousing.org/Developers/MultiFamilyPrograms/Competitive/2017->

104/RelatedForms/ (also accessible by clicking [here](#)). Note: If the Applicant provides any version of the Applicant Certification and Acknowledgement form other than the version included in this RFA, the form will not be considered.

**2. Demographic Served:**

a. Development Eligibility Requirements:

In order for an existing Farmworker or Commercial Fishing Worker Development to be eligible to be considered for funding under this RFA, the Development must be a property in the Corporation’s portfolio and/or RD’s portfolio that, as of Application Deadline, meets the applicable qualifying conditions outlined below. The Applicant must indicate at question 2.a. of Exhibit A which qualifying conditions the proposed Development meets.

(1) The Development is in the Corporation’s Portfolio (and may also be in RD’s portfolio) and meets the following qualifying conditions:

- (a) As of the Application Deadline, the existing Development currently has at least 40 percent of its units set aside for Farmworker or Commercial Fishing Worker residents (whichever Demographic is selected at question 2.b. of Exhibit A) pursuant to an active Corporation-issued Land Use Restriction Agreement and does not have any waivers under consideration by the Corporation (either existing or pending) to lower the Demographic set-aside percentage below 40 percent;
- (b) The existing Development must have received an award of funding from the Corporation through an Application submitted in 2002 or earlier under either the SAIL Program or the HOME Investment Partnerships (HOME-Rental) Program, and the applicable loan has closed;
- (c) The existing Development must not have closed on funding from any source after 2007 where the budget was at least \$10,000 per unit for rehabilitation in any year; and
- (d) The existing Development does not have an active award of SAIL funding under RFA 2014-117 or 2016-104.

or

(2) The Development is in RD’s Portfolio, is not also in the Corporation’s portfolio, and meets the following qualifying conditions:

- (a) The location of the existing Development is NOT within a County or an area of a County that is included on the following Limited Development Area (LDA) Chart:

County	Location Description
Broward	Entire County
Collier	Beginning at the county line and CR 858/CR S858/Oil Well Road, follow CR 858/CR S858/Oil Well Road west to SR 29. Follow SR 29 north to a point directly east of Ranch One Road. Follow this point to Ranch One Road. Follow Ranch One Road west to Camp Keais Road. Follow Camp Keais Road north to CR 846/Immokalee Road. Follow CR 846 /Immokalee Road

	west to SR 849 / Sanctuary Road N to the northernmost point. Continue north from this point to the county line. Follow the county line east then south to CR 858 / CR S858/ Oil Well Road.
Columbia	Entire County
DeSoto	Entire County
Gadsden	Entire County
Hamilton	Entire County
Hardee	Entire County
Hendry	Entire County
Highlands	Entire County
Indian River	Entire County
Martin	Beginning at the intersection of CR 714/SW Martin Highway and I-95, follow I-95 southeast to CR 76A/SW 48 <sup>th</sup> Avenue/CR 726/SW Citrus Blvd. Follow CR 76A/SW 48 <sup>th</sup> Avenue/CR 726/SW Citrus Blvd southwest to SR 710/Warfield Highway/Warfield Blvd. Follow SR 710/Warfield Highway/Warfield Blvd. southeast to the county line. Follow the county line along the western boundary to CR 714/SW Martin Highway. Follow CR 714/SW Martin Highway east to I-95.
Polk	Entire County
Volusia	Entire County

If the existing Development is located within a county where only a portion of the county is included on the LDA Chart, the Corporation will verify whether the Development Location Point stated at question 5.b.(3) of Exhibit A is within the boundaries of the area designated as an LDA in order to determine whether this qualifying condition has been met. To make such determination, Street Atlas USA 2015, published by DeLorme, will be used. If Street Atlas does not recognize the Development Location Point, then the Development Location Point will be deemed to be located within the area designated as an LDA and the Applicant will fail to meet this qualifying condition;

- (b) The Applicant selected the Farmworker Demographic at question 2.b. of Exhibit A;
- (c) The existing Development must not have closed on funding from any source after 2007 where the budget was at least \$10,000 per unit for rehabilitation in any year; and
- (d) As of the Application Deadline, the existing Development currently has at least 40 percent of its units set aside for farmworker residents, as defined by RD, pursuant to an active agreement through RD Section 514/516, does not have any waivers under consideration by RD (either short-term or permanent, existing or pending) to lower the farmworker set-aside percentage below 40 percent, and has received an award of RD Section 514/516 financing in 2002 or earlier.

To document that the proposed Development meets the above requirements, the Applicant must provide a letter from RD, dated within six (6) months of the Application Deadline, as **Attachment 2** to Exhibit A, which includes the following information:

- Name of the Development (which may be the name at the time of the award of the RD financing), as well as the name of the proposed Development, if different;
  - Address of the Development;
  - Year built;
  - All RD financing and/or rental assistance programs that will be associated with the proposed Development;
  - Loan balance of any existing RD loan(s) on the property;
  - Confirmation that there are no waivers under consideration by RD (either short-term or permanent, existing or pending) to lower the set-aside percentage below 40 percent;
  - Confirmation that there is an active agreement through RD Section 514/516 for financing awarded in 2002 or earlier; and
  - Confirmation that the existing Development has not closed on funding from RD after 2007 where the budget was at least \$10,000 per unit for rehabilitation in any year.
- b. The Applicant must indicate the Demographic that is currently being served and that will continue to be served at the Development by selecting one (1) of the following Demographic Commitments:

(1) Farmworker

or

(2) Commercial Fishing Worker

- c. Description of the Demographic Population Served:

Applicants must describe the population to be served. For the Corporation to better understand the proposed Development, Applicants must include a description of the subpopulation(s) of the individuals and/or families residing and/or intended to reside in the Development. This information will be considered by the Corporation when reviewing and scoring how the Applicant's responses to scored sections of the RFA will assist the intended residents. Applicants must provide a detailed description of the resident household characteristics, needs and preferences of the intended residents and how the proposed Development will meet these needs and preferences.

The Applicant's description is limited to no more than two (2) typed pages within the text box at question 2.c. of Exhibit A. Note: Although the online Application system allows for more than two (2) pages, any portion of the description that is beyond two (2) pages will not be considered.

### 3. Applicant Information:

- a. The Applicant must state the name of the Applicant.
- b. The Applicant must be a legally formed entity [i.e., limited partnership, limited liability company, etc.] qualified to do business in the state of Florida as of the Application Deadline. The Applicant must include, as **Attachment 3** to Exhibit A, evidence from the Florida Department of State, Division of Corporations, that



the Applicant satisfies the foregoing requirements; such evidence may be in the form of a certificate of status or other reasonably reliable information or documentation issued, published or made available by the Florida Department of State, Division of Corporations.

- c. An Applicant that indicates at question 3.c. of Exhibit A that it is applying as a Non-Profit will only be considered to be a Non-Profit, for purposes of this RFA, if the Applicant meets the definition of Non-Profit as set out in Exhibit D to the RFA, completes the questions at question 3.c. of Exhibit A, and provides the following information for each Non-Profit entity as **Attachment 4** to Exhibit A.

- (1) The IRS determination letter;
- (2) A description/explanation of how the Non-Profit entity is substantially and materially participating in the management and operation of the Development (i.e., the role of the Non-Profit);
- (3) The names and addresses of the members of the governing board of the Non-Profit entity; and
- (4) The articles of incorporation demonstrating that one of the purposes of the Non-Profit entity is to foster low income housing.

Any Applicant that applies as a Non-Profit but is not considered to be a Non-Profit will still be eligible to be considered for funding as a for-profit entity.

As outlined in Section Four A.12.c. of the RFA, Applicants that qualify as a Non-Profit and select the Acquisition and Substantial Rehabilitation Development Category at question 5.d. of Exhibit A will be eligible to receive a higher Developer fee.

- d. Principals for the Applicant and for each Developer.

All Applicants must provide a list, as **Attachment 5** to Exhibit A, identifying the Principals for the Applicant and for each Developer, as follows:

- (1) For a Limited Partnership, provide a list identifying the following: (a) the Principals of the Applicant as of the Application Deadline and (b) the Principals for each Developer as of the Application Deadline. This list must include warrant holders and/or option holders of the proposed Development.
- (2) For a Limited Liability Company, provide a list identifying the following: (a) the Principals of the Applicant as of the Application Deadline and (b) the Principals for each Developer as of the Application Deadline. This list must include warrant holders and/or option holders of the proposed Development.
- (3) For a Corporation and all other entities, provide a list identifying the following: (a) the Principals of the Applicant as of the Application Deadline and (b) the Principals for each Developer as of the Application Deadline.

This eligibility requirement may be met by providing a copy of the list of Principals that was reviewed and approved by the Corporation during the advance-review process.

To assist the Applicant in compiling the listing, the Corporation has included additional information at Item 2 of Exhibit C.

e. Contact Person.

Enter the requested information for the Contact Person. At a minimum, the Applicant must provide the name and e-mail address of the Contact Person.

**4. General Developer and Management Company Information:**

a. General Developer Information:

(1) The Applicant must state the name of each Developer, including all co-Developers.

(2) Each Developer entity identified at question 4.a.(1) of Exhibit A (that is not a natural person) must be a legally formed entity qualified to do business in the state of Florida as of the Application Deadline. For each stated Developer entity that is not a natural person, provide, as **Attachment 6** to Exhibit A, evidence from the Florida Department of State, Division of Corporations, that the Developer satisfies the foregoing requirements; such evidence may be in the form of a certificate of status or other reasonably reliable information or documentation issued, published or made available by the Florida Department of State, Division of Corporations.

(3) General Development Experience:

The Applicant must demonstrate that at least one (1) Principal, which must be a natural person, of the Developer entity, or if more than one (1) Developer entity, at least one (1) Principal, which must be a natural person, of at least one (1) of the Developer entities, meets the General Development Experience requirements as outlined in (a) and (b) below.

(a) General Development Experience:

A Principal, which must be a natural person of each experienced Developer entity must have, since January 1, 1997, completed at least two (2) affordable rental housing developments. At least one (1) of the two (2) 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. For purposes of this provision, completed for the two (2) developments means (i) that the temporary or final certificate of occupancy has been issued for at least one (1) unit in one of the residential apartment buildings within the development, or (ii) if funded with Housing Credits, that at least one (1) IRS Form 8609 has been issued for one of the residential apartment buildings within the development. As used in this section, a Housing Credit development that contains multiple buildings is a single development regardless of the number of buildings within the development for which an IRS Form 8609 has been issued.

If the experience of a natural person Principal for a Developer entity listed in this Application was acquired from a previous affordable housing Developer entity, the natural person Principal must have also

been a Principal of that previous Developer entity as the term Principal was defined by the Corporation at that time.

(b) Prior General Development Experience Chart:

The Applicant must provide, as **Attachment 6** to Exhibit A, a prior experience chart for each natural person Principal intending to meet the minimum general development experience reflecting the required information for the two (2) completed affordable rental housing developments.

Each prior experience chart must include the following information:

Prior General Development Experience Chart				
Name of natural person Principal with the Required Experience: _____				
Name of Developer Entity (for the proposed Development) for which the above individual is a Principal: _____				
Name of Development	Location (City & State)	Affordable Housing Program that Provided Financing (e.g., Housing Credits, Tax-Exempt Bonds, HOME, SAIL, etc.)	Total Number of Units	Year Completed

b. General Management Company Information:

The Applicant must identify the Management Company at question 4.b.(1) of Exhibit A and provide, as **Attachment 7** to Exhibit A, a prior experience chart for the Management Company or a principal of Management Company demonstrating experience in the management of at least two (2) affordable rental housing properties, (i.e., properties funded through an affordable housing program such as Housing Credits, Tax-Exempt Bonds, Home, SAIL, etc.), at least one (1) of which consists of a total number of units no less than 50 percent of the total number of units in the proposed Development (the “50 percent” requirement), for at least two (2) years each. If the Applicant is the current owner of the Development and the Demographic Category of Substantial Rehabilitation was selected at question 5.e. of Exhibit A, the proposed Development may be listed as one (1) of the two (2) affordable rental housing properties, in which case the 50 percent requirement will automatically be met.

The prior experience chart must include the following information:

Prior General Management Experience Chart				
Name of Management Company or a Principal of the Management Company with the Required Experience: _____				
Name of Development	Location (City & State)	Currently Managing or Formerly Managed	Length of Time (Number of Years)	Total Number of Units

The Management Company identified at question 4.b.(1) of Exhibit A and the Management Company used to earn points at question 9 of Exhibit A must be the same entity.

**5. General Development Information:**

Unless stated otherwise, all information requested in the RFA pertains to the Development proposed in this Application.

- a. The Applicant must state the name of the proposed Development.
- b. Location of Development site:

(1) County:

The Applicant must indicate the county in which the proposed Development is located.

**Large, Medium and Small County Geographic Categories**

Large	Medium		Small	
Broward	Alachua	Manatee	Baker	Jefferson
Duval	Bay	Marion	Bradford	Lafayette
Hillsborough	Brevard	Martin	Calhoun	Levy
Miami-Dade	Charlotte	Okaloosa	Columbia	Liberty
Orange	Citrus	Osceola	De Soto	Madison
Palm Beach	Clay	Pasco	Dixie	Monroe
Pinellas	Collier	Polk	Franklin	Nassau
	Escambia	St. Johns	Gadsden	Okeechobee
	Flagler	St. Lucie	Gilchrist	Putnam
	Hernando	Santa Rosa	Glades	Suwannee
	Highlands	Sarasota	Gulf	Taylor
	Indian River	Seminole	Hamilton	Union
	Lake	Sumter	Hardee	Wakulla
	Lee	Volusia	Hendry	Walton
	Leon		Holmes	Washington
			Jackson	

(2) The Address of the Development Site:

- (a) The Applicant must indicate the address number, street name, and name of city. If the proposed Development consists of Scattered Sites as outlined in (b) below, the Applicant must provide the Address for each Scattered Site.
- (b) The Applicant must indicate whether the proposed Development meets the definition of Scattered Sites.

If the proposed Development consists of Scattered Sites:

- (i) For Developments located in all Counties except Monroe County, a part of the boundary of each Scattered Site must be located within 1/2 mile of the Scattered Site with the most units. For Developments located in Monroe County, a part of the boundary of each Scattered Site must be located within 20 miles of the Scattered Site with the most units;
- (ii) Site control must be demonstrated in the Application for all of the Scattered Sites, as outlined in Section Four A.6. of the RFA.

- (iii) During the credit underwriting process, the Applicant must demonstrate that the Development meets the requirements of this RFA; and
- (iv) All Scattered Sites must be located in the same county.

(3) Latitude and Longitude Coordinates:

- (a) All Applicants must identify, at question 5.b.(3)(a) of Exhibit A, a Development Location Point stated in decimal degrees, truncated to the fifth decimal point\*, for the proposed Development site. If the proposed Development consists of Scattered Sites, the Development Location Point must be on the site with the most units, as required for a Scattered Site Development, and the Applicant must provide the requested information in (3)(b) below.
- (b) If the proposed Development consists of Scattered Sites, the Applicant must provide, for each Scattered Site, the latitude and longitude coordinates of one point located anywhere on the Scattered Site at question 5.a.(3)(b) of Exhibit A. The coordinates must be stated in decimal degrees and truncated to the fifth decimal point\*.

\*For example, 30.4439369, -84.2842679 truncated to the fifth decimal point should be represented as 30.44393, -84.28426.

The latitude and longitude coordinates for the Development Location Point and any Scattered Sites will be plotted by the Corporation, using Street Atlas USA 2015, published by DeLorme, to (i) verify that the stated coordinates are located within the county identified by the Applicant at question 5.b.(1) of Exhibit A; and (ii) determine whether the proposed Development qualifies as an LDA Development as outlined in Section Four A.2.a.(2) of the RFA.

c. Number of Units:

(1) Existing Development –

State the total number of units in the existing development.

(2) Proposed Development –

State the total number of units in the proposed Development.

Note: The total number of units in the proposed Development cannot be less than 90 percent of the existing total number of units (rounded up to the next whole unit).

d. Development Category:

Indicate the applicable Development Category for the proposed Development:

(1) Substantial Rehabilitation.

The Applicant is eligible to select this Development Category only if it is the current owner of the Development and will maintain ownership of the Development after the rehabilitation work is completed.

(2) Acquisition and Substantial Rehabilitation.

The Applicant is eligible to select this Development Category only if it expects to acquire the existing Development and will maintain ownership of the Development after the rehabilitation work is completed.

For both (1) and (2) above, the Application must reflect an amount of at least \$15,000 per unit when the amount listed in the Total column of the Development Cost Pro Forma for the Development Cost line item A1.1. Actual Construction Cost is divided by the total number of proposed units (as stated by the Applicant at question 5.c.(2) of Exhibit A).

During the credit underwriting process the Applicant will be required to develop and implement a plan for relocation of existing tenants, as further outlined in Item 7 of Exhibit C.

e. Required Construction Features:

All Applicants must provide the required construction features, as follows:

(1) Accessibility, Universal Design and Visitability features :

(a) All units of the proposed Development must meet all federal requirements and state building code requirements, including the following:

- 2012 Florida Accessibility Code for Building Construction as adopted pursuant to Section 553.503, Florida Statutes;
- The Fair Housing Act as implemented by 24 CFR 100, including the Affirmative Fair Housing Marketing Plan\*;
- Section 504 of the Rehabilitation Act of 1973\*;
- The Violence Against Women Reauthorization Act of 2013\*; and
- Titles II and III of the Americans with Disabilities Act of 1990 as implemented by 28 CFR 35, incorporating the most recent amendments, regulations and rules\*.

\* Available on the Corporation's website at <http://www.floridahousing.org/Developers/MultiFamilyPrograms/Competitive/2017-104/OtherInformation/> (also available by clicking [here](#)).

For purposes of the SAIL Program, SAIL funding shall be deemed "Federal financial assistance" within the meaning of that term as used in Section 504 of the Rehabilitation Act of 1973, as implemented by 24 CFR Part 8 for all SAIL Developments, as further outlined in Section 5.p. of Exhibit D of the RFA.

All units must meet accessibility standards of Section 504. Section 504 accessibility standards require a minimum of 5 percent of the total dwelling units, but not fewer than 1 unit, to be accessible for individuals with mobility impairments. An additional 2 percent of the total units, but not fewer than 1 unit, must be accessible for persons with hearing or vision impairments.

- (b) All rehabilitation units that are located on an accessible route must incorporate the features listed below to the maximum extent feasible within the scope of the rehabilitation work planned by the Applicant. The maximum extent feasible shall be determined by the scope of work and the construction features that are affected by the rehabilitation work. Any major change affecting the features such as remodeling, renovation, rearrangement of structural parts or walls or full-height partitions requires compliance with accessibility requirements below. For the purposes of this RFA, normal maintenance, re-roofing, painting or wallpapering, or changes to mechanical and electrical systems are not considered alterations.

Where an alteration affects a construction feature, accessibility is required to the maximum extent feasible:

- Primary entrance door shall have a threshold with no more than a ½-inch rise;
- All door handles on primary entrance door and interior doors must have lever handles;
- Lever handles on all bathroom faucets and kitchen sink faucets;
- Mid-point on light switches and thermostats shall not be more than 48 inches above finished floor level;
- Cabinet drawer handles and cabinet door handles in bathroom and kitchen shall be lever or D-pull type that operate easily using a single closed fist; and
- Provide reinforced walls for future installation of grab bars that meet or exceed 2010 ADA Standards for Accessible Design around each tub/shower unit in each dwelling unit. At the request of and at no charge to a resident household, the Development shall purchase and install grab bars around each tub/shower unit in the dwelling unit. The product specifications and installation must meet or exceed 2010 ADA Standards for Accessible Design. The Development shall inform a prospective resident that the Development, upon a resident household's request and at no charge to the household, will install grab bars around a dwelling unit's tub/shower unit, pursuant to the 2010 ADA Standards. At a minimum, the Development shall inform each prospective lessee by including language in the Development's written materials listing and describing the unit's features, as well as including the language in each household's lease.

- (2) Green Building Features (when replaced as part of rehabilitation or in the future when replaced):

- Low or No-VOC paint for all interior walls (Low-VOC means 50 grams per liter or less for flat; 150 grams per liter or less for non-flat paint);
- Low-flow water fixtures in bathrooms—WaterSense labeled products or the following specifications:
  - Faucets: 1.5 gallons/minute or less, and
  - Showerheads: 2.0 gallons/minute or less;
- Energy Star certified refrigerator;
- Energy Star certified ventilation fan in all bathrooms;
- In unit air conditioners must be Energy Star certified or have a minimum SEER of 15;
- Packaged units with a minimum efficiency of 13.8 EER are allowed in Zero Bedroom Units and one-bedroom units when replacing existing packaged units;
- Caulk, weather-strip, or otherwise seal all holes, gaps, cracks, penetrations, and electrical receptacles in building envelope; and
- Seal and insulate heating and cooling system ducts with mastic or metal backed tape.

#### 6. Site Control:

The Applicant must demonstrate site control by providing, as **Attachment 8** to Exhibit A, the documentation required in Items a., b., and/or c., as indicated below. If the proposed Development consists of Scattered Sites, site control must be demonstrated for all of the Scattered Sites.

- a. Eligible Contract - For purposes of the RFA, an eligible contract is one that has a term that does not expire before September 30, 2017 or that contains extension options exercisable by the purchaser and conditioned solely upon payment of additional monies which, if exercised, would extend the term to a date that is not earlier than September 30, 2017; specifically states that the buyer's remedy for default on the part of the seller includes or is specific performance; and the buyer **MUST** be the Applicant unless an assignment of the eligible contract which assigns all of the buyer's rights, title and interests in the eligible contract to the Applicant, is provided. Any assignment must be signed by the assignor and the assignee. If the owner of the subject property is not a party to the eligible contract, all documents evidencing intermediate contracts, agreements, assignments, options, or conveyances of any kind between or among the owner, the Applicant, or other parties, must be provided, and, if a contract, must contain the following elements of an eligible contract: (i) have a term that does not expire before September 30, 2017 or contain extension options exercisable by the purchaser and conditioned solely upon payment of additional monies which, if exercised, would extend the term to a date that is not earlier than September 30, 2017, and (ii) specifically state that the buyer's remedy for default on the part of the seller includes or is specific performance.
- b. Deed or Certificate of Title – The deed or certificate of title (in the event the property was acquired through foreclosure) must be recorded in the county in which the property is located and show the Applicant as the sole Grantee.



- c. Lease - The lease must have an unexpired term of at least 30 years after the Application Deadline and the lessee must be the Applicant. If the owner of the subject property is not a party to the lease, all documents evidencing intermediate leases, subleases, assignments, or agreements of any kind between or among the owner, the lessor, or any sublessee, assignor, assignee, and the Applicant, or other parties, must be provided, and if a lease, must have an unexpired term of at least 30 years after the Application Deadline. Any assignment must be signed by the assignor and the assignee.

## 7. Set-Aside Commitments:

- a. Income Minimum Set-Aside Requirement:

The Applicant must set aside 100 percent of the proposed Development's total units at 60 percent AMI or less, of which at least 20 percent of the total units must be set aside at 50 percent AMI or less.

- b. Demographic Minimum Set-Aside Requirement:

- (1) To be eligible to receive funding under this RFA, Applicants must commit, at question 7.a. of Exhibit A, to set aside either 40 percent or 80 percent of the proposed Development's total units to serve Farmworkers or Commercial Fishing Workers, based on the Demographic selected by the Applicant at question 2.b. of Exhibit A (the "40 Percent Minimum Set-Aside" or the "80 Percent Minimum Set-Aside"). The selected set-aside commitment will be included in the Land Use Restriction Agreement for the SAIL loan awarded under this RFA and must be maintained throughout the affordability period, unless the Board approves a change.
- (2) As outlined in Section Four A.12.a. of the RFA, Applicants that commit to the 80 Percent Minimum Set-Aside will be eligible to receive a more favorable interest rate for the SAIL loan requested in this RFA than Applicants that commit to the 40 Percent Minimum Set-Aside.

- c. ELI Set-Aside Requirement:

- (1) Applicants that commit to the 40 Percent Minimum Set-Aside (at question 7.a. of Exhibit A) must commit to set aside a minimum of 2 units for ELI Households.

The requirement to set aside units for ELI Households refers to the 2017 ELI Area Median Income (AMI) level for the county where the proposed Development is located. Because, as of the issuance date of this RFA, HUD has not issued the Multifamily Tax Subsidy Income Limits for fiscal year 2017, Applicants should refer to the ELI County Chart set out below for purposes of completing the Application. The Corporation will notify the Applicants selected for funding of the actual 2017 ELI AMI level at the time the preliminary commitment is issued and the ELI Set-Aside units committed to by the Applicant in its Application will be required to be set aside at the 2017 ELI AMI level.

ELI County Chart					
County	ELI Set-Aside AMI level	County	ELI Set-Aside AMI level	County	ELI Set-Aside AMI level
Alachua	35%	Hamilton	45%	Nassau	33%
Baker	35%	Hardee	50%	Okaloosa	33%
Bay	40%	Hendry	50%	Okeechobee	50%
Bradford	45%	Hernando	40%	Orange	40%
Brevard	40%	Highlands	50%	Osceola	40%
Broward	30%	Hillsborough	40%	Palm Beach	33%
Calhoun	50%	Holmes	45%	Pasco	40%
Charlotte	40%	Indian River	40%	Pinellas	40%
Citrus	45%	Jackson	45%	Polk	40%
Clay	33%	Jefferson	33%	Putnam	50%
Collier	33%	Lafayette	40%	St. Johns	33%
Columbia	45%	Lake	40%	St. Lucie	40%
De Soto	50%	Lee	40%	Santa Rosa	40%
Dixie	50%	Leon	33%	Sarasota	35%
Duval	33%	Levy	50%	Seminole	40%
Escambia	40%	Liberty	40%	Sumter	40%
Flagler	40%	Madison	50%	Suwannee	50%
Franklin	45%	Manatee	35%	Taylor	50%
Gadsden	33%	Marion	45%	Union	40%
Gilchrist	35%	Martin	40%	Volusia	45%
Glades	50%	Miami-Dade	30%	Wakulla	35%
Gulf	50%	Monroe	25%	Walton	40%
				Washington	50%

(2) Applicants that commit to the 80 Percent Minimum Set-Aside (at question 7.a. of Exhibit A) are not required to set aside any units for ELI Households.

d. Total Set-Aside Breakdown Chart:

The Total Set-Aside Breakdown Chart must reflect all income set-aside commitments (the required set-asides, including the required ELI Set-Aside units, if applicable, any additional set-asides, and the required total set-aside percentage, as further outlined below).

The Applicant must complete the Total Set-Aside Breakdown Chart at question 7.b. of Exhibit A. The Applicant must indicate on the chart the percentage of residential units, stated in whole numbers, to be set aside at each selected AMI level. Where reasonably possible, Applicants will be required to keep the unit mix consistent across each committed AMI level.

Note: If the calculation of the total set-aside units based on the Total Set-Aside Percentage results in less than a whole unit, the Total Set-Aside Breakdown Chart will automatically round to a whole unit.

e. Affordability Period:

(1) If the Development is in the Corporation’s Portfolio (and may also be in RD’s portfolio):

The Applicant must set aside the proposed units for a minimum length of the greater of 30 years or the remaining term of the existing SAIL or applicable Corporation-issued HOME LURA. All restrictive covenants, inclusive of the income set-asides, that are associated with any existing LURA or EUA, except for the Farmworker or Commercial Fishing Worker Demographic set-aside commitment, will remain in effect.

or

- (2) If the Development is in RD's Portfolio and is not also in the Corporation's portfolio:

The Applicant must set aside the units for a minimum length of 30 years.

**8. Current and Future Need for Farmworker or Commercial Fishing Worker Housing in the Area (Up to 10 Points):**

The Corporation recognizes that many farm operations in the state are currently impacted by disease (e.g., citrus canker/greening) and the economy, or now use H-2A workers who are required to be housed by their employers. The fishing industry is also in fluctuation. Taking into consideration the current and changing state of farm and fishing labor needs statewide, the Applicant should describe the current and expected future need for Farmworkers or Commercial Fishing Workers in the area near the Development, with attention to the type of farm labor or fishing labor that is and will be carried out by the residents described by the Applicant at question 2.c. of Exhibit A. The Applicant should describe expectations for the local need for farm or fishing labor into the next 5-10 years.

For Farmworker properties, the description should include information on the location and proximity of farms, packing houses, nurseries and/or other farm labor operations, specific information about the farms, crops and crop seasons; and whether the farm work is seasonal and how the property expects to maintain a healthy occupancy throughout the year.

For Commercial Fishing Worker properties, the description should include information on the location and proximity of Fishing Worker jobs and whether the fishing work is seasonal and how the property expects to maintain a healthy occupancy throughout the year.

The Applicant's description is limited to no more than three (3) typed pages within the text box at question 8 of Exhibit A. Note: Although the online Application system allows for more than three (3) pages, any portion of the description that is beyond three (3) pages will not be considered.

**9. Experience Operating and Managing Farmworker or Commercial Fishing Worker Housing (Up to 20 Points):**

Identify the Management Company and describe its experience in managing Farmworker or Commercial Fishing Worker housing, including length of time spent operating and managing such housing and performing operations and management functions specific to the needs of the intended residents described in questions 2.c. and 8 of Exhibit A. Providing only a list of developments and/or units that the Applicant or management company has managed or manages will not be a sufficient description of experience. Note: If the Management Company used in this section is not the same entity as the Management Company identified at question 4.b. of Exhibit A, the Management Company information provided in this section will not be considered when determining the points to be awarded for question 9 of Exhibit A.

The Applicant's description is limited to no more than three (3) typed pages within the text box at question 9 of Exhibit A. Note: Although the online Application

system allows for more than three (3) pages, any portion of the description that is beyond three (3) pages will not be considered.

**10. Outreach, Marketing and Referral (Up to 30 Points):**

The Applicant may receive points by describing outreach and other activities, beyond those required by this RFA, that are currently conducted, and/or will be conducted initially and on a continuing basis to market the Development to the focus population and general public and used to develop and retain an applicant pool of prospective Farmworker or Commercial Fishing Worker residents. Specify any community organizations or agencies that the Development currently works with or will work with to establish and manage a system of referring persons served by these entities to the Development for tenancy.

The Applicant's description is limited to no more than three (3) typed pages within the text box at question 10 of Exhibit A. Note: Although the online Application system allows for more than three (3) pages, any portion of the description that is beyond three (3) pages will not be considered.

The Applicant shall develop and implement a plan for tenant outreach, marketing and referral as approved by the Corporation during the credit underwriting process, as further outlined in Item 8 of Exhibit C of the RFA.

**11. Resident Access to Onsite and Offsite Programs, Services and Resources (Up to 30 Points):**

Describe the availability of, and proximity to, services, programs, and resources for Farmworker or Commercial Fishing Worker households, both on the property and offsite, as well as other residents of the property. Describe any partners currently working with the property to provide services or access to services, and describe any transportation options to access offsite services. Programs, services and resources might include, but are not limited to, shopping for necessities, education and recreation opportunities, and health care services. Include information on assistance provided to help the intended residents access these opportunities. If the proposed Development will consist of Scattered Sites, describe how access to programs, services and resources will be provided across all units.

Proposed Developments that have an existing SAIL or HOME LURA in which resident programs and/or services are specified may propose the replacement of some or all of those existing programs and/or services. The Applicant must describe the proposed program, service and/or resource and identify the existing program and/or service it proposes to replace. Listing the replacement program, service and/or resource alone without fully addressing what is requested above will not be considered a sufficient description. Points will not be awarded for resident programs and/or services contained in the LURA that the Applicant intends to maintain.

The Applicant's description is limited to no more than three (3) typed pages within the text box at question 11 of Exhibit A. Note: Although the online Application system allows for more than three (3) pages, any portion of the description that is beyond three (3) pages will not be considered.

**12. Funding:**

## a. SAIL Loan for Proposed Development:

The SAIL loan may be used for costs to rehabilitate the property, general development costs, and Corporation fees, including the Developer fee, but may not be used for the construction of new multifamily rental units or to pay down the existing debt on the property.

The Applicant must state the amount of SAIL funding it is requesting. During the scoring process, if the Applicant states a SAIL Request Amount that is greater than the amount the Applicant is eligible to request, the Corporation will reduce the amount down to the maximum amount the Applicant is eligible to request and such adjusted amount will be deemed to be the Applicant's Eligible SAIL Request Amount.

- (1) All Applicants are eligible to request a SAIL loan of up to 100 percent of the proposed Development's Total Development Cost (as shown on the Development Cost Pro Forma, as adjusted if applicable); however, the Applicant's Eligible SAIL Request Amount (as indicated at question 12.a. of Exhibit A) is further limited to the lesser of \$40,000 per unit or \$2,875,000 per Development.
- (2) The SAIL loan shall be non-amortizing and shall have the following interest rate structure:
  - (a) 0 percent if the Applicant committed at question 7.a. of Exhibit A to the 80 Percent Minimum Set-Aside;
  - or
  - (b) 1 percent if the Applicant committed at question 7.a. of Exhibit A to the 40 Percent Minimum Set-Aside. This 1 percent interest rate shall also apply to any existing Florida Housing loan(s) that the Development may have, as outlined in b. below. The terms and conditions of the SAIL loan are further outlined in Exhibit D of the RFA.

If the Applicant commits at question 7.a. of Exhibit A to the 80 Percent Minimum Set-Aside, but later determines that 80 percent is not feasible, the Applicant may request that the minimum set-aside be adjusted to the 40 Percent Minimum Set-Aside. [The request for an adjustment may be submitted no sooner than 3 years following loan closing.] The request for an adjustment must be in writing and include information or evidence sufficient to demonstrate that the 80 Percent Minimum Set-Aside is not feasible. If such adjustment is approved by the Board, the interest rate going forward shall be adjusted to 1 percent and the amount of the accrued interest previously forgiven in 12.b.(1) below shall be re-imposed, as provided in 12.b.(2) below, as debt at a pro rata amount per year based on the number of years that the 80 Percent Minimum Set-Aside commitment was not completed.

## b. Existing Corporation Loan(s):

The principal balance of any existing Corporation loan(s) for the Development will be structured into the debt financing during credit underwriting, either as a refinance or allowed to remain in place, as determined by the Corporation and the Credit Underwriter. Accrued interest on any such existing loan(s) will be forgiven as of the date of closing on the financing awarded under this RFA, as follows:

- (1) If the Applicant commits at question 7.a. of Exhibit A to the 80 Percent Minimum Set-Aside, the accrued interest on the existing Corporation loan(s) will be re-calculated using a 1 percent accrual interest rate and will then be forgiven, subject to 12.a.(2) above; or
- (2) If the Applicant commits at question 7.a. of Exhibit A to the 40 Percent Minimum Set-Aside, the accrued interest on the existing Corporation loan(s) will be re-calculated using a 1 percent accrual interest rate and then one-half of the accrued interest on the existing Corporation loan(s) will be forgiven.

The rate of interest on the principal balance of such existing loan(s) shall be modified effective the date of closing to 0 percent or 1 percent per annum consistent with the rate of interest on the new funding awarded under this RFA (12.a.(2)(a) or (b) above, as applicable).

c. Development Cost Pro Forma:

All Applicants must complete the Development Cost Pro Forma listing the anticipated expenses or uses, the Detail/Explanation Sheet, if applicable, and the Rehab Analysis and Permanent Analysis listing the anticipated sources. The sources must equal or exceed the uses. During the scoring process, if a funding source is not considered and/or if the Applicant's SAIL Request Amount is adjusted downward, as outlined in 12.a. above, this may result in a funding shortfall. If the Applicant has a funding shortfall, it will be ineligible to be considered for funding.

The Development Cost Pro Forma must include all anticipated costs of the Development rehabilitation and, if applicable, acquisition, including the Developer fee and General Contractor fee, as outlined below. Any amounts that are not an anticipated cost to the Development, such as waived or reimbursed fees or charges, cannot be included in the Development Cost Pro Forma. Note: deferred Developer fees are not considered "waived fees."

(1) Developer Fee:

The maximum allowable Developer fee under this RFA shall be based on the following and will be tested during the scoring of the Application by multiplying the Development Cost by 10 percent or 16 percent, as applicable, rounded down to the nearest dollar.

- (a) 10 percent of Development Cost for:
  - (i) All for-profit Applicants; and
  - (ii) All Non-Profit Applicants that qualify as a Non-Profit (as outlined in Section Four A.3.c. of the RFA) and select the Demographic

Category of Substantial Rehabilitation (at question 5.e. of Exhibit A).

or

- (b) 16 percent of Development Cost for all Applicants that qualify as a Non-Profit (as outlined in Section Four A.3.c. of the RFA) and select the Demographic Category of Acquisition and Substantial Rehabilitation (at question 5.e. of Exhibit A).

The Corporation will allow up to 100 percent of the eligible Developer fee to be deferred and used as a source on the Development Cost Pro Forma without the requirement to show evidence of ability to fund.

(2) General Contractor Fee:

General Contractor fee shall be limited to 14 percent of actual construction cost. The maximum allowable General Contractor fee will be tested during the scoring of the Application by multiplying the actual construction cost by 14 percent, rounded down to the nearest dollar.

(3) Contingency Reserves:

The maximum hard cost contingency allowed cannot exceed 15 percent of hard costs and the maximum soft cost contingency allowed cannot exceed 5 percent of soft costs, as further described in Exhibit D of the RFA. The determination of the contingency reserve is limited to the maximum stated percentage of total actual construction costs (hard costs) and general development costs (soft costs), as applicable.

(4) Operating Deficit Reserves:

An operating deficit reserve is not to be included as part of Development Costs and cannot be used in determining the maximum Developer fee. Applicants may not enter any amounts pertaining to any type of reserve other than the contingency reserve mentioned above and, if applicable, any reserve permitted in the RFA and established as a subset of Developer fee, on the Development Cost Pro Forma as part of the Application process. A reserve, including an operating deficit reserve, if necessary as determined by an equity provider, first mortgage lender, and/or the Credit Underwriter engaged by the Corporation in its reasonable discretion, will be required and sized in credit underwriting. The inclusion of any reserve is not permitted in the Application (other than the permitted contingency reserve) which may include, but is not limited to, operating deficit reserve, debt service shortfalls, lease-up, rent-re-stabilization, working capital, lender or syndicator required reserve(s), and any pre-funded capital (replacement) reserves. If any reserve other than the permitted contingency reserve can be identified and is included in the Development Cost Pro Forma, the Corporation will remove it during Application scoring.

Developer fee and General Contractor fee must be disclosed. In the event the Developer fee and/or General Contractor fee are/is not disclosed on the Development Cost Pro Forma, the Corporation will assume that these fees will be the maximum allowable and will add the maximum amount(s) to Total

Development Cost. If an Applicant lists a Developer fee, General Contractor fee, or contingency reserve that exceeds the stated Application limits, the Corporation will adjust it/them to the maximum allowable. As stated above, Applicants may not enter any amounts pertaining to operating deficit reserves. The Corporation will not consider any operating deficit reserves listed on the Pro Forma.

d. Other Non-Corporation Funding Proposals:

In order for funding, other than deferred Developer fee, to be counted as a source on the Rehab and/or Permanent Analysis, the Applicant must provide documentation of all financing proposals from both the construction and the permanent lender(s), and other sources of funding. The financing proposals must state whether they are for construction financing, permanent financing, or both, and all attachments and/or exhibits referenced in the proposal must be included. Insert documentation for each source as **Attachment 9** to Exhibit A and continue with sequentially numbered attachments for each additional funding source. Evidence for each funding source must be behind its own sequentially numbered attachment.

For purposes of the Application, net operating income for a Substantial Rehabilitation Development (with or without Acquisition) will not be considered a source of financing. Capital contributions can be considered a source of financing if appropriately documented as provided in d.(4) below.

If the property currently has RD financing, such RD financing must be retained on the property. The property may be refinanced through RD.

Financing proposal documentation, regardless of whether the documentation is in the form of a commitment, proposal, term sheet, or letter of intent, must meet the following criteria. Evidence for each funding source must be behind its own numbered attachment.

(1) Each financing proposal shall contain:

- (a) Amount of the construction loan, if applicable;
- (b) Amount of the permanent loan, if applicable;
- (c) Specific reference to the Applicant as the borrower or direct recipient;
- (d) Signature of all parties, including acceptance by the Applicant.

Note: Eligible Local Government financial commitments (i.e., grants and loans) can be considered without meeting the requirements of (a) through (d) above if the Applicant provides the properly completed and executed Florida Housing Local Government Verification of Contribution – Grant Form (Form 08-16) and/or the Florida Housing Local Government Verification of Contribution – Loan Form (Form 08-16), and such grant and/or loan is effective at least through December 31, 2017. As outlined in Exhibit B of the RFA, the grant and loan forms (Form 08-16) are available on the Corporation Website at: <http://www.floridahousing.org/Developers/MultiFamilyPrograms/Competitive/2017->



104/RelatedForms/ (also accessible by clicking [here](#)). If the loan form is used, the space for entering the net present value of the loan is not applicable to this RFA and will not be considered.

- (2) If the Applicant is assuming current RD debt, include the funding amount at the USDA RD Financing line item on the Development Cost Pro Forma (Construction/Rehab Analysis and/or Permanent Analysis), and confirm the funding source by providing a letter from RD, dated within six (6) months of the Application Deadline, which contains the following information:

- (a) Name of the existing Development;
- (b) Name of proposed Development (if different from (a) above);
- (c) RD Program(s) associated with the Development; and
- (d) Current RD loan balance.

- (3) Financing that has closed:

For any financing, if the financing has closed in the Applicant's name, and the closed financing is needed as a source of funding to assist in paying for Total Development Costs identified in the Application's Development Cost Pro Forma, provide a letter from the lender acknowledging that the loan has closed. The letter must also include the following information:

- Amount of the construction loan, if applicable;
- Amount of the permanent loan, if applicable; and
- Specific reference to the Applicant as the borrower/direct recipient/mortgagee.

- (4) If the financing proposal (inclusive of capital contributions) is not from a Regulated Mortgage Lender in the business of making loans or a governmental entity, evidence of ability to fund must be provided. Evidence of ability to fund includes: (i) a copy of the most current audited financial statements no more than 17 months old of the entity providing the financing in the proposal; or (ii) if the loan has already been funded, a copy of the note and recorded mortgage. The age of all financial statements is as of the Application Deadline. In evaluating ability to fund, the Corporation will consider the entity's unrestricted current assets typically used in the normal course of business. Assets considered restricted include, but are not limited to, pension funds, rental security deposits, and sinking funds. Financing proposals from lenders or capital contributors who cannot demonstrate ability to fund will not count as a source of financing. Financial statements must be included in the Application. Note: This provision does not apply to deferred Developer fee.

- (5) If a financing proposal shows an amount less than the corresponding line item on the Development Cost Pro Forma, only the financing proposal amount will be considered as a funding source. However, if a financing proposal shows an amount in excess of the corresponding line item on the Development Cost Pro Forma, up to the total amount of the financing proposal amount may be utilized as a funding source, if needed.

- (6) The loan amount may be conditioned upon an appraisal or debt service coverage ratio or any other typical due diligence required during credit underwriting.
  - (7) Financing proposals may be conditioned upon the Applicant receiving the funding from the Corporation for which it is applying.
  - (8) If a financing proposal has a provision for holding back funds until certain conditions are met, the amount of the hold-back will not be counted as a source of construction financing unless it can be determined that the conditions for the release of the hold-back can be met prior to or simultaneous with the closing of the Development's permanent financing.
  - (9) Grant funds are contributions to the Development, other than equity, which carry no repayment provision or interest rate. A commitment for grant funds will be considered a commitment for scoring purposes if the commitment is properly executed and, if applicable, evidence of ability to fund is provided.
- e. Per Unit Rehabilitation Funding Preference:

- (1) The following Applications will qualify for this funding preference:

Applications that reflect an amount of at least \$20,000 per unit when the amount listed in the Total column of the Development Cost Pro Forma for the Development Cost line item A1.1. Actual Construction Cost is divided by the number of total units in the proposed Development.

- (2) The following Applications will not qualify for this funding preference:

Applications that reflect an amount less than \$20,000 per unit, when the amount listed in the Total column of the Development Cost Pro Forma for the Development Cost line item A1.1. Actual Construction Cost is divided by the number of total units in the proposed Development.

Indicate whether the proposed development qualifies for this funding preference at question 12.c. of Exhibit A.

Except for deferred Developer fee, the Application requires information on all sources of Development funding and the proposed uses of those funds, as outlined above. All loans, grants, donations, etc., should be detailed in the Application as outlined above. The total amount of monetary funds determined to be in funding proposals must equal or exceed uses.

\*\*\*\*\*

**Addenda:**

The Applicant may use the Addenda section of Exhibit A to provide any additional information or explanatory addendum for items in the Application except for the items described at questions 2.c., 8, 9, 10, and 11 of Exhibit A. Please specify the particular Item to which the additional information or explanatory addendum applies.

**B. Funding Selection:**

- 1. Eligibility:

Only Applications that are eligible for funding will be considered for the SAIL funding processes outlined in 2 below. Eligibility requirements include the following:

<b>Eligibility Requirements</b>
Submission Requirements
Development Eligibility Requirements
Demographic Currently Served/To Be Served
Description of Demographic Population Served
Name of Applicant
Evidence Applicant is a legally formed entity
Principals for Applicant and for each Developer
Contact Person
Name of Each Developer
Evidence each Developer entity is a legally formed entity
Prior General Development Experience
Name of Management Company
Prior General Management Company Experience
Name of Proposed Development
County identified
Address of Development Site
Whether Scattered Sites
Latitude and Longitude Coordinates provided
Total Number of Units in Existing Development
Total Number of Units in Proposed Development (at least 90% of existing total number of units)
Development Category
Evidence of Site Control
Demographic Minimum Set-Aside Selection
Total Set-Aside Breakdown Chart
Applicant's SAIL Funding Request Amount
Financing Information, including the Development Cost Pro Forma (listing expenses or uses) and the Rehab Analysis and Permanent Analysis (listing sources) – Sources must equal or exceed uses
Financial Arrearage Requirements
Minimum Total Score of 60 Points

The following submission requirements must be met: (i) the Application must be submitted online by the Application Deadline, (ii) the required number of hard copies must be submitted by the Application Deadline, (iii) the Applicant's hard copy submission must be contained in a sealed package, (iv) the required Application fee must be submitted as of the Application Deadline, (v) the Applicant Certification and Acknowledgement form, containing an original signature, must be included in the Application labeled "Original Hard Copy" as of the Application Deadline, and (vi) the proposed Development is not eligible for funding under this RFA because it meets the criteria outlined in subsection 67-48.023(1), F.A.C., and/or subsection 67-48.009(5), F.A.C., if applicable, and does not meet one of the stated exceptions.

An Application will be deemed ineligible to be considered for funding if, as of close of business the day before the Committee meets to make a recommendation to the Board, there are 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 posted to the Corporation's Website under the link Property Owners & Managers/Past Due Reports (also accessible by clicking [here](#)); but not more recently than five (5) business days prior to the date the Committee meets to make a recommendation to the Board.

To be eligible to be considered for funding, the Application must achieve a minimum total score of 60 points.

The following is a summary of the Point items:

Point Item	Maximum Points
Current and Future Need for Farmworker or Commercial Fishing Worker Housing in the Area	10
Experience Operating and Managing Farmworker or Commercial Fishing Worker Housing	20
Outreach, Marketing and Referral	30
Resident Access to Onsite and Offsite Programs, Services and Resources	30
<b>Total Possible Points</b>	<b>90</b>

## 2. SAIL Funding Process:

### a. Funding Goal –

The Corporation has a goal to fund one (1) Application for a property that is currently in the Corporation's portfolio.

### b. Funding Test –

(1) 100% Funding Test – an Application will be selected for funding if there is enough SAIL funding available to fully fund the Applicant's Eligible SAIL Request Amount.

### c. County Award Tally –

As each Application is selected for tentative funding, the county where the proposed Development is located will have one (1) Application credited toward the County's Award Tally.

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

### d. Application Sorting Order –

All eligible Applications will be ranked by sorting the Applications from the highest scoring Application to the lowest scoring Application, with any scores that are tied separated as follows:

- (1) First by the Application's eligibility for the Per Unit Rehabilitation Funding Preference which is outlined in Section Four A.12.e. of the RFA (with Applications that qualify for the preference listed above Applications that do not qualify for the preference);
- (2) Next by the Application's Eligible SAIL Request Amount Per Set-Aside Unit which is outlined in Item 3.a. of Exhibit C (with Applications that have a lower amount of SAIL funds per set-aside unit listed above Applications that have a higher amount of SAIL funds per set-aside unit);
- (3) Next by the Application's Eligible SAIL Request Amount as a Percentage of Total Development Cost which is outlined in Item 3.b. Exhibit C (with Applications that have an amount of 90 percent or less listed above Applications that have an amount greater than 90 percent);
- (4) Next by the Application's eligibility for the Florida Job Creation Funding Preference which is outlined in Item 4 of Exhibit C (with Applications that qualify for the preference listed above Applications that do not qualify for the preference); and
- (5) Finally by lottery number, with Applications that have a lower lottery number listed above Applications with a higher lottery number.

e. Selection Process –

- (1) The first Application selected for funding will be the highest ranking eligible Application for a property that is currently in the Corporation's portfolio.
- (2) Once that Application is selected or if there is no eligible Application that meets the funding goal, the next Applications selected for funding will be the highest ranking eligible unfunded Applications, regardless of whether the property is in the Corporation's portfolio or RD's portfolio, that (i) can meet the 100% Funding Test and (ii) has a County Award Tally that is less than or equal to any other eligible unfunded Application.

If funding remains and there are no eligible unfunded Applications that can meet the 100% Funding Test, then no further Applications will be selected for funding and the remaining funding will be distributed as directed by the Board.

f. Returned Allocation –

Funding that becomes available after the Board takes action on the Committee's recommendations, due to an Applicant withdrawing its Application, an Applicant declining its invitation to enter credit underwriting, or an Applicant's inability to satisfy a requirement outlined in this RFA, will be distributed as approved by the Board.

## **SECTION FIVE EVALUATION PROCESS**

Committee members shall independently evaluate and score their assigned portions of the submitted Applications, consulting with non-committee Corporation staff and legal counsel as necessary and appropriate.

The Committee shall conduct at least one public meeting during which the Committee members may discuss their evaluations, select Applicants to be considered for award, and make any adjustments deemed necessary to best serve the interests of the Corporation's mission. The Committee will list the Applications deemed eligible for funding in order from highest total score to lowest total score, applying the funding selection criteria outlined in Section Four B above, and develop a recommendation or series of recommendations to the Board.

The Board may use the Applications, the Committee's scoring, any other information or recommendation provided by the Committee or staff, and any other information the Board deems relevant in its selection of Applicants to whom to award funding. Notwithstanding an award by the Board pursuant to this RFA, funding will be subject to a positive recommendation from the Credit Underwriter based on criteria outlined in the credit underwriting provisions of Exhibit D of the RFA.

## **SECTION SIX AWARD PROCESS**

The Corporation shall provide notice of its decision, or intended decision, for this RFA on the Corporation's Website the day of the applicable Board vote. After posting, an unsuccessful Applicant may file a notice of protest and a formal written protest in accordance with Section 120.57(3), Fla. Stat., et. al. Failure to file a protest within the time prescribed in Section 120.57(3), Fla. Stat., et. al. shall constitute a waiver of proceedings under Chapter 120, Fla. Stat.

After issuance by the Board of all final orders regarding this RFA, the Corporation shall offer all Applicants within the funding range an invitation to enter credit underwriting. The Corporation shall select the Credit Underwriter for each Development.

## **Exhibit A to RFA 2017-104– SAIL Funding to Preserve Farmworker and Commercial Fishing Worker Housing**

### **1. Applicant Certification and Acknowledgement:**

The Applicant must include a signed Applicant Certification and Acknowledgement form as **Attachment 1**, as outlined in Section Four A.1. of the RFA.

### **2. Demographic Served:**

- a. The Applicant must indicate which of the Development eligibility requirements the proposed Development meets:
  - (1) The Development is in the Corporation’s Portfolio (and may also be in RD’s portfolio) and meets the qualifying conditions outlined in Section Four A.2.a.(1) of the RFA.
  - (2) The Development is in RD’s Portfolio, is not also in the Corporation’s portfolio, meets the qualifying conditions outlined in Section Four A.2.a.(2) of the RFA, and the required letter from RD is provided as **Attachment 2**.
- b. The Applicant must indicate the Demographic that is currently being served and that will continue to be served at the Development by selecting one (1) of the following Demographic Commitments:
  - Farmworker
  - Commercial Fishing Worker
- c. The Applicant must provide, in the text box below, the required description of the population to be served by the proposed Development, as outlined in Section Four A.2.c. of the RFA. The Applicant’s description is limited to no more than two (2) typed pages within the text box below. Note: Although the online Application system allows for more than two (2) pages, any portion of the description that is beyond two (2) pages will not be considered.

[Click here to enter text.](#)

### **3. Applicant Information:**

- a. The Applicant must state the name of the Applicant:

[Click here to enter text.](#)
- b. The Applicant must provide the required documentation to demonstrate that the Applicant is a legally formed entity qualified to do business in the state of Florida as of the Application Deadline as **Attachment 3**.
- c. Is the Applicant applying as a Non-Profit organization?

Yes       No

If “Yes,” in order to be considered to be a Non-Profit entity for purposes of this RFA, the Applicant must meet the definition of Non-Profit as set out in Exhibit D of the RFA, answer the following questions, and provide the required information.

(1) Provide the following information for each Non-Profit entity as **Attachment 4**:

- (a) The IRS determination letter;
- (b) The description/explanation of the role of the Non-Profit entity;
- (c) The names and addresses of the members of the governing board of the Non-Profit entity; and
- (d) The articles of incorporation demonstrating that one of the purposes of the Non-Profit entity is to foster low-income housing.

(2) Answer the following questions:

- (a) Is the Applicant or one of its general partners or managing members incorporated as a Non-Profit entity pursuant to Chapter 617, Florida Statutes, or similar state statute if incorporated outside Florida?

Yes       No

If “No,” is the Applicant or one of its general partners or managing members a wholly-owned subsidiary of a Non-Profit entity formed pursuant to Chapter 617, Florida Statutes, or similar state statute if incorporated outside Florida?

Yes       No

- (b) Is the Applicant or one of its general partners or managing members a 501(c)(3) or 501(c)(4) Non-Profit entity, or is the Applicant or one of its general partners or managing members a wholly-owned subsidiary of a 501(c)(3) or 501(c)(4) Non-Profit entity?

Yes       No

- (c) Does the Non-Profit entity have an ownership interest, either directly or indirectly, in the general partner or general partnership interest or in the managing member or the managing member’s interest in the Applicant?

Yes       No

If “Yes,” state the percentage owned in the general partnership or managing member interest: [Click here to enter text](#) %

- (d) Percentage of Developer’s fee that will go to the Non-Profit entity: [Click here to enter text](#) %

- (e) Year Non-Profit entity was incorporated (yyyy): [Click here to enter text.](#)



- (f) Is the Non-Profit entity affiliated with or controlled by a for-profit entity within the meaning of Section 42(h), Internal Revenue Code?

Yes       No

If “Yes,” state name of the for-profit entity:

[Click here to enter text.](#)

- d. Principals for the Applicant and for each Developer:

The Applicant must provide the required information for the Applicant and for each Developer as **Attachment 5**.

- e. Contact Person for this Application:

First Name: [Click here to enter text.](#)

Middle Initial: [Click here to enter text.](#)

Last Name: [Click here to enter text.](#)

Street Address: [Click here to enter text.](#)

City: [Click here to enter text.](#)

State: [Click here to enter text.](#)

Zip: [Click here to enter text.](#)

Telephone: [Click here to enter text.](#)

Facsimile: [Click here to enter text.](#)

E-Mail Address: [Click here to enter text.](#)

Relationship to

Applicant: [Click here to enter text.](#)

#### 4. General Developer and Management Company Information:

- a. General Developer Information:

- (1) The Applicant must state the name of each Developer (including all co-Developers):

[Click here to enter text.](#)

[Click here to enter text.](#)

[Click here to enter text.](#)

- (2) For each Developer entity listed at question (1) above (that is not a natural person), the Applicant must provide, as **Attachment 6**, the required documentation demonstrating that the Developer is a legally formed entity qualified to do business in the state of Florida as of the Application Deadline.

- (3) For each experienced Developer entity, the Applicant must provide, as **Attachment 6**, a prior experience chart for at least one (1) experienced Principal of that entity. The prior experience chart for the Principal must reflect the required information as outlined in Section Four A.4.a.(3) of the RFA.

b. General Management Company Information:

(1) The Applicant must state the name of the Management Company:

[Click here to enter text.](#)

(2) The Applicant must provide, as **Attachment 7**, a prior experience chart for the Management Company or a principal of the Management Company reflecting the required information as outlined in Section Four A.4.b. of the RFA.

**5. General Development Information:**

a. The Applicant must state the name of the proposed Development:

[Click here to enter text.](#)

b. Location of Development Site:

(1) County:

The Applicant must indicate the County: [Choose a County.](#)

(2) Address of Development Site:

(a) The Applicant must state the address number, street name, and name of city. If the proposed Development consists of Scattered Sites, the address of each of the Scattered Sites must be provided.

[Click here to enter text.](#)

(b) The Applicant must answer the following question:

Does the proposed Development meet the definition of Scattered Sites?

Yes       No

(3) Latitude and Longitude Coordinates:

(a) The Applicant must identify a Development Location Point for the proposed Development site, as outlined in Section Four A.5.b.(4)(a) of the RFA.

\_\_\_\_\_

(b) If the proposed Development consists of Scattered Sites, identify the latitude and longitude coordinate for each site, as outlined in Section Four A.5.b.(3)(b) of the RFA.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

c. Number of Units:

- (1) The Applicant must state the total number of units in the existing Development:  
[Click here to enter text.](#)
- (2) The Applicant must state the total number of units in the proposed Development:  
[Click here to enter text.](#)

Note: The Applicant should refer to Section Four A.5.c.(2) of the RFA before answering this question.

d. Development Category:

The Applicant must indicate the applicable Development Category:

- Substantial Rehabilitation
- Acquisition and Substantial Rehabilitation

Note: The Applicant should refer to Section Four A.5.d. of the RFA before making a selection.

**6. Site Control:**

The Applicant must demonstrate site control by providing the following documentation as **Attachment 8**, as outlined at Section Four A.6. of the RFA:

- a. A fully executed eligible contract for purchase and sale for the subject property; and/or
- b. A recorded deed or recorded certificate of title; and/or
- c. A copy of the fully executed long-term lease.

**7. Set-Aside Commitments:**

a. Demographic Minimum Set-Aside Requirement:

The Applicant must select one (1) of the following minimum set-aside commitments:

- 40 Percent Minimum Set-Aside (40% of the total units in the proposed Development will be set aside for the Demographic population selected at question 2.b. above)
- 80 Percent Minimum Set-Aside (80% of the total units in the proposed Development will be set aside for the Demographic population selected at question 2.b. above)

Note: The Applicant should refer to Section Four A.7.b. of the RFA before making a selection.

b. Total Set-Aside Breakdown Chart:

The Applicant must reflect on the Total Set-Aside Breakdown Chart below all income set-aside commitments (required set-asides and additional set-asides, including the required ELI Set-Aside units as well as the required total set-aside percentage at or below 60 percent AMI) by listing the percentage of residential units, stated in whole numbers, to be set aside at each selected AMI level. Where reasonably possible, Applicants will be required to keep the unit mix consistent across each committed AMI level.

To enter data, double click within the chart to open the Excel worksheet that is embedded within the Word document, enter the total number of units in the proposed Development and the applicable set-aside percentages and, when finished, click anywhere on the page outside the chart to exit the Excel worksheet and save the entries.

Note: If the calculation of the total set aside units based on the Total Set-Aside Percentage results in less than a whole unit, the Total Set-Aside Breakdown Chart will automatically round to a whole unit.

Total Number of Units*	0	
Total Set-Aside Breakdown Chart		# of Units
Percentage of Residential Units	AMI Level	& Type**
0%	At or Below 25%	0 SAU
0%	At or Below 28%	0 SAU
0%	At or Below 30%	0 SAU
0%	At or Below 33%	0 SAU
0%	At or Below 35%	0 SAU
0%	At or Below 40%	0 SAU
0%	At or Below 45%	0 SAU
0%	At or Below 50%	0 SAU
0%	At or Below 60%	0 SAU
0%	Market-Rate Units	0 MRU
0%	Total Set-Aside Percentage	

\*Total number of units in the proposed Development: In the event of a discrepancy between the number stated here and the number stated at question 5.c.(2) above, the number stated at question 5.c.(2) above shall be deemed to be the total number of units for the proposed Development.

\*\*SAU=Set-Aside Units; MRU=Market-Rate Units.

**8. Current and Future Need for Farmworker or Commercial Fishing Worker Housing in the Area:**

The Applicant must describe the current and expected future need for Farmworkers or Commercial Fishing Workers in the area, as well as the location and proximity of the jobs, as outlined in Section Four A.8. of the RFA.

The Applicant's description is limited to no more than three (3) typed pages within the text box below. Note: Although the online Application system allows for more than three (3) pages, any portion of the description that is beyond three (3) pages will not be considered.

[Click here to enter text.](#)

**9. Experience Operating and Managing Farmworker or Commercial Fishing Worker Housing:**

The Applicant must identify the entity or entities that will carry out operations and management functions at the Development and describe its experience in managing such housing, including performing operations and management functions specific to the needs of the intended residents, as outlined in Section Four A.9. of the RFA.

The Applicant's description is limited to no more than three (3) typed pages within the text box below. Note: Although the online Application system allows for more than three (3) pages, any portion of the description that is beyond three (3) pages will not be considered.

[Click here to enter text.](#)

**10. Outreach, Marketing and Referral:**

The Applicant must describe the outreach and other activities, beyond those required by this RFA, that are currently conducted, and/or will be conducted initially and on a continuing basis to market the Development to the focus population and general public and used to develop and retain an applicant pool of prospective Farmworker or Commercial Fishing Worker residents, as outlined in Section Four A.10. of the RFA.

The Applicant's description is limited to no more than three (3) typed pages within the text box below. Note: Although the online Application system allows for more than three (3) pages, any portion of the description that is beyond three (3) pages will not be considered.

[Click here to enter text.](#)

**11. Resident Access to Onsite and Offsite Programs, Services and Resources:**

Describe the availability of, and proximity to, services, programs, and resources for Farmworker or Commercial Fishing Worker households, both on the property and offsite, as well as other residents of the property, as outlined in Section Four A.11. of the RFA.

The Applicant's description is limited to no more than three (3) typed pages within the text box below. Note: Although the online Application system allows for more than three (3) pages, any portion of the description that is beyond three (3) pages will not be considered.

[Click here to enter text.](#)

**12. Funding:**

- a. Applicant's SAIL Request Amount: \$ [Click here to enter text.](#)

b. Other Non-Corporation Funding Proposals:

Unless stated otherwise, for all funding other than deferred Developer fee, the Applicant must attach the funding proposals executed by the lender(s) or other source(s). Insert the documentation for each source as a separate attachment to Exhibit A beginning with **Attachment 9** and continue with sequentially numbered attachments for each additional funding source.

c. Per Unit Rehabilitation Funding Preference:

Does the proposed Development qualify for the Per Unit Rehabilitation Funding Preference, as outlined at Section Four A.12.e. of the RFA?

Yes       No

\*\*\*\*\*

**Addenda**

The Applicant may use the space below to provide any additional information or explanatory addendum for items in the Application except for items described at questions 2.c., 8, 9, 10, and 11 above. Please specify the particular Item to which the additional information or explanatory addendum applies.

[Click here to enter text.](#)

**Exhibit B to RFA 2017-104 – SAIL Funding to Preserve Farmworker and Commercial Fishing Worker Housing**

**1. Applicant Certification and Acknowledgement Form –**

As outlined in Section Three A., Section Four A.1., and Section Five of the RFA, the Applicant must provide in the copy of the Application labeled “Original Hard Copy,” an Applicant Certification and Acknowledgement form for RFA 2017-104 that contains an original signature (blue ink preferred). The Applicant Certification and Acknowledgement form is available at <http://www.floridahousing.org/Developers/MultiFamilyPrograms/Competitive/2017-104/RelatedForms/> (also accessible by clicking [here](#)). Note: If the Applicant provides any prior version of the Applicant Certification form, the form will not be considered.

**2. Local Government Verification of Contribution Forms –**

As outlined in Section Four A.12.d.(1) of the RFA, Applicants may demonstrate a Local Government funding source by using the Florida Housing Local Government Verification of Contribution – Grant form (Form Rev. 08-16) and/or the Florida Housing Local Government Verification of Contribution – Loan form (Form Rev. 08-16). The Local Government Verification of Contribution forms are available at <http://www.floridahousing.org/Developers/MultiFamilyPrograms/Competitive/2017-104/RelatedForms/> (also accessible by clicking [here](#)). Note: If the Applicant provides any prior version of the Local Government Verification form(s), the form(s) will not be considered.

### **Applicant Certification and Acknowledgement Form**

1. The Applicant certifies that the proposed Development can be completed and operating within the development schedule and budget submitted to the Corporation.
2. The Applicant acknowledges and certifies that the following information will be provided to the Corporation or the Credit Underwriter, as applicable, by the date outlined below or as otherwise outlined in the invitation to enter credit underwriting:
  - a. Within 7 Calendar Days of the date of the invitation to enter credit underwriting, the Applicant must provide the following:
    - (1) Applicant's Federal Identification Number. If the number has not yet been obtained, the Applicant must provide a copy of the completed, submitted application for the number;
    - (2) The unit mix for the proposed Development; and
    - (3) The total number of buildings with dwelling units in the proposed Development.
  - b. Within 21 Calendar Days of the date of the invitation to enter credit underwriting, the Applicant must provide the following:
    - (1) The required information concerning the remaining members of the Development Team (i.e., the Architect, Attorney, Accountant, and General Contractor), as outlined in Item 6 of Exhibit C;
    - (2) The required certification from a licensed environmental provider confirming that a Phase I environmental site assessment has been performed for the entire Development site, and, if applicable, a Phase II environmental site assessment has been performed, as outlined in Item 6 of Exhibit C; and
    - (3) Notification of the percentage of ownership of the Principals of the Applicant.
  - c. By the date outlined in the invitation to enter credit underwriting:
    - (1) The Resident Relocation Plan during the Development's rehabilitation, as outlined at Item 7 of Exhibit C; and
    - (2) The Outreach, Marketing, and Referral Plan, as outlined at Item 8 of Exhibit C.
3. By submitting the Application, the Applicant acknowledges and certifies that:
  - a. The proposed Development will be subjected to a capital needs assessment to be carried out by a third party vendor hired by the Credit Underwriter.
  - b. For Developments in the Corporation's portfolio, the units committed to in this Application must be set aside for a minimum of 30 years or the current remaining affordability period on the property, whichever is longer. For Developments in RD's portfolio (that are not also in the Corporation's portfolio), the units committed to in this Application must be set aside for a minimum of 30 years.



### **Applicant Certification and Acknowledgement Form**

- c. The proposed Development will include all required construction features, as outlined in Section Four A.5.e. the RFA. The quality of the construction features committed to by the Applicant is subject to approval of the Board of Directors.
- d. The proposed Development will include the required set-asides as outlined in Section Four A.7. of the RFA.
- e. The proposed Development will meet all state building codes, including the 2012 Florida Accessibility Code for Building Construction, adopted pursuant to Section 553.503, F.S., the Fair Housing Act as implemented by 24 CFR Part 100, including the Affirmative Fair Housing Marketing Plan, Section 504 of the Rehabilitation Act of 1973, The Violence Against Women Reauthorization Act of 2013, and the Americans with Disabilities Act of 1990 as implemented by 28 CFR Part 35, incorporating the most recent amendments, regulations and rules.
- f. The name of the Applicant entity stated in the Application may be changed only by written request of an Applicant to Corporation staff and approval of the Board after the Applicant has been invited to enter credit underwriting. In addition, the Applicant entity shall be the borrowing entity for the SAIL funding and may not be changed in any way until after the closing of the loan, as further outlined in Item 1 of Exhibit C.
- g. The success of an Applicant in being selected for funding is not an indication that the Applicant will receive a positive recommendation from the Credit Underwriter or that the Development Team's experience, past performance or financial capacity is satisfactory. The past performance record, financial capacity, and any and all other matters relating to the Development Team, which consists of Developer, Management Company, General Contractor, Architect, Attorney, and Accountant, will be reviewed during credit underwriting. The Credit Underwriter may require additional information from any member of the Development Team including, without limitation, documentation on other past projects and financials. Development Teams with an unsatisfactory past performance record, inadequate financial capacity or any other unsatisfactory matters relating to their suitability may result in a negative recommendation from the Credit Underwriter.
- h. The Principals of each Developer identified in the Application, including all co-Developers, may be changed only by written request of an Applicant to Corporation staff and approval of the Board after the Applicant has been invited to enter credit underwriting. In addition, any allowable replacement of an experienced Principal of a Developer entity must meet the experience requirements that were met by the original Principal.
- i. The Applicant's commitments will be included in a Land Use Restriction Agreement for the SAIL funding and must be maintained in order for the Development to remain in compliance, unless the Board approves a change.
- j. The applicable fees will be due as outlined in this RFA and/or as otherwise prescribed by the Corporation and/or the Credit Underwriter.
- k. The Applicant certifies that the proposed Development will continue to meet the applicable Development eligibility requirements outlined in Section Four A.2.a. of the RFA.

### **Applicant Certification and Acknowledgement Form**

- l. The Applicant certifies that the conditions of the selected Development Category, as outlined at Section Four A.5.d. of the RFA, are met.
  - m. In exchange for receiving funding from Florida Housing, Florida Housing reserves the authority to restrict the disposition of any funds remaining in any operating deficit reserve(s) after the term of the reserve's original purpose has terminated or is near termination. Authorized disposition uses are limited to payments towards any outstanding loan balances of the Development funded from Florida Housing, any outstanding Florida Housing fees, any unpaid costs incurred in the completion of the Development (i.e., deferred Developer fee), the Development's capital replacement reserve account (provided however, that any operating deficit reserve funds deposited to the replacement reserve account will not replace, negate, or otherwise be considered an advance payment or pre-funding of the Applicant's obligation to periodically fund the replacement reserve account), the reimbursement of any loan(s) provided by a partner, member or guarantor as set forth in the Applicant's organizational agreement (i.e., operating or limited partnership agreement), and, in the case of a Development with a Homeless or Persons with Special Needs Demographic Commitment, another operating deficit reserve whereby its final disposition remains under this same restriction. The actual direction of the disposition is at the Applicant's discretion so long as it is an option permitted by Florida Housing. In no event shall the payment of amounts to the Applicant or the Developer from any operating deficit reserve established for the Development cause the Developer fee or General Contractor fee to exceed the applicable percentage limitations provided for in this RFA.
  - n. If the Applicant applies as a Non-Profit entity and meets the eligibility requirements outlined in Section Four A.3.c. of the RFA, it must remain a Non-Profit entity and the Non-Profit entity must (i) receive at least 25 percent of the Developer fee, and (ii) understand that it is the Non-Profit entity's responsibility to contractually ensure that it substantially and materially participates in the management and operation of the Development throughout the Compliance Period.
4. The Applicant acknowledges that any funding preliminarily secured by the Applicant is expressly conditioned upon any independent review, analysis and verification of all information contained in the Application that may be conducted by the Corporation, the successful completion of credit underwriting, and all necessary approvals by the Board of Directors, Corporation or other legal counsel, the Credit Underwriter, and Corporation Staff.
  5. If preliminary funding is approved, the Applicant will promptly furnish such other supporting information, documents, and fees as may be requested or required. The Applicant understands and agrees that the Corporation is not responsible for actions taken by the Applicant in reliance on a preliminary commitment by the Corporation. The Applicant commits that no qualified residents will be refused occupancy because they have Section 8 vouchers or certificates.
  6. By Certificate of Occupancy, the Applicant commits to participate in the statewide housing locator system, as required by the Corporation.

**Applicant Certification and Acknowledgement Form**

- 7. In eliciting information from third parties required by and/or included in the Application, the Applicant certifies that it has provided such parties information that accurately describes the Development as proposed in the Application. The Applicant certifies that it has reviewed the third party information included in the Application and/or provided during the credit underwriting process and the information provided by any such party is based upon, and accurate with respect to, the Development as proposed in the Application.
- 8. The undersigned understands and agrees that in the event that the proposed Development is invited into credit underwriting, the Applicant must submit IRS Form 8821 for all Financial Beneficiaries in order to obtain a recommendation for the SAIL funding.
- 9. As part of an ongoing effort to evaluate the need for Farmworker housing in Florida, the Corporation may pursue the option to direct an independent evaluation, and in the course of the evaluation, may require awardees to submit administrative, tenant and other data from the Development.
- 10. The Applicant understands and agrees to cooperate with any audits conducted in accordance with the provisions set forth in Section 20.055(5), F.S.
- 11. The undersigned is authorized to bind all Financial Beneficiaries to this certification and warranty of truthfulness and completeness of the Application.

Under the penalties of perjury, I declare and certify that I have read the foregoing and that the information is true, correct and complete.

Signature of Applicant	Name (typed or printed)
Title (typed or printed)	

Note: The Applicant must provide this form as Attachment 1 to the RFA. The Applicant Certification and Acknowledgement form included in the Application labeled "Original Hard Copy" must contain an original signature (blue ink preferred).

**FLORIDA HOUSING FINANCE CORPORATION  
LOCAL GOVERNMENT VERIFICATION OF CONTRIBUTION – GRANT FORM**

Name of Development: \_\_\_\_\_

Development Location: \_\_\_\_\_

(At a minimum, provide the address number, street name and city, and/or provide the street name, closest designated intersection and either the city (if located within a city) or county (if located in the unincorporated area of the county). If the Development consists of Scattered Sites, the Development Location stated above must reflect the Scattered Site where the Development Location Point is located.)

The City/County of \_\_\_\_\_ commits \$\_\_\_\_\_ as a grant to the Applicant for its use solely for assisting the proposed Development referenced above. The City/County does not expect to be repaid or reimbursed by the Applicant, or any other entity, provided the funds are expended solely for the Development referenced above. No consideration or promise of consideration has been given with respect to the grant. For purposes of the foregoing, the promise of providing affordable housing does not constitute consideration. The commitment for this grant must be effective as of the Application Deadline for the applicable RFA, and is provided specifically with respect to the proposed Development.

The source of the grant is: \_\_\_\_\_  
(e.g., SHIP, HOME, CDBG)

**CERTIFICATION**

I certify that the foregoing information is true and correct and that this commitment is effective at least through the date required in the applicable RFA.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print or Type Name

\_\_\_\_\_  
Print or Type Title

This certification must be signed by the chief appointed official (staff) responsible for such approvals, Mayor, City Manager, County Manager/Administrator/Coordinator, Chairperson of the City Council/Commission or Chairperson of the Board of County Commissioners. If the contribution is from a Land Authority organized pursuant to Chapter 380.0663, Florida Statutes, this certification must be signed by the Chair of the Land Authority. One of the authorized persons named above may sign this form for certification of state, federal or Local Government funds initially obtained by or derived from a Local Government that is directly administered by an intermediary such as a housing finance authority, a community reinvestment corporation, or a state-certified Community Housing Development Organization (CHDO). Other signatories are not acceptable. The Applicant will not receive credit for this contribution if the certification is improperly signed. To be considered for points, the amount of the contribution stated on this form must be a precise dollar amount and cannot include words such as estimated, up to, maximum of, not to exceed, etc.

If the Application is not eligible for automatic points, this contribution will not be considered if the certification contains corrections or 'white-out' or if the certification is altered or retyped. The certification may be photocopied.

Please note: This form may be modified by Florida Housing Finance Corporation per Section 67-60.005, F.A.C.

**FLORIDA HOUSING FINANCE CORPORATION  
LOCAL GOVERNMENT VERIFICATION OF CONTRIBUTION – LOAN FORM**

Name of Development: \_\_\_\_\_

Development Location: \_\_\_\_\_  
(At a minimum, provide the address number, street name and city, and/or provide the street name, closest designated intersection and either the city (if located within a city) or county (if located in the unincorporated area of the county). If the Development consists of Scattered Sites, the Development Location stated above must reflect the Scattered Site where the Development Location Point is located.)

The City/County of \_\_\_\_\_, commits \$\_\_\_\_\_ (which may be used as an FHFC Non-Corporation Funding Proposal in an Application for FHFC funding if it meets the required criteria) in the form of a reduced interest rate loan to the Applicant for its use solely for assisting the proposed Development referenced above.

The net present value of the above-referenced loan, based on its payment stream, inclusive of a reduced interest rate and the designated discount rate (as stated in the applicable RFA) is: \$\_\_\_\_\_.

No consideration or promise of consideration has been given with respect to the loan. For purposes of the foregoing, the promise of providing affordable housing does not constitute consideration. The commitment for this loan must be effective as of the Application Deadline for the applicable RFA, and is provided specifically with respect to the proposed Development.

**CERTIFICATION**

I certify that the foregoing information is true and correct and that this commitment is effective at least through the date required in the applicable RFA.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print or Type Name

\_\_\_\_\_  
Print or Type Title

This certification must be signed by the chief appointed official (staff) responsible for such approvals, Mayor, City Manager, County Manager /Administrator/Coordinator, Chairperson of the City Council/Commission or Chairperson of the Board of County Commissioners. If the contribution is from a Land Authority organized pursuant to Chapter 380.0663, Florida Statutes, this certification must be signed by the Chair of the Land Authority. One of the authorized persons named above may sign this form for certification of state, federal or Local Government funds initially obtained by or derived from a Local Government that is directly administered by an intermediary such as a housing finance authority, a community reinvestment corporation, or a state-certified Community Housing Development Organization (CHDO). Other signatories are not acceptable. The Applicant will not receive credit for this contribution if the certification is improperly signed. To be considered for points, the amount of the contribution stated on this form must be a precise dollar amount and cannot include words such as estimated, up to, maximum of, not to exceed, etc.

If the Application is not eligible for automatic points, this contribution will not be considered if the certification contains corrections or 'white-out' or if the certification is altered or retyped. The certification may be photocopied.

Please note: This form may be modified by Florida Housing Finance Corporation per Section 67-60.005, F.A.C.

**Exhibit C to RFA 2017-104 – SAIL Funding to Preserve Farmworker and Commercial Fishing Worker Housing**

**1. Applicant Requirements:**

For purposes of the following, a material change shall mean 33.3 percent or more of the Applicant, a general partner of the Applicant, or a member of the Applicant, and a non-material change shall mean less than 33.3 percent of the Applicant, a general partner of the Applicant, or a member of the Applicant.

The Applicant entity shall be the borrowing entity for the SAIL loan and cannot be changed in any way (materially or non-materially) until after the SAIL loan closing. After loan closing, (a) any change (materially or non-materially) will require Board approval prior to the change. Changes to the Applicant entity prior to the loan closing or without Board approval after the loan closing shall result in disqualification from receiving funding and shall be deemed a material misrepresentation.

**2. Principal Disclosures for Applicants and Each Developer:**

The Corporation is providing the following charts and examples to assist the Applicant in providing the required list identifying the Principals for the Applicant and for each Developer. The term Principal is defined in Exhibit D of the RFA.

a. Charts:

(1) For the Applicant:

(a) If the Applicant is a Limited Partnership:

Identify All General Partners	and	Identify All Limited Partners
-------------------------------	-----	-------------------------------

and

For each General Partner that is a Limited Partnership:	For each General Partner that is a Limited Liability Company:	For each General Partner that is a Corporation:
Identify each General Partner	Identify each Manager	Identify each Officer
and	and	and
Identify each Limited Partner	Identify each Member	Identify each Director
		and
		Identify each Shareholder

and

For each Limited Partner that is a Limited Partnership:	For each Limited Partner that is a Limited Liability Company:	For each Limited Partner that is a Corporation:
Identify each General Partner	Identify each Manager	Identify each Officer
and	and	and
Identify each Limited Partner	Identify each Member	Identify each Director
		and
		Identify each Shareholder

For any General Partner and/or Limited Partner that is a natural person (i.e., Samuel S. Smith), no further disclosure is required.

(b) If the Applicant is a Limited Liability Company:

Identify All Managers	and	Identify All Members
-----------------------	-----	----------------------

and

For each Manager that is a Limited Partnership:	For each Manager that is a Limited Liability Company:	For each Manager that is a Corporation:
Identify each General Partner	Identify each Manager	Identify each Officer
and	and	and
Identify each Limited Partner	Identify each Member	Identify each Director
		and
		Identify each Shareholder

and

For each Member that is a Limited Partnership:	For each Member that is a Limited Liability Company:	For each Member that is a Corporation:
Identify each General Partner	Identify each Manager	Identify each Officer
and	and	and
Identify each Limited Partner	Identify each Member	Identify each Director
		and
		Identify each Shareholder

For any Manager and/or Member that is a natural person (i.e., Samuel S. Smith), no further disclosure is required.

(c) If the Applicant is a Corporation:

Identify All Officers	and	Identify All Directors	and	Identify All Shareholders
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and

For each Shareholder that is a Limited Partnership:	for each Shareholder that is a Limited Liability Company:	For each Shareholder that is a Corporation:
Identify each General Partner	Identify each Manager	Identify each Officer
and	and	and
Identify each Limited Partner	Identify each Member	Identify each Director
		and
		Identify each Shareholder

For any Officer and/or Director and/or Shareholder that is a natural person (i.e., Samuel S. Smith), no further disclosure is required.

(1) For Each Developer:

(a) If the Developer is a Limited Partnership:

Identify All General Partners	and	Identify All Limited Partners
-------------------------------	-----	-------------------------------

and

For each General Partner that is a Limited Partnership:	For each General Partner that is a Limited Liability Company:	For each General Partner that is a Corporation:
Identify each General Partner	Identify each Manager	Identify each Officer
and	and	and
Identify each Limited Partner	Identify each Member	Identify each Director
		and
		Identify each Shareholder

and

For each Limited Partner that is a Limited Partnership:		For each Limited Partner that is a Limited Liability Company:		For each Limited Partner that is a Corporation:
Identify each General Partner		Identify each Manager		Identify each Officer
and		and		and
Identify each Limited Partner		Identify each Member		Identify each Director
				and
				Identify each Shareholder

For any General Partner and/or Limited Partner that is a natural person (i.e., Samuel S. Smith), no further disclosure is required.

(b) If the Developer is a Limited Liability Company:

Identify All Managers	and	Identify All Members
-----------------------	-----	----------------------

and

For each Manager that is a Limited Partnership:		For each Manager that is a Limited Liability Company:		For each Manager that is a Corporation:
Identify each General Partner		Identify each Manager		Identify each Officer
and		and		and
Identify each Limited Partner		Identify each Member		Identify each Director
				and
				Identify each Shareholder

and

For each Member that is a Limited Partnership:		For each Member that is a Limited Liability Company:		For each Member that is a Corporation:
Identify each General Partner		Identify each Manager		Identify each Officer
and		and		and
Identify each Limited Partner		Identify each Member		Identify each Director
				and
				Identify each Shareholder

For any Manager and/or Member that is a natural person (i.e., Samuel S. Smith), no further disclosure is required.

(c) If the Developer is a Corporation:

Identify All Officers	and	Identify All Directors	and	Identify All Shareholders
-----------------------	-----	------------------------	-----	---------------------------

and

For each Shareholder that is a Limited Partnership:		for each Shareholder that is a Limited Liability Company:		For each Shareholder that is a Corporation:
Identify each General Partner		Identify each Manager		Identify each Officer
and		and		and
Identify each Limited Partner		Identify each Member		Identify each Director
				and
				Identify each Shareholder

For any Officer and/or Director and/or Shareholder that is a natural person (i.e., Samuel S. Smith), no further disclosure is required.

b. Examples:

➤ Example No. 1:



Applicant or Developer: Acme Properties, LLC

Sole Member/Manager: ABC, LLC  
 Manager: Amy Smith  
 Sole Member: Patty Jones

➤ Example No. 2:

Applicant or Developer: Acme Builders, LLC

Manager: Acme Management Co, Inc.  
 Officers: Peter Smith, President/CEO  
 Fred Jones, Vice President  
 Patty Jones, Vice President  
 Bob Brown, Secretary  
 Amy Smith, Treasurer  
  
 Directors: Peter Smith  
 Fred Jones  
 Patty Jones  
  
 Shareholders: Fred Jones  
 Patty Jones  
 Bob Brown  
 Amy Smith  
  
 Member: Adam Jones  
 Member: Amy Smith

➤ Example No. 3:

Applicant or Developer: Acme Properties, Ltd.

Managing General Partner: ABC, Ltd.  
 General Partner: XYZ, Inc.  
 Limited Partner: Fred Jones  
  
 Co-General Partner: Acme Homes 3, LLC  
 Sole Manager/Member: Peter Smith  
  
 Co-General Partner: ABC, LLC  
 Manager: Adam Jones  
 Manager: Peter Smith  
 Member: XYZ, LLC  
 Member: Adam Jones  
 Member: Peter Smith  
  
 Limited Partner: Acme Homes Contractors, Inc.  
 Officers: Fred Jones, President  
 Bob Brown, Vice President  
 Patty Jones, Secretary/  
 Treasurer  
  
 Directors: Fred Jones  
 Bob Brown  
 Patty Jones  
  
 Shareholders: Fred Jones  
 Bob Brown  
 Peter Smith  
 Patty Jones  
 Adam Jones

### 3. SAIL Leveraging:

#### a. SAIL Request Amount per Set-Aside Unit:

During the funding process outlined in Section Four B of the RFA, the Application with the lower amount of SAIL funds per set-aside unit will receive preference. This amount will be calculated by dividing the Applicant's SAIL Request Amount (stated at question 12.a. of Exhibit A) by the total number of proposed set-aside units. If the Applicant's SAIL Request Amount at question 12.a. of Exhibit A is adjusted by the Corporation during the scoring process, the adjusted amount will be used for this calculation.

The total number of set-aside units for each Application will be computed by multiplying the total number of units in the proposed Development (stated at question 5.c.(2) of Exhibit A) by the Total Set-Aside Percentage (i.e., the percentage stated by the Applicant in the last row of the Set-Aside Breakdown Chart at question 7.b. of Exhibit A). Results that are not a whole number will be rounded up to the next whole number.

#### b. SAIL Request Amount as a Percentage of Total Development Cost (TDC):

During the funding process outlined in Section Four B of the RFA, an Application with an Eligible SAIL Request Amount as a percentage of TDC of 90 percent or less will receive preference over an Application with an Eligible SAIL Request Amount as a percentage of TDC of more than 90 percent.

For purposes of this calculation, the Corporation will use the SAIL Request Amount stated by the Applicant at question 12.a. of Exhibit A. However, if the Applicant's SAIL Request Amount at question 12.a. of Exhibit A and/or the Total Development Cost stated on the Development Cost Pro Forma is adjusted by the Corporation during the scoring process, the Corporation will use the adjusted amount(s) for this calculation. An Application that does not include a Total Development Cost on the Development Cost Pro Forma will not receive the preference.

### 4. Florida Job Creation Funding Preference:

Each Application will be measured to determine whether it qualifies for the Florida Job Creation Funding Preference. To determine eligibility for the preference, the Corporation will calculate the Application's Florida Job Creation score, which will reflect the number of Florida jobs per \$1 million of SAIL funding. Only Applications with a Florida Job Creation score equal to or greater than 60 will qualify for the Florida Job Creation Funding Preference in Section Four B of the RFA.

Determination of the Florida Job Creation score will be based on the following information:

- The number of rehabilitation units in the proposed Development (as committed to by the Applicant at question 5.c.(2) of Exhibit A of the RFA);
- The applicable Florida job creation rate 1.916 Florida Jobs per unit for proposed rehabilitation units; and
- The Eligible SAIL Request Amount.

The score for the Florida Rate of Job Creation per \$1 million of SAIL funding will be measured using the following calculation:

Number of rehabilitation units x 1.916 Florida Jobs per unit x 1,000,000 / Eligible SAIL Request Amount = Florida Jobs per \$1 million of SAIL funding.

For example:

Application A consists of 70 rehabilitation units and has a Eligible SAIL Request Amount of \$2,100,000.

$$70 \times 1.916 \times 1,000,000 / 2,100,000 = \text{Florida Job Creation score of } 63.87.$$

In the above example, Application A will qualify for the Job Creation Funding Preference because it has a Florida Job Creation score that is at least 60.

## 5. Fees:

The Corporation and, if applicable, the Credit Underwriter shall collect via check or money order from the Applicant the following fees and charges in conjunction with the SAIL Program. Failure to pay any fee shall cause the funding to be withdrawn as outlined in Exhibit D of the RFA.

### a. Application Fee:

All Applicants requesting SAIL funding shall submit to the Corporation as a part of the Application submission a non-refundable Application fee of \$3,000.

### b. Credit Underwriting Fees:

The following fees are not the fees that will be charged, but are listed below for estimation purposes of completing your pro-forma in the Application. The actual fees will be determined based on the current contract, including any addendum, for services between the Corporation and the Credit Underwriter(s) in effect at the time underwriting begins.

(1) Initial fee: \$13,203

(2) Re-underwriting fee: \$173 per hour, not to exceed \$7,657.

Any SAIL Development requiring further analysis by the Credit Underwriter pursuant to Exhibit D of the RFA, will be subject to a fee based on an hourly rate determined pursuant to contract between the Corporation and the Credit Underwriter. All credit underwriting fees shall be paid by the Applicant prior to the performance of the analysis by the Credit Underwriter.

(3) Extraordinary Services fee: \$173 per hour.

### c. Compliance Monitoring Fees:

The following fees are not the fees that will be charged, but are listed below for estimation purposes of completing your pro-forma in the Application. The actual fees will be determined based on the current contract, including any addendum, for services between the Corporation and the Compliance Monitor(s).

(1) Initial fee:

A total annual fee comprised of a base fee of \$161 per month + an additional fee per set-aside unit of \$9.87 per year, subject to a minimum of \$252 per month, and subject to an automatic annual increase of 3 percent of the prior year's fee.

(2) Follow-up Reviews/Extraordinary Services fee: \$173 per hour.

d. Commitment Fees:

With respect to the SAIL Program, each Applicant to which a firm commitment is granted shall submit to the Corporation a non-refundable commitment fee of 1 percent of the SAIL loan amount upon acceptance of the firm commitment.

(1) Non-Profit sponsors who provide a certification indicating that funds will not be available prior to closing shall be permitted to pay the commitment fee at closing.

(2) All Applicants shall remit the commitment fee payable to the Florida Housing Finance Corporation.

e. Credit Underwriting and Loan Closing Extension Fees:

In the event Credit Underwriting is not completed or the SAIL loan does not close within the timeframes prescribed in Item 4 of Exhibit D, extension fees will be assessed.

f. Loan Servicing Fees:

The following fees are not the fees that will be charged, but are listed below for estimation purposes of completing your pro-forma in the Application. The actual fees will be based on the current contract, including any addendum, for services between the Corporation and the Servicer(s).

(1) Construction Loan Servicing Fees:

SAIL loans each have a Construction Loan Servicing Fee to be paid as indicated. The following fees are listed for estimation purposes only; the actual fees will be determined based on the current contract, including any addendum, for services between the Corporation and Servicer(s) in effect at the time of loan closing.

- \$173 per hour for an in-house review of a draw request, up to a maximum of \$2,113 per draw.
- \$173 per hour for on-site inspection fees, up to a maximum of \$1,718 per draw.
- \$173 per hour for extraordinary services.

(2) Permanent Loan Servicing Fees:

SAIL loans each have a Permanent Loan Servicing Fee to be paid annually. The following fee is listed for estimation purposes only; the actual fees will be determined based on the current contract, including any addendum, for services between the Corporation and Servicer(s).

Annual fee of 25 bps of the outstanding loan amount, with a minimum monthly fee of \$207 and a maximum monthly fee of \$823, and an hourly fee of \$173 for extraordinary services.

## g. Additional SAIL Loan Fees:

SAIL Applicants will be responsible for all fees associated with the Corporation's legal counsel related to the SAIL Program based on the current contract for services between the Corporation and the legal counsel.

## h. Development Cost Pro Forma:

All fees set forth above with respect to the SAIL Loan amount are part of Development Cost and can be included in the Development Cost Pro Forma and paid with loan proceeds.

## i. Assumption/Renegotiation Fees:

For all loans where the Applicant is requesting a sale and/or transfer and assumption of the loan, the borrower or purchaser shall submit to the Corporation a non-refundable assumption fee of one-tenth of one percent of the loan amount.

For all loans where the Applicant is requesting a renegotiation of the loan, the borrower shall submit to the Corporation a non-refundable renegotiation fee of one-half of one percent of the loan amount.

For all loans where the Applicant is requesting an extension of the loan term, the borrower shall submit to the Corporation a non-refundable extension fee of one-tenth of one percent of the loan amount. If the extension is associated with a renegotiation of the loan, then only the renegotiation fee will be charged.

## 6. Remaining Members of the Development Team and Environmental Site Assessment:

Within 21 Calendar Days of the date of the invitation to enter credit underwriting, the following information must be provided to the Corporation:

## a. Identity of the Remaining Members of the Development Team:

For purposes of the following, the Applicant must use the certification forms (Forms Rev. 01-14) which are available on the Corporation's Website <http://www.floridahousing.org/Developers/MultiFamilyPrograms/Competitive/2017-104/RelatedForms/> (also accessible by clicking [here](#)). Note: The use of any prior version of these forms will not be acceptable to meet this requirement.

- (1) Identify the Architect by providing the completed and executed Florida Housing Finance Corporation Architect Certification form.
- (2) Identify the Attorney by providing the completed and executed Florida Housing Finance Corporation Attorney Certification (MMRB/SAIL/HOME/Gap Loans) form.
- (3) Identify the Accountant by providing the completed and executed Florida Housing Finance Corporation Certification of Accountant form.
- (4) Identify the General Contractor by providing the completed and executed Florida Housing Finance Corporation General Contractor or Qualifying Agent of General Contractor Certification form.

## b. Environmental Site Assessment:

The Applicant must provide to the Corporation the completed and executed Florida Housing Finance Corporation Verification of Environmental Safety Phase I Environmental Site Assessment form, and, if applicable, the completed and executed Florida Housing Finance Corporation Verification of Environmental Safety Phase II Environmental Site Assessment form. Note: If a Phase II ESA is required, but has not been completed by the stated deadline, the Applicant must contact Corporation staff to request an extension for submission of the Phase II ESA form.

For purposes of this provision, the Applicant must use the Florida Housing Phase I and Phase II Environmental Assessment forms (Forms Rev. 11-14) which are available on the Corporation's Website [http://www.floridahousing.org/Developers/ MultiFamilyPrograms/Competitive/2017-104/ RelatedForms/](http://www.floridahousing.org/Developers/MultiFamilyPrograms/Competitive/2017-104/RelatedForms/) (also accessible by clicking [here](#)). Note: The use of any prior version of these forms will not be acceptable to meet this requirement.

#### **7. Resident Relocation Plan:**

Per Section Four A.5.d. of the RFA, during the credit underwriting process the Applicant shall develop and implement a plan and timeline for resident relocation during the Development's rehabilitation. The plan and timeline must be approved by the Corporation. The plan shall describe the approach to appropriately, adequately and safely relocate residents when they are directly affected by rehabilitation of their dwelling unit and common areas. The plan shall provide information regarding the relocation site; accommodations relevant to the needs of the residents and length of time residents will be displaced; moving and storage of the contents of a resident's dwelling units; as well as the approach to inform and prepare the residents for the rehabilitation activities. The Corporation will provide guidelines at credit underwriting to assist each Applicant in developing and drafting a Resident Relocation Plan.

#### **8. Outreach, Marketing and Referral Plan:**

Per Section Four A.10. of the RFA, during the credit underwriting process the Applicant shall develop and implement a plan for tenant outreach, marketing and referral. The plan must be approved by the Corporation. The plan shall describe the Applicant's initial and ongoing approach, policies and procedures to:

- Inform the intended residents, relevant community service providers and stakeholders, and the general public about the Development;
- Implement and sustain application and referral approaches and processes for prospective residents; and
- Select applicants for residency, as well as establish and maintain a waitlist.

The Corporation will provide guidelines at credit underwriting to assist each Applicant in developing and drafting the plan.

## Exhibit D to RFA 2017-104 – SAIL Funding to Preserve Farmworker and Commercial Fishing Worker Housing

The following definitions, program requirements, credit underwriting, and loan terms and conditions apply to the SAIL loan offered in this RFA.

### 1. Definitions:

Term	Definition
“Act”	The Florida Housing Finance Corporation Act as found in Chapter 420, Part V, F.S.
“Address”	The address number, street name and city or, at a minimum, the street name, closest designated intersection, and whether or not the Development is located within a city or in the unincorporated area of the county. If located within a city, include the name of the city.
“Affiliate”	Any person that: (a) Directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with the Applicant or Developer, (b) Serves as an officer or director of the Applicant or Developer or of any Affiliate of the Applicant or Developer, (c) Directly or indirectly receives or will receive a financial benefit from a Development except as further described in Section 2 of Exhibit D, or (d) Is the spouse, parent, child, sibling, or relative by marriage of a person described in paragraph (a), (b) or (c) above.
“Applicant”	Any person or legally formed entity of the type and with the management and ownership structure described herein that is seeking a loan or funding from the Corporation by submitting an Application or responding to this RFA pursuant to Rule Chapter 67-60, F.A.C., for one or more of the Corporation’s programs. For purposes of Section 6 of Exhibit D of the RFA, Applicant also includes any assigns or successors in interest of the Applicant.
“Application”	The sealed response submitted to participate in this RFA for funding pursuant to Rule Chapter 67-60, F.A.C.
“Board of Directors” or “Board”	The Board of Directors of the Corporation.
“Calendar Days”	The seven (7) days of the week.
“Commercial Fishing Worker”	Commercial fishing worker as defined in Section 420.503, F.S.
“Compliance Period”	A period of time that the Development shall conform to all set-aside requirements as described further in the RFA and agreed to by the Applicant in the Application.
“Contact Person”	The person with whom the Corporation will correspond concerning the Application and the Development. This person cannot be a third-party consultant.
“Corporation”	The Florida Housing Finance Corporation as defined in Section 420.503, F.S.
“Credit Underwriter”	The independent contractor under contract with the Corporation having the responsibility for providing stated credit underwriting services.
“Developer”	Any individual, association, corporation, joint venturer, or partnership which possesses the requisite skill, experience, and credit worthiness to successfully produce affordable housing as required in the Application.
“Development”	Project as defined in Section 420.503, F.S.
“Development Cash Flow”	With respect to SAIL Developments, cash transactions of the Development as calculated in the statement of cash flows prepared in accordance with generally accepted accounting principles (“GAAP”), as adjusted for any cash transactions that are subordinate to the SAIL loan interest payment including any distribution or payment to the Applicant or Developer, Principal(s) of the Applicant or Developer or any Affiliate of the Principal(s) of the Applicant or Developer, or to the Developer or any Affiliate of the Developer, whether paid directly or indirectly, which

	was not expressly disclosed in determining the annual debt service coverage in the Board approved final credit underwriting report.
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<b>Term</b>	<b>Definition</b>
“Development Cost”	The total of all costs incurred in the completion of a Development excluding Developer fee, operating deficit reserves, and total land cost as typically shown in the Development Cost line item on the development cost pro forma within an applicable Application.
“Development Expenses”	With respect to SAIL Developments, usual and customary operating and financial costs, such as the compliance monitoring fee, the financial monitoring fee, replacement reserves, the servicing fee and the debt service reserves. As it relates to the application of Development Cash Flow described in Section 5 of Exhibit D of the RFA, the term includes only those expenses disclosed in the operating pro forma on an annual basis included in the final credit underwriting report, as approved by the Board, and maximum of 20 percent Developer fee per year.
“Development Location Point”	A single point selected by the Applicant on the proposed Development site that is located within 100 feet of an existing residential building. For a Development which consists of Scattered Sites, this means a single point on the site with the most units that is located within 100 feet of an existing residential building.
“Document”	Electronic media, written or graphic matter, of any kind whatsoever, however produced or reproduced, including records, reports, memoranda, minutes, notes, graphs, maps, charts, contracts, opinions, studies, analysis, photographs, financial statements and correspondence as well as any other tangible thing on which information is recorded.
“Draw”	The disbursement of funds to a Development.
“ELI Household” or “Extremely Low Income Household”	A household of one or more persons wherein the annual adjusted gross income for the Family is equal to or below the percentage of area median income for ELI Persons.
“ELI Persons or Extremely Low Income Persons”	Extremely low income persons as defined in Section 420.0004(9), F.S.
“ELI Set-Aside” or “Extremely Low Income Set-Aside”	The number of units designated to serve ELI Households.
“Eligible Persons”	One or more natural persons or a family, irrespective of race, creed, national origin, or sex, determined by the Corporation to be of Low Income or Very Low-Income, as further described in Section 2 of Exhibit D of the RFA.
“EUA” or “Extended Use Agreement”	With respect to the HC Program, an agreement which sets forth the set-aside requirements and other Development requirements under the HC Program.
“Executive Director”	The Executive Director of the Corporation.
“Family”	A household composed of one or more persons.
“Farmworker”	Farmworker as defined in Section 420.503, F.S.
“Financial Beneficiary”	Any Principal of the Developer or Applicant entity who receives or will receive any direct or indirect financial benefit from a Development except as further described in Section 2 of Exhibit D of the RFA.
“General Contractor”	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 Section 4 of Exhibit D of the RFA.



“HC” or “Housing Credit” or “Housing Credit Program”	The rental housing program administered by the Corporation pursuant to Section 42 of the IRC and Section 420.5099, F.S.
“Local Government”	Local government as defined in Section 420.503, F.S.

<b>Term</b>	<b>Definition</b>
“Low Income”	The Adjusted Income for a Family which does not exceed 80 percent of the area median income.
“LURA” or “Land Use Restriction Agreement”	An agreement which sets forth the set-aside requirements and other Development requirements under a Corporation program.
“Mortgage”	Mortgage as defined in Section 420.503, F.S.
“Non-Profit”	A qualified non-profit entity as defined in subsection 501(c)(3) or 501(c)(4) of the IRC and organized under Chapter 617, F.S., if a Florida Corporation, or organized under similar state law if organized in a jurisdiction other than Florida, to provide housing and other services on a not-for-profit basis, which owns at least 51 percent of the ownership interest in the Development held by the general partner or managing member entity, which shall receive at least 25 percent of the Developer fee, and which entity is acceptable to federal and state agencies and financial institutions as a Sponsor for affordable housing, as further described in Section 2 of Exhibit D of the RFA.
“Note”	A unilateral agreement containing an express and absolute promise to pay to the Corporation a principal sum of money on a specified date, which provides the interest rate and is secured by a Mortgage.
“PHA” or “Public Housing Authority”	A housing authority under Chapter 421, F.S.
“Principal”	(a) With respect to an Applicant or Developer that is a corporation, any officer, director or shareholder of the Applicant or Developer corporation, and, with respect to any shareholder of the Applicant or Developer corporation that is: (1) A corporation, any officer, director or shareholder of the corporation, (2) A limited partnership, any general partner or limited partner of the limited partnership, or (3) A limited liability company, any manager or member of the limited liability company; (b) With respect to an Applicant or Developer that is a limited partnership, any general partner or limited partner of the Applicant or Developer limited partnership, and, with respect to any general partner or limited partner of the Applicant or Developer limited partnership that is: (1) A corporation, any officer, director or shareholder of the corporation, (2) A limited partnership, any general partner or limited partner of the limited partnership, or (3) A limited liability company, any manager or member of the limited liability company; and; (c) With respect to an Applicant or Developer that is a limited liability company, any manager or member of the Applicant or Developer limited liability company, and, with respect to any manager or member of the Applicant or Developer limited liability company that is: (1) A corporation, any officer, director or shareholder of the corporation, (2) A limited partnership, any general partner or limited partner of the limited partnership, or (3) A limited liability company, any manager or member of the limited liability company.
“Project” or “Property”	Project as defined in Section 420.503, F.S.
“RD” or “Rural Development”	Rural Development Services (formerly the “Farmer’s Home Administration” or “FmHA”) of the United States Department of Agriculture.
“Regulated Mortgage Lender”	(a) A state or federally chartered entity authorized to transact business in this state that regularly engages in the business of making mortgage loans secured by real property in this

	<p>state, whose mortgage lending activities subject it to the jurisdiction of the State of Florida Office of Financial Regulation, the Board of Governors of the Federal Reserve, Office of the Comptroller of the Currency, the National Credit Union Administration, or the Federal Deposit Insurance Corporation; (b) A Fannie Mae-approved lender whose name appears on the Fannie Mae list of Delegated Underwriting and Servicing (DUS®) Lenders (list available by clicking <a href="#">here</a>); (c) A HUD-approved lender whose name appears on the U.S. Department of Housing and Urban Development (HUD) list of Multifamily Accelerated Processing (MAP) Approved Lenders (list available by clicking <a href="#">here</a>); (d) A RD-approved lender whose name appears on the U.S. Department of Agriculture, Rural Development (RD), list of Section 538 Guaranteed Rural Rental Housing approved lenders (list available by clicking <a href="#">here</a>); or (e) A Freddie Mac-approved multifamily lender whose name appears on Freddie Mac’s lists of Program Plus (Florida region) lenders, Targeted Affordable Housing lenders or Seniors Housing lenders (lists available by clicking <a href="#">here</a>); or (f) a mortgage lender that is a certified Community Development Financial Institution (CDFI) in the State of Florida that has been awarded funding from the CDFI Fund in a cumulative amount of at least \$5,000,000, exclusive of New Market Tax Credit (NMTC) awards, whose name and CDFI awards can be confirmed on the CDFI Fund’s web site (Qualified CDFI)(list available by clicking <a href="#">here</a>), and the affiliate(s) of such Qualified CDFI. As used herein, the affiliate(s) of a Qualified CDFI means the parent, subsidiary or successor of the Qualified CDFI, or an entity that shares common ownership or management with the Qualified CDFI. If the lender is an affiliate of the Qualified CDFI, the funding letter(s) being considered by the Corporation must include the name of the Qualified CDFI and a statement that the lender is an affiliate of the Qualified CDFI.</p>
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<b>Term</b>	<b>Definition</b>
“Review Committee” or “Committee”	A committee established pursuant to Rule Chapter 67-60, F.A.C.
“SAIL” or “SAIL Program”	The State Apartment Incentive Loan Program created pursuant to Sections 420.507(22) and 420.5087, F.S.
“SAIL Development”	A residential development comprised of one (1) or more residential buildings proposed to be constructed or substantially rehabilitated with SAIL funds for Eligible Persons.
“SAIL Minimum Set-Aside Requirement”	The least number of set-aside units in a SAIL Development which must be held for Very Low-Income persons or households serving Farmworker and Commercial Fishing Workers under which the Application has been made, as further described in the RFA.
“Scattered Sites”	As applied to a single Development, means a Development site that, when taken as a whole, is comprised of real property that is not contiguous (each such non-contiguous site within a Scattered Site Development, a “Scattered Site”). For purposes of this definition “contiguous” means touching at a point or along a boundary. Real property is contiguous if the only intervening real property interest is an easement, provided the easement is not a roadway or street. All of the Scattered Sites must be located in the same county.
“Section 8 Eligible”	A Family with an income which meets the income eligibility requirements of Section 8 of the United States Housing Act of 1937.
“Sponsor”	Sponsor as defined in Section 420.503, F.S.
“Substantial Rehabilitation”	With respect to the SAIL Program, to bring a Development back to its original state with added improvements, where the value of such repairs or improvements (excluding the costs of acquiring or moving a structure) exceeds 40 percent of the appraised as is value (excluding land) of such Development before repair. For purposes of this definition, the value of the repairs or improvements means the Development Cost. To be considered “Substantial Rehabilitation,” there must be at least the foundations remaining from the previous structures, suitable to support the proposed construction.

“Total Development Cost”	The total of all costs incurred in the completion of a Development, all of which shall be subject to the review and approval by the Credit Underwriter and the Corporation pursuant to this RFA, and as further described in Section 2 of Exhibit D of the RFA.
“Very Low-Income”	With respect to the SAIL Program, (a) If using tax-exempt bond financing for the first mortgage, income which meets the income eligibility requirements of Section 8 of the United States Housing Act of 1937, as in effect on the date of this RFA; or (b) If using taxable financing for the first mortgage, total annual gross household income which does not exceed 50 percent of the median income adjusted for family size, or 50 percent of the median income adjusted for family size for households within the metropolitan statistical area (MSA), within the county in which the Family resides, or within the state of Florida, whichever is greater; or (c) If used in a Development using Housing Credits, income which meets the income eligibility requirements of Section 42 of the IRC.
“Website”	The Florida Housing Finance Corporation’s website, the Universal Resource Locator (URL) for which is <a href="http://apps.floridahousing.org/StandAlone/FHFC_ECM/AppPage_HomePage.aspx">http://apps.floridahousing.org/StandAlone/FHFC_ECM/AppPage_HomePage.aspx</a>

## 2. Miscellaneous Requirements:

- a. Applications shall be limited to one submission per subject property. Two (2) or more Applications, submitted in this RFA process, that have the same demographic commitment and one or more of the same Financial Beneficiaries, will be considered submissions for the same Development site if any of the following is true:
  - (1) Any part of any of the property sites is contiguous with any part of any of the other property sites, or
  - (2) Any of the property sites are divided by a street or easement, or
  - (3) It is readily apparent from the Applications, proximity, chain of title, or other information available to the Corporation that the properties are part of a common or related scheme of development.

If two (2) or more Applications are considered to be submissions for the same Development site, the Corporation will reject all such Applications except the Application with the highest (worst) lottery number. The Application(s) with the lowest lottery number(s) will still be rejected even if the Applicant withdraws the Application with the highest (worst) lottery number.
- b. An Applicant shall be ineligible for funding or allocation in any program administered by the Corporation for a period of time as determined in (c) below if:
  - (1) The Board determines that the Applicant or any Principal, Financial Beneficiary, or Affiliate of the Applicant has made a material misrepresentation or engaged in fraudulent actions in connection with any Application for a Corporation program. For purposes of this subsection, there is a rebuttable presumption that an Applicant has engaged in fraudulent actions if the Applicant or any Principal, Financial Beneficiary or Affiliate of the Applicant:
    - (a) Has been convicted of fraud, theft or misappropriation of funds,
    - (b) Has been excluded from federal or Florida procurement programs for any reason,
    - (c) Has been convicted of a felony in connection with any Corporation program, or

- (d) Has offered or given consideration with respect to a local contribution as set forth in subsection (g) below.
- (2) Before any such determination can be final or effective, the Corporation must serve an administrative complaint that affords reasonable notice to the Applicant of the facts or conduct that warrant the intended action, specifies a proposed duration of ineligibility, and advises the Applicant of the opportunity to request a proceeding pursuant to Sections 120.569 and 120.57, F.S. Upon service of such complaint, all pending transactions under any program administered by the Corporation involving the Applicant, or any Principal, Financial Beneficiary or Affiliate of the Applicant shall be suspended until a final order is issued or the administrative complaint is dismissed.
  - (3) The administrative complaint will include a proposed duration of ineligibility, which may be either a specific period of time or permanent in nature. With regard to establishing the duration, the Board shall consider the facts and circumstances, inclusive of each Applicant's compliance history, the type of misrepresentation or fraud committed, and the degree of harm to the Corporation's programs that has been or may be done.
- c. The following items as identified by the Applicant in the Application must be maintained and cannot be changed by the Applicant after the applicable submission, unless provided otherwise below:
- (1) Name of Applicant entity; notwithstanding the foregoing, the name of the Applicant entity may be changed only by written request of an Applicant to Corporation staff and approval of the Board after the Applicant has been invited to enter credit underwriting. With regard to said approval, the Board shall consider the facts and circumstances of each Applicant's request, inclusive of validity and consistency of Application documentation;
  - (2) Principals of each Developer, including all co-Developers; notwithstanding the foregoing, the Principals of the Developer(s) may be changed only by written request of an Applicant to Corporation staff and approval of the Board after the Applicant has been invited to enter credit underwriting. With regard to said approval, the Board shall consider the facts and circumstances of each Applicant's request, inclusive of validity and consistency of Application documentation;
  - (3) Applicant applying as a Non-Profit or for-profit organization;
  - (4) Site for the Development; notwithstanding the foregoing, after the Applicant has been invited to enter credit underwriting and subject to written request of an Applicant to Corporation staff and approval of the Corporation, the site for the Development may be increased or decreased. In addition, if the increase of the site is such that the proposed Development now meets the definition of a Scattered Site, then the Applicant shall be required to provide such Scattered Sites information and meet all Scattered Sites requirements as required by Corporation staff. With regard to said approval, the Corporation shall consider the facts and circumstances of each Applicant's request, inclusive of validity and consistency of Application documentation;
  - (5) Development Category;
  - (6) Demographic Commitment;

- (7) Total number of units; notwithstanding the foregoing, the total number of units may be increased after the Applicant has been invited to enter credit underwriting, subject to written request of an Applicant to Corporation staff and approval of the Corporation. With regard to said approval, the Corporation shall consider the facts and circumstances, inclusive of each Applicant's request, in evaluating whether the changes made are prejudicial to the Development or to the market to be served by the Development;
- (8) Where applicable, the Total Set-Aside Percentage as stated in the last row of the Total Set-Aside Breakdown Chart in the Set-Aside Commitment section of the Application. Notwithstanding the foregoing, the Total Set-Aside Percentage may be increased after the Applicant has been invited to enter credit underwriting, subject to written request of an Applicant to Corporation staff and approval of the Corporation. With regard to said approval, the Corporation shall consider the facts and circumstances, inclusive of each Applicant's request, in evaluating whether the changes made are prejudicial to the Development or to the market to be served by the Development; and
- (9) Funding Request Amount, exclusive of adjustments by the Corporation as outlined in this RFA.
- d. A Development will be withdrawn from funding and any outstanding commitments for funds will be rescinded if, at any time, the Board determines that the Applicant's Development or Development team is no longer the Development or Development team described in the Application or to the Credit Underwriter, and the changes made are prejudicial to the Development or to the market to be served by the Development.
- e. If an Applicant or Developer or any Principal, Affiliate or Financial Beneficiary of an Applicant or a Developer has any existing Developments participating in any Corporation programs that remain in non-compliance with Section 42 of the IRC, Title 67, F.A.C., any competitive solicitations, or applicable loan documents, and any applicable cure period granted for correcting such non-compliance has ended as of the time of submission of the Application or at the time of issuance of a credit underwriting report, the requested allocation will, upon a determination by the Board that such non-compliance substantially increases the likelihood that such Applicant or Developer will not be able to produce quality affordable housing, be denied and the Applicant or Developer and the Affiliates of the Applicant or Developer will be prohibited from new participation in any of the Corporation's programs until such time as all of their existing Developments participating in any Corporation programs are in compliance.
- f. The name of the Development provided in the Application may not be changed or altered after submission of the Application during the history of the Development with the Corporation unless the change is requested in writing and approved in writing by the Corporation. The Corporation shall consider the facts and circumstances of each Applicant's request and any credit underwriting report, if available, prior to determining whether to grant such request.
- g. If an Applicant or any Affiliate of an Applicant has offered or given consideration, other than the consideration to provide affordable housing, with respect to a local contribution and this is discovered prior to Board approval of the Review Committee's recommendations, the Corporation shall reject the Application and any other Application submitted by the same Applicant and any Affiliate of the Applicant. If discovered after the Board approves the Review Committee's recommendations, any tentative funding or allocation for the Application and any other Application submitted by the same Applicant and any Affiliate of the Applicant will be

withdrawn. Such Applicant and any of such Applicant's Affiliates will be ineligible for funding or allocation in any program administered by the Corporation in accordance with 2.b. above.

- h. For purposes of this RFA, a for-profit entity wholly owned by one or more qualified non-profit organizations will constitute a Non-Profit entity. The purpose of the Non-Profit must be, in part, to foster low-income housing and such purpose must be reflected in the Articles of Incorporation of the Non-Profit entity. A Non-Profit entity shall own an interest in the Development, either directly or indirectly; shall not be affiliated with or controlled by a for-profit Corporation; and shall materially participate in the development and operation of the Development throughout the total affordability period as stated in the Land Use Restriction Agreement.
- i. Total Development Cost includes the following:
  - (1) The cost of acquiring real property and any buildings thereon, including payment for options, deposits, or contracts to purchase properties, of which the total cost cannot exceed the appraised value of the real property as determined in the credit underwriting process;
  - (2) The cost of site preparation, demolition, and development;
  - (3) Fees in connection with the planning, execution, and financing of the Development, such as those of architects, engineers, attorneys, accountants, Developer fee, and the Corporation;
  - (4) The cost of studies, surveys, plans, permits, insurance, interest, financing, tax and assessment costs, and other operating and carrying costs during rehabilitation of the Development;
  - (5) The cost of the rehabilitation and equipping of the Development;
  - (6) The cost of land improvements, such as landscaping and offsite improvements related to the Development, whether such costs are paid in cash, property, or services;
  - (7) Expenses in connection with initial occupancy of the Development;
  - (8) Allowances for contingency reserves and reserves for any anticipated operating reserves as recommended by the Credit Underwriter and, if applicable, any rent-restabilization reserves required by a Regulated Mortgage Lender or government entity related to the potential loss of funding from the Development's contracted federal rental assistance program. Any funded rent-restabilization reserve not utilized for said purpose must be retained for the sole benefit of the Development; and
  - (9) The cost of such other items, including relocation costs, indemnity and surety bonds, and premiums on insurance for the rehabilitation of the Development.
- j. In determining the income standards of Eligible Persons for the applicable programs, the Corporation shall take into account the following factors:
  - (1) Requirements mandated by federal law;
  - (2) Variations in circumstances in the different areas of the state;
  - (3) Whether the determination is for rental housing; and
  - (4) The need for family size adjustments to accomplish the purposes set forth in this RFA.

- k. Financial Beneficiary and Affiliate, as defined in this RFA, do not include third party lenders, third party management agents or companies, third party service providers, Housing Credit Syndicators, credit enhancers regulated by a state or federal agency, or contractors whose total fees are within the limit described in this RFA.
- l. For computing any period of time allowed by this RFA, the day of the event from which the designated period of time begins to run shall not be included. The last day of the period so computed shall be included unless it is a Saturday, Sunday or legal holiday, in which event the period shall run until the end of the next day which is neither a Saturday, Sunday or legal holiday.

### **3. SAIL General Program Procedures and Restrictions:**

- a. The SAIL Income Minimum Set-Aside Requirement:

20 percent of the SAIL Development's units set-aside for residents with annual household incomes at or below 50 percent of the area, metropolitan statistical area ("MSA") or state or county median income, whichever is higher, adjusted for family size.

- b. Additional SAIL provisions:

Selection for SAIL Program participation is contingent upon fund availability at the conclusion of the appeals process as set forth in Rule 67-60.009, F.A.C.

### **4. Credit Underwriting Procedures for SAIL Loan:**

Credit underwriting is a de novo review of all information supplied, received or discovered during or after the RFA scoring and funding preference process, prior to the closing on funding. The success of an Applicant in being selected for funding is not an indication that the Applicant will receive a positive recommendation from the Credit Underwriter or that the Development team's experience, past performance or financial capacity is satisfactory. The credit underwriting review shall include a comprehensive analysis of the Applicant, the real estate, the economics of the Development, the ability of the Applicant and the Development team to proceed, the evidence of need for affordable housing in order to determine that the Development meets the program requirements and determine a recommended SAIL loan amount, if any; and for any Development that has rehabilitation with or without acquisition, a capital needs assessment prepared in accordance with generally accepted industry investment grade standards shall be ordered by the Credit Underwriter, and its findings shall be used to determine rehabilitation that will be carried out, including applicable energy, green, universal design and visitability features, and to set replacement reserves. Corporation funding will be based on appraisals of comparable developments, cost benefit analysis, and other documents evidencing justification of costs. As part of the credit underwriting review, the Credit Underwriter will consider the applicable provisions of the RFA.

- a. At the completion of all litigation and approval by the Board of all recommended orders with regard to this RFA process, the Corporation shall offer all Applicants within the funding range an invitation to enter credit underwriting. The Corporation shall select the Credit Underwriter for each Development.
- b. The invitation to enter credit underwriting constitutes a preliminary commitment.

- c. A response to the invitation to enter credit underwriting must be received by the Corporation and the Credit Underwriter not later than seven (7) Calendar Days after the date of the invitation. For any invitation to enter credit underwriting that is offered to an Applicant after Board approval of the list of eligible Applications that is sorted from highest funding preference to lowest, where the Applicant's response is to decline to enter credit underwriting, the result shall be the removal of the Application from the list of eligible Applications for this RFA and any other funding where that list of eligible Applications will be used.
- d. If the invitation to enter credit underwriting is accepted:
  - (1) All Applicants shall submit the credit underwriting fee to the Credit Underwriter within seven (7) Calendar Days of the date of the invitation to enter credit underwriting. In addition, within 14 Calendar Days of the date of the invitation, Applicants shall submit IRS Tax Information Authorization Form 8821 for all Financial Beneficiaries to the Corporation.
  - (2) Failure to submit the required credit underwriting fee by the specified deadline shall result in withdrawal of the invitation.
  - (3) The loan must close within the timeframe set out in 4.y. below.
- e. The Credit Underwriter shall review all information in the Application and subsequently provided during the credit underwriting process, including information relative to the Applicant, Developer and General Contractor, as well as other members of the Development team. The Credit Underwriter shall also request and review such other information as it deems appropriate to determine whether or not to provide a positive recommendation in connection with a proposed Development.
- f. In determining whether or not to provide a positive recommendation in connection with a proposed Development, the Credit Underwriter will consider the prior and recent performance history of the Applicant, Developer, any Financial Beneficiary of the Applicant or Developer, and the General Contractor in connection with any other affordable housing development. The performance history shall consider instances involving a foreclosure, deed in lieu of foreclosure, financial arrearage, or other event of material default in connection with any affordable housing development or the documents governing financing or operation of any such development.
  - (1) Unless the Credit Underwriter determines that mitigating factors exist, or that underwriting conditions can be imposed, sufficient to mitigate or offset the risk, the existence of the following shall result in a negative recommendation of the proposed Development by the Credit Underwriter:
    - (a) Considering all affordable housing developments in which any party named above has been involved, if:
      - (i) During the period prior to August 1, 2010, 5 percent or more of that party's developments have been the subject of a foreclosure or deed in lieu of foreclosure, or in financial arrearage or other material default and such arrearage or material default remained uncured for a period of 60 days or more, or
      - (ii) During the period beginning on or after August 1, 2010, any of that party's developments have been the subject of a foreclosure or deed in lieu of foreclosure, or in financial arrearage or other material default and such arrearage or material default



is uncured at the present or, if cured, remained uncured for a period of 60 days or more.

- (b) Mitigating factors to be considered by the Credit Underwriter, to the extent such information is reasonably available and verifiable, shall include the extent to which the party funded the operations of the development from that party's own funds in an attempt to keep the development afloat, the election by a party to forego financial participation in a development in an attempt to keep the development afloat, the party's satisfactory performance history over the last 10 years in connection with that party's affordable housing developments, and any other extenuating circumstances deemed relevant by the Credit Underwriter in connection with the party's involvement in a development.
- (2) A negative recommendation may also result from the review of:
- (a) An Applicant, Developer, any Financial Beneficiary of the Applicant or Developer, and the General Contractor in connection with any other affordable housing development,
  - (b) Financial capacity of an Applicant, Developer, any Financial Beneficiary of the Applicant or Developer and the General Contractor, or
  - (c) Any other relevant matters relating to an Applicant, Developer, any Financial Beneficiary of the Applicant or Developer, and the General Contractor if, in the Credit Underwriter's opinion, one or more members of the Development team do not possess the ability to proceed.
- g. The Credit Underwriter shall report any inconsistencies or discrepancies or changes made to the Applicant's Application during credit underwriting.
  - h. The Applicant will be responsible for all fees in connection with the documentation submitted to the Credit Underwriter.
  - i. If the Credit Underwriter determines that special expertise is required to review information submitted to the Credit Underwriter which is beyond the scope of the Credit Underwriter's expertise, the fee for such services shall be borne by the Applicant.
  - j. A full or self-contained appraisal as defined by the Uniform Standards of Professional Appraisal Practice and a separate market study shall be ordered by the Credit Underwriter, at the Applicant's expense, from an appraiser qualified for the geographic area and development type not later than completion of credit underwriting. The Credit Underwriter shall review the appraisal to properly evaluate the development property's financial feasibility. Appraisals which have been ordered and submitted by a Regulated Mortgage Lender and which meet the above requirements and are acceptable to the Credit Underwriter may be used instead of the appraisal referenced above. The market study must be completed by a disinterested party who is approved by the Credit Underwriter. The Credit Underwriter shall consider the market study, the Development's financial impact on Developments in the area previously funded by the Corporation, and other documentation when making its recommendation of whether to approve or disapprove a SAIL loan. The Credit Underwriter shall also review the appraisal and other market documentation to determine if the market exists to support both the demographic and income restriction set-asides committed to within the Application. For the Credit Underwriter to make a favorable recommendation, the submarket of the proposed Development must have an average physical occupancy rate of 92 percent or greater.

- k. The minimum debt service coverage shall be 1.10x for the SAIL loan, including all superior mortgages. However, if the Applicant defers at least 35 percent of its Developer fee for at least six (6) months following construction completion, the minimum debt service coverage shall be 1.00x for the SAIL loan, including all superior mortgages. The maximum debt service coverage shall be 1.50x for the SAIL loan, including all superior mortgages. In extenuating circumstances, such as when the Development has deep or short term subsidy, the debt service coverage may exceed 1.50x if the Credit Underwriter's favorable recommendation is supported by the projected cash flow analysis. Developments receiving first mortgage funding from the United States Department of Agriculture Rural Development (RD) are not required to meet the debt service coverage standards if RD is providing rental assistance and has acknowledged that rents will be set at an amount sufficient to pay all operating expenses, replacement reserve requirements and debt service on the first and second mortgages.
- l. The Corporation's assigned Credit Underwriter shall require a guaranteed maximum price construction contract, which may include change orders for changes in cost or changes in the scope of work, or both, if all parties agree, and shall order, at the Applicant's sole expense, and review a physical needs assessment for Substantial Rehabilitation units and review the Development's costs.
- m. In addition to operating expenses, the Credit Underwriter must include an estimate for replacement reserves and operating expense reserves deemed appropriate by the Credit Underwriter when calculating the final net operating income available to service the debt. A minimum amount of \$300 per unit per annum must be used for all Developments.
- (1) The initial replacement reserve will have limitations on the ability to be drawn upon. Substantial Rehabilitation Developments (with or without acquisition) shall not be allowed to draw until the start of the scheduled replacement activities as outlined in the pre-construction capital needs assessment report ('CNA') subject to the activities completed in the scope of rehabilitation, but not sooner than the 3rd year.
- (2) The amount established as a replacement reserve shall be adjusted based on a CNA ordered by a first mortgage lender, received by the Corporation or its servicers, and acceptable to the Corporation and its servicers at the time the CNA is required, beginning no later than the 10th year after the first residential building in the Development receives a certificate of occupancy, a temporary certificate of occupancy, or is placed in service, whichever is earlier ('Initial Replacement Reserve Date'). A subsequent CNA, meeting the parameters of this section, is required no later than the 15th year after the Initial Replacement Reserve Date and subsequently every five (5) years thereafter. If the Applicant does not provide a copy of a CNA to the Corporation or its servicers, prepared by an independent third party and acceptable to the Corporation and its servicers within the stated time frames, then one shall be ordered by the Corporation or its servicers at the Applicant's expense. The only events allowed to drop the balance below the minimum are items related to life safety, structural and systems as approved by the Corporation and its servicers. In the event the first mortgage lender requires replacement reserves with replacement reserve deposit requirements that include the same or higher deposits, the Corporation's rights to hold replacement reserves and to disburse such funds shall be subject to the first mortgage lender. The replacement reserve funds are not to be used by the Applicant for normal maintenance and repairs, but shall be used for structural building repairs, major building systems replacements and other eligible items included on the Eligible Reserve for Replacement Items list, effective October 15, 2010, which is available on the Corporation's Website <http://www.floridahousing.org/Developers/MultiFamilyPrograms/Competitive/2017->

- 104/OtherInformation/ (also accessible by clicking [here](#)). An Applicant may choose to fund a portion of the replacement reserves at closing. The amount cannot exceed the required replacement reserves for three (3) years and must be placed in escrow at closing.
- n. The Credit Underwriter may request additional information, but at a minimum the following will be required during the underwriting process:
- (1) For credit enhancers, audited financial statements for their most recent fiscal year ended, if published; otherwise the previous year's audited statements will be provided until the current statements are published or credit underwriting is complete. The audited statements may be waived if the credit enhancer is rated at least "A-" by Moody's, Standard and Poor's or Fitch.
  - (2) For the Applicant, general partner(s), and guarantors, audited financial statements or financial statements compiled or reviewed by a licensed Certified Public Accountant for the most recent fiscal year ended, credit check, banking and trade references, and deposit verifications. If financial statements that are either audited, compiled or reviewed by a licensed Certified Public Accountant are not available, unaudited financial statements prepared within the last 90 days and reviewed by the Credit Underwriter in accordance with Part IIIA, Sections 401 through 408 and 410, of Fannie Mae's Multifamily Selling and Servicing Guide, in effect as of June 10, 2015, which is available on the Corporation's Website <http://www.floridahousing.org/Developers/MultiFamilyPrograms/Competitive/2016-104/OtherInformation/> (also accessible by clicking [here](#)), and the two most recent years' tax returns. If any of the applicable entities are newly formed (less than 18 months in existence as of the date that credit underwriting information is requested), a copy of any and all tax returns with related supporting notes and schedules. The financial statements and information provided for review should be in satisfactory form and shall be reviewed in accordance with the terms and conditions required in this RFA. When referring to the Multifamily Selling and Servicing Guide, any references to "Lender" means the "Corporation-assigned Credit Underwriter" and any references to "Fannie Mae" means "Florida Housing Finance Corporation."
  - (3) For the General Contractor, audited financial statements or financial statements compiled or reviewed by a licensed Certified Public Accountant for the most recent fiscal year ended, credit check, banking and trade references, and deposit verifications. The audited or compiled statements may be waived if a payment and performance bond equal to 100 percent of the total construction cost whose terms do not adversely affect the Corporation's interest, and is issued in the name of the General Contractor by a company rated at least "A-" by AMBest & Co.
- o. The general partner(s) (individual and entity) or manager(s)/managing member(s) (individual and entity), as applicable, of the Applicant shall provide a guarantee for completion of construction. In addition, one or more entities or individuals (other than a general partner or manger/managing member) having an ownership interest, either directly or indirectly, in the Applicant or in the general partner or managing member of the Applicant shall be required to provide guarantees or personal guarantees, as applicable, for completion of construction as recommended by the Credit Underwriter or as otherwise required by the Corporation. The Credit Underwriter shall consider the following when determining the need for construction completion guarantees:
- (1) Liquidity of the guarantor(s).
  - (2) Applicant's, Developer and General Contractor's history in successfully completing

Developments of similar nature.

- (3) The past performance of the Applicant, Developer, General Contractor or any other guarantee provider in developing or constructing Development financed by the Corporation or its predecessor.
  - (4) Percentage of Corporation's funds utilized compared to Total Development Cost.
- p. For all Developments, the Developer fee and General Contractor's fee shall be limited to the following:
- (1) The Developer fee limit shall be 16 percent of Development Cost for Applicant's that qualify as a Non-Profit and select the Acquisition and Substantial Rehabilitation Development Category in the RFA. The Developer fee limit for Applicants that do not meet both of the above criteria shall be 10 percent of Development Cost.
  - (2) The General Contractor's fee shall be limited to a maximum of 14 percent of the actual construction cost.
- q. The General Contractor must meet the following conditions:
- (1) Employ a Development superintendent and charge the costs of such employment to the general requirements line item of the General Contractor's budget;
  - (2) Charge the costs of the Development construction trailer, if needed, and other overhead to the general requirements line item of the General Contractor's budget;
  - (3) Secure building permits, issued in the name of the General Contractor;
  - (4) Secure a payment and performance bond whose terms do not adversely affect the Corporation's interest (or approved alternate security for General Contractor's performance, such as a letter of credit), issued in the name of the General Contractor, from a company rated at least "A-" by AMBest & Co.;
  - (5) Ensure that none of the General Contractor duties to manage and control the construction of the Development are subcontracted;
  - (6) Ensure that not more than 20 percent of the construction cost is subcontracted to any one entity, with the exception of a subcontractor contracted to deliver the building shell of a building of at least five (5) stories which may not have more than 31 percent of the construction cost in a subcontract, unless otherwise approved by the Board for a specific Development. With regard to said approval, the Board shall consider the facts and circumstances of each Applicant's request, inclusive of construction costs and the General Contractor's fees; and
  - (7) Ensure that no construction cost is subcontracted to any entity that has common ownership or is affiliated with the General Contractor unless otherwise approved by the Board for a specific Development. With regard to said approval, the Board shall consider the facts and circumstances of each Applicant's request, inclusive of construction costs and ownership

interests in the Development.

- r. The Credit Underwriter shall require an operating deficit guarantee, to be released upon achievement of a 1.15x debt service coverage for the combined permanent first mortgage and SAIL loan, as determined by the Corporation or its agent, and 90 percent occupancy, and 90 percent of the gross potential rental income, net of utility allowances, if applicable, for a period equal to 12 consecutive months, all as certified by an independent Certified Public Accountant. The calculation of the debt service coverage ratio shall be made by the Corporation or its agent. Notwithstanding the above, the operating deficit guarantee shall not terminate earlier than three (3) years following the final certificate of occupancy. An operating deficit guarantee, to be released upon achievement of 1.00 debt service coverage for a minimum of six (6) consecutive months for the combined permanent first mortgage and SAIL loan will be required for Developments receiving first mortgage funding from the United States Department of Agriculture Rural Development (RD) if RD is providing rental assistance and has acknowledged that rents will be set at an amount sufficient to pay all operating expenses, replacement reserve requirements and debt service on the SAIL loan and all superior mortgages.
- s. Contingency reserves which total no more than 15 percent of total actual construction costs (hard costs) and no more than 5 percent of total general development costs (soft costs) for Substantial Rehabilitation or Acquisition and Substantial Rehabilitation may be included within the Total Development Cost for Application and underwriting purposes; however, in the event financing is obtained through a federal government rehabilitation program, a contingency reserve up to 20 percent may be utilized if required by the program. Contingency reserves shall not be paid from SAIL funds.
- t. The Credit Underwriter will review and determine if the number of loans and construction commitments of the Applicant and its Principals will impede its ability to proceed with the successful development of each proposed Corporation-funded Development.
- u. Applicants must complete the credit underwriting process within nine (9) months of the Applicant's acceptance to enter credit underwriting. Unless an extension is approved by the Corporation in writing, failure to complete the credit underwriting process by the specified deadline shall result in withdrawal of the preliminary commitment. Applicants may request one (1) extension of up to six (6) months to secure a firm loan commitment. All extension requests must be submitted in writing to the program administrator and contain the specific reasons for requesting the extension and shall detail the time frame to achieve a firm loan commitment. In determining whether to grant an extension, the Corporation shall consider the facts and circumstances of the Applicant's request, inclusive of the responsiveness of the Development team and its ability to deliver the Development timely. The Corporation shall charge a non-refundable extension fee of one (1) percent of the loan amount if the request to extend the credit underwriting and firm loan commitment process beyond the initial nine (9) month deadline is approved. If, by the end of the extension period, the Applicant has not received a firm loan commitment, then the preliminary commitment shall be withdrawn.
- v. If the Credit Underwriter requires additional clarifying materials in the course of the underwriting process, the Credit Underwriter shall request same from the Applicant and shall specify deadlines for the submission of same. Failure to submit required information by the specified deadline, unless a written extension of time has been approved by the Corporation, shall result in withdrawal of the preliminary commitment or the invitation to enter credit underwriting, or both, as applicable. In determining whether to grant an extension, the Corporation shall consider the

facts and circumstances of the Applicant's request, inclusive of the responsiveness of the Development team and its ability to deliver the Department timely. If the Corporation's decision is to deny the Applicant's request for an extension, then prior to the withdrawal of the preliminary commitment or the invitation to enter credit underwriting, or both, as applicable, the Board shall consider the facts and circumstances of the Applicant's request, the Corporation's denial, and any credit underwriting report, if available, and make a determination of whether to grant the requested extension.

- w. The Credit Underwriter shall complete its analysis and submit a written draft report and recommendation to the Corporation. Upon receipt, the Corporation shall provide to the Applicant the section of the written draft report consisting of supporting information and schedules. The Applicant shall review and provide written comments to the Corporation and Credit Underwriter within 48 hours of receipt. After the 48 hour period, the Corporation shall provide to the Credit Underwriter comments on the draft report and, as applicable, on the Applicant's comments. Then, the Credit Underwriter shall review and incorporate, if deemed appropriate, the Corporation's and Applicant's comments and release the revised report to the Corporation and the Applicant. Any additional comments from the Applicant shall be received by the Corporation and the Credit Underwriter within 72 hours of receipt of the revised report. Then, the Credit Underwriter will provide a final report, which will address comments made by the Applicant, to the Corporation.
- x. The Credit Underwriter's loan recommendations will be sent to the Board for approval. The Corporation shall issue a firm loan commitment within seven (7) Calendar Days after approval of the Credit Underwriter's recommendation for funding by the Board.
- y. This loan and other mortgage loans related to the rehabilitation of the Development must close within 120 Calendar Days of the date of the firm loan commitment. A request for an extension of the firm loan commitment(s) may be considered by the Board for an extension term of up to 90 Calendar Days. All extension requests must be submitted in writing to the program administrator and contain the specific reasons for requesting an extension and shall detail the time frame to close the loan. The Board shall consider the facts and circumstances of each Applicant's request, inclusive of the Applicant's ability to close within the extension term, and any credit underwriting report, if available, prior to determining whether to grant the requested extension. The Corporation shall charge an extension fee of one percent of the loan amount if the Board approves the request to extend the commitment beyond the period outlined in this RFA.
- z. At least five (5) Calendar Days prior to any loan closing:
  - (1) The Applicant must provide evidence of all necessary consents or required signatures from first mortgagees or subordinate mortgagees to the Corporation and its counsel, and
  - (2) The Credit Underwriter must have received all items necessary to release its letter confirming that all closing contingencies have been met, including the finalized sources and uses of funds and Draw schedule.

## **5. Terms and Conditions of SAIL Loan:**

- a. The proceeds of the SAIL loan shall be used for rehabilitation which preserves affordable, safe and sanitary multifamily rental housing units.
- b. The SAIL loan may be in a first, second, or other subordinated lien position. For purposes of this

RFA, mortgages securing a letter of credit as credit enhancement for the bonds financing the first mortgage shall be considered a contingent liability and part of the first mortgage lien, provided that the Applicant's counsel furnishes an opinion regarding the contingent nature of such mortgage satisfactory to the Corporation and its counsel.

- c. The SAIL loan shall be non-amortizing and shall have an interest rate as specified in Section Four A.12.a.(2) of the RFA.
- d. Except as provided in Section 420.5087(5), F.S., the amount of any superior mortgages combined with the SAIL mortgage shall be less than the appraised value of the Development. Any debt service reserve requirement associated with a superior mortgage shall be excluded from the amount of the superior mortgage for purposes of this calculation.
- e. Payment on the loans shall be based upon the Development Cash Flow, as determined pursuant to the Financial Reporting Form SR-1, or shall be due annually as determined by the Corporation's Board of Directors. Such determination by the Board shall be based upon a written recommendation by the Credit Underwriter which has considered the economic and financial viability of the Development as well as the protection of the Corporation's repayment of principal and interest. Any distribution or payment to the Principal(s) of the Applicant or Developer or any Affiliate of the Principal of the Applicant or Developer or any Affiliate of the Applicant or Developer, whether paid directly or indirectly, which was not expressly disclosed in determining debt service coverage in the Board approved final credit underwriting report, with the exception of payment of the Developer fee allowable to maximum of 20 percent per year, will be added back to the amount of cash available for the SAIL loan interest payment, as calculated in the Financial Reporting Form SR-1, for the purpose of determining interest due. Interest may be deferred as set forth in Item h. below, without constituting a default on the loan.
- f. The loan described in Item c. above shall be repaid from Development Cash Flow, and if the SAIL loan is not a first mortgage loan, each year, subject to the provisions of Item h. below, Development Cash Flow shall be applied to pay the following items in order of priority:
  - (1) All superior mortgage fees and debt service;
  - (2) Development Expenses for the SAIL Development, plus up to 20 percent of Developer fees per year;
  - (3) Interest payment on SAIL loan balance equal to the interest rate structure specified in Section Four A.12.a.(2) of the RFA;
  - (4) Interest payments on the SAIL loan deferred from previous years;
  - (5) Mandatory payment on subordinate mortgages.

After the full SAIL loan interest has been paid, the Applicant shall retain all remaining monies, unless the Applicant chooses to prepay a portion of the loan balance.

- g. If the SAIL loan is secured by a first mortgage lien, each year, subject to the provisions of Item h. below, Development Cash Flow shall be applied to pay the following items in order of priority:
  - (1) First mortgage fees and interest payment on the SAIL loan balance equal to the interest rate structure specified in Section Four A.12.a.(2) of the RFA;
  - (2) Development Expenses on the SAIL loan plus up to 20 percent of Developer fees per year;

- (3) Interest payments on the SAIL loan deferred from previous years;
- (4) Mandatory payment on subordinate mortgages.

After the full SAIL loan interest has been paid, the Applicant shall retain all remaining monies, unless the Applicant chooses to prepay a portion of the loan balance.

- h. The determination of lien position, determination of Development Cash Flow, determination of payment priorities, and payment of interest on SAIL loans shall occur annually. A change in lien position from subordinate to first changes payment priorities. Any payments of accrued and unpaid interest due annually on SAIL loans shall be deferred to the extent that Development Cash Flow is insufficient to make said payments pursuant to the payment priority schedule established in this RFA. If Development Cash Flow is under-reported and such report causes a deferral of SAIL interest, such under-reporting shall constitute an event of default on the SAIL loan. A penalty of 5 percent of any required payment shall be assessed.
- (1) By the date that is 151 Calendar Days after the Applicant's fiscal year end of each year of the SAIL loan term, the Applicant shall provide the Corporation's servicer with audited financial statements and a certification detailing the information needed to determine the annual payment to be made. However, this certification requirement will be waived until 151 Calendar Days after the Applicant's fiscal year end following the fiscal year within which the first unit is occupied. In the case where the SAIL Development contained occupied units at the time of acquisition, the initial submission will be due following the fiscal year within which the 12 month anniversary of the SAIL loan closing is observed. The certification shall require submission of audited financial statements and the fully completed and executed annual reporting form, Financial Reporting Form SR-1. The SR-1 form, Rev. 05-14, which is available on the Corporation's Website <http://www.floridahousing.org/PropertyOwnersAndManagers/Forms/> (also accessible by clicking [here](#)), shall be submitted to the Corporation's servicer in both PDF format and in electronic form as a Microsoft Excel spreadsheet. The audited financial statements are to be prepared in accordance with accounting principles generally accepted in the United States of America and audited in accordance with auditing standards generally accepted in the United States of America for the 12 month fiscal year period just ended and shall include:
- (a) Comparative Balance Sheet with prior year and current year balances;
  - (b) Statement of revenue and expenses;
  - (c) Statement of changes in fund balances or equity;
  - (d) Statement of cash flows; and
  - (e) Notes to financial statements.

The financial statements referenced above should also be accompanied by a certification of the Applicant as to the accuracy of such financial statements. A late fee of \$500 will be assessed by the Corporation for failure to submit the required audited financial statements and certification by 151 Calendar Days after the Applicant's fiscal year end of each year of the SAIL loan term. If the Applicant has not submitted the required audited financial statements, the Corporation servicer shall deem the Development Cash Flow sufficient and issue a billing for interest due on the SAIL loan for the Applicant's



immediately preceding fiscal year by 212 Calendar Days after the Applicant's fiscal year end. After receipt of the audited financial statements, the Corporation servicer shall issue revised billing, if necessary. Failure to submit the required audited financial statements and certification by 151 Calendar Days after the Applicant's fiscal year end of each year of the SAIL loan term shall constitute an event of default on the SAIL loan. The Applicant shall furnish to the Corporation or its servicer, unaudited statements, certified by the Applicant's principal financial or accounting officer, covering such financial matters as the Corporation or its servicer may reasonably request, including without limitation, monthly statements with respect to the Development.

- (2) The Corporation servicer shall issue a billing for interest due on the SAIL loan for the Applicant's immediately preceding fiscal year by 212 Calendar Days after the Applicant's fiscal year end of each year of the SAIL loan term.
  - (3) The Applicant shall remit the interest due to the Corporation servicer no later than 243 Calendar Days after the Applicant's fiscal year end of each year of the SAIL loan term. The first payment of SAIL interest will be due no later than 243 Calendar Days after the Applicant's fiscal year end following the fiscal year within which the first unit is occupied. The first payment of interest shall include all interest for the period which begins accruing on the date of the first Draw and ends on the date of the Applicant's fiscal year end of the fiscal year during which the first unit is occupied.
- i. After maturity or acceleration, the Note shall bear interest at the default interest rate from the due date until paid. Unless the Corporation has accelerated the SAIL loan, the Applicant shall pay the Corporation a late charge of 5 percent of any required payment that is not received by the Corporation within 15 days of the due date.
  - j. The final billing for the purpose of payoff of the SAIL loan shall also include a billing for compliance fees to cover monitoring of SAIL Program requirements beyond the maturity date of the Note. Such fees shall be computed by determining the present value of the annual compliance monitoring fee for the number of years for which the Development will have a set-aside for Very Low-Income persons or households beyond the repayment date. The present value discount rate shall be 2 percent per annum. Such amount shall be reduced by the amount of any compliance monitoring fees for other programs collected by the Corporation for the Development for that period, provided:
    - (1) The compliance monitoring fee covers some or all of the period following the anticipated SAIL loan repayment date; and
    - (2) The Development has substantially equivalent set-asides for Very Low-Income persons or households mandated through another Corporation program for which the compliance monitoring fee was collected.
  - k. The SAIL loans shall be serviced either directly by the Corporation or by the servicer on behalf of the Corporation.
  - l. The Corporation shall monitor compliance of all terms and conditions of the SAIL loan and shall require that certain terms and conditions be embodied in the Land Use Restriction Agreement and recorded in the public records of the county wherein the Development is located. Violation of any material term or condition of the documents evidencing or securing the SAIL loan shall constitute a default during the term of the SAIL loan. The Corporation shall take appropriate legal action to effect compliance if a violation of any material term or condition relative to the

set-asides of units for Very Low-Income persons or households is discovered during the course of compliance monitoring or by any other means.

- m. The Corporation shall require adequate insurance to be maintained on the Development as determined by the first mortgage lender, the Corporation, or the Corporation's servicer, but which shall, in any case, include fire, hazard and other insurance sufficient to meet the standards established in the Florida Housing Finance Corporation (FHFC) Insurance Guide (and as amended from time to time). The most recently published FHFC Insurance Guide is available on the Corporation's Website <http://www.floridahousing.org/PropertyOwnersAndManagers/InsuranceGuide/> (also accessible by clicking [here](#)).
- n. The SAIL loan term shall be for a period of not more than 15 years. The term of the loan may exceed 15 years if the lien of the Corporation's encumbrance is subordinate to the lien of another mortgagee, in which case the term may be made coterminous with the longest term of the superior loan.
- o. After accepting a preliminary commitment, the Applicant shall not refinance, increase the principal amount, or alter any terms or conditions of any mortgage superior or inferior to the SAIL mortgage without prior approval of the Corporation's Board of Directors. However, an Applicant may reduce the interest rate on any superior or inferior mortgage loan without the Board's permission, provided that no other terms of the loan are changed. The Corporation must be notified in writing of any such change.

Following construction completion, the Board shall deny requests to increase the amount of any superior mortgage, unless the criteria outlined in Section 6.e. below are met, the original combined loan to value ratio for the superior mortgage and the SAIL mortgage is maintained or improved, and a proportionate amount of the increase in the superior mortgage is used to reduce the outstanding SAIL loan balance. To calculate the proportionate amount of the increase in the superior mortgage which must be paid toward the reduction of the SAIL loan balance, the following calculation shall be used: divide the amount of the original SAIL mortgage by the combined amount of the original SAIL mortgage and the original superior mortgage; then multiply the quotient by the amount of the increase in the superior mortgage from the current balance. For example, if the amount of the original SAIL mortgage is \$2,000,000, the original superior mortgage is \$4,400,000, with a current balance of \$3,000,000, a proposed new superior mortgage of \$5,000,000, then the amount of the increase in the superior mortgage would be \$2,000,000, and the proportionate amount of the increase in the superior mortgage which must be paid toward the reduction of the SAIL loan balance would be \$625,000. This \$625,000 would be applied first to accrued interest and then to principal.

- p. All SAIL loans shall be in conformance with applicable federal and state statutes, including the Fair Housing Act as implemented by 24 CFR Part 100, Titles II and III of the Americans with Disabilities Act of 1990 as implemented by 28 CFR Part 35, and Section 504 of the Rehabilitation Act of 1973, as implemented by 24 CFR Part 8 ("Section 504 and its related regulations"). These provisions are available on the Corporation's Website <http://www.floridahousing.org/Developers/MultiFamilyPrograms/Competitive/2017-104/OtherInformation/> (also accessible by clicking [here](#)). To the extent that a SAIL Development is not otherwise subject to Section 504 and its related regulations, the SAIL Development shall nevertheless comply with Section 504 and its related regulations as requirements of the SAIL Program to the same extent as if the SAIL Development were subject to Section 504 and its related regulations in all respects. To that end, for purposes of the SAIL Program, SAIL funding shall be deemed "Federal financial assistance" within the meaning of that term as used in Section

504 and its related regulations for all SAIL Developments.

q. Rent controls are determined in a manner consistent with Section 42(g)(2) of the IRC. The gross monthly rent shall not exceed 30 percent of the imputed income limitation applicable to such unit as committed to by the Applicant in this RFA.

r. The documents creating, evidencing or securing each SAIL loan must provide that any violation of the terms and conditions described in this RFA constitutes a default under the SAIL loan documents allowing the Corporation to accelerate its loan and to seek foreclosure as well as any other remedies legally available to it.

s. A failure to pay any principal or interest due under the terms of this section shall constitute a default on the SAIL loan.

t. Failure to provide the Corporation and its servicer with the Form SR-1 detailing the information needed to determine the annual payment to be made pursuant to this RFA shall constitute a default on the SAIL loan.

u. The Compliance Period for a SAIL Development shall be, at a minimum, a period of time equal to the greater of:

- (1) The term of the loan,
- (2) 12 years from the date the first residential unit is occupied, or
- (3) Such longer period agreed to by the Applicant in the Application.

The set-aside requirements apply to the total number of residential units in the Development beginning on the later of the first day on which any residential unit in the Development is occupied or the SAIL loan closing date. For a period of 12 months beginning on the SAIL loan closing date (the "transition period"), the failure to satisfy the set-aside requirements shall not cause noncompliance.

v. Unless and until a guarantor's obligations for a SAIL loan are terminated as approved in writing by the Corporation or its servicer, each guarantor shall furnish to the Corporation or its servicer financial statements as provided in paragraphs (1) through (3) below as the Corporation or its servicer may reasonably request.

(1) The audited financial statements are to be prepared in accordance with accounting principles generally accepted in the United States of America and audited in accordance with auditing standards generally accepted in the United States of America for the 12 month fiscal year period just ended and shall include:

- (a) Comparative Balance Sheet with prior year and current year balances;
- (b) Statement of revenue and expenses;
- (c) Statement of changes in fund balances or equity;
- (d) Statement of cash flows; and
- (e) Notes to financial statements.

The financial statements referenced above should also be accompanied by a certification of the guarantor(s) as to the accuracy of such financial statements; or

- (2) If an audited financial statement has not been prepared, a federal income tax return filed for the most recently completed year; or
- (3) For individual guarantors, if an audited financial statement is not available a financial statement certified as true and complete without qualification by such guarantor and a copy of the most recently filed individual federal income tax return.

**6. Sale, Transfer or Refinancing of a SAIL Development:**

- a. Any sale, conveyance, assignment, or other transfer of interest or the grant of a security interest in all or any part of the title to the Development other than a superior mortgage shall be subject to the Corporation's prior written approval. The Board shall consider the facts and circumstances of each Applicant's request and any credit underwriting report, if available, prior to determining whether to grant such request.
- b. The SAIL loan shall be assumable upon sale or transfer of the Development if the following conditions are met:
  - (1) The proposed transferee meets all specific Applicant identity criteria which were required as conditions of the original loan;
  - (2) The proposed transferee agrees to maintain all set-asides and other requirements of the SAIL loan for the period originally specified or longer; and
  - (3) The proposed transferee and release of transferor receives a favorable recommendation from the Credit Underwriter and approval by the Board of Directors of the Corporation.

All assumption requests must be submitted in writing to the Director of Special Assets and contain the specific details of the transfer and assumption. In addition to any related professional fees, the Corporation shall charge a non-refundable assumption fee as outlined in the most current competitive solicitation.

- c. If the SAIL loan is not assumed since the buyer does not meet the criteria for assumption of the SAIL loan, the SAIL loan (principal and any outstanding interest) shall be repaid from the proceeds of the sale in the following order of priority:
  - (1) First mortgage debt service, first mortgage fees;
  - (2) SAIL compliance and loan servicing fees;
  - (3) An amount equal to the present value of the compliance monitoring fee for the periods for which the Development will have a set-aside for Very Low-Income persons or households beyond the repayment date. The present value discount rate shall be 2 percent per annum. Such amount shall be reduced by the amount of any compliance monitoring fees collected by the Corporation for the Development for that period, provided:
    - (a) The compliance monitoring fee covers some or all of the period following the anticipated SAIL repayment date; and

- (b) The Development has substantially equivalent set-asides for Very Low-Income persons or households mandated through another program of the Corporation for which the compliance monitoring fee was collected.
- (4) Unpaid principal balance of the SAIL loan;
- (5) Any interest due on the SAIL loan;
- (6) Expenses of the sale;
- (7) If there will be insufficient funds available from the proposed sale of the Development to satisfy paragraphs c.(1) – (6) above, the SAIL loan shall not be satisfied until the Corporation has received:
  - (a) An appraisal prepared by an appraiser selected by the Corporation or the Credit Underwriter indicating that the purchase price for the Development is reasonable and consistent with existing market conditions;
  - (b) A certification from the Applicant that the purchase price reported is the actual price paid for the Development, as supported by a copy of the final executed purchase and sale agreement, and that no other consideration passed between the parties, as supported by a draft and final closing statement, and that the Development Cash Flow reported to the Corporation during the term of the SAIL loan was true and accurate;
  - (c) A certification from the Applicant that there are no Development funds available to repay the SAIL loan, including any interest due, and the Applicant knows of no source from which funds could or would be forthcoming to pay the SAIL loan; and
  - (d) A certification from the Applicant detailing the information needed to determine the final billing for SAIL loan interest. Such certification shall require submission of financial statements and other documents that may be required by the Corporation and its servicer.
- d. The Corporation may renegotiate and extend the loan in order to extend or retain the availability of housing for the target population. Such renegotiations shall be based upon:
  - (1) Performance of the Applicant during the SAIL loan term;
  - (2) Availability of similar housing stock for the target population in the area;
  - (3) Documentation and certification by the Applicant that funds are not available to repay the Note upon maturity;
  - (4) A plan for the repayment of the loan at the new maturity date;
  - (5) Assurance that the security interest of the Corporation will not be jeopardized by the new term(s); and
  - (6) Industry standard terms which may include amortizing loans requiring regularly scheduled payments of principal and interest.

All loan renegotiation requests, including requests for extension, must be submitted in writing to the Director of Special Assets and contain the specific details of the renegotiation. In addition to any related professional fees, the Corporation shall charge a non-refundable renegotiation fee as outlined in this RFA.

- e. The Corporation will recommend that the Board approve requests for mortgage loan refinancing only if Development Cash Flow is improved, the Development's economic viability is maintained, the security interest of the Corporation is not adversely affected, and the Credit Underwriter provides a positive recommendation.
- f. The Corporation will recommend that the Board deny requests for mortgage loan refinancing which require extension of the SAIL loan term or otherwise adversely affect the security interest of the Corporation, unless the criteria outlined in Item e. above, are met, the Credit Underwriter recommends that the approval of such a request is crucial to the economic survival of the Development, or unless the Board determines that public policy will be better served by the extension as a result of the Applicant agreeing to further extend the Compliance Period or provide additional amenities or resident programs suitable for the resident population. Further, the Board shall limit any approved extension to a minimum term which makes the Development feasible and which does not exceed an industry standard term.

The Corporation will recommend that the Board deny requests to increase the amount of any superior mortgage, unless the criteria outlined in Item e. above are met, the original combined loan to value ratio for the superior mortgage and the SAIL mortgage is maintained or improved, and a proportionate amount of the increase in the superior mortgage is used to reduce the outstanding SAIL loan balance.

## **7. SAIL Construction Disbursements and Permanent Loan Servicing:**

- a. SAIL loan proceeds shall be disbursed during the construction phase in an amount per Draw which does not exceed the ratio of the SAIL loan to the Total Development Cost, unless approved by the Corporation and the Credit Underwriter.
- b. Ten (10) business days prior to each Draw, the Applicant shall supply the Corporation's servicer, as agent for the Corporation, with a written request executed by the Applicant for a Draw. The request shall set forth the amount to be paid and shall be accompanied by documentation specified by the Corporation's servicer including claims for labor and materials to date of the last inspection.
- c. The Corporation and its servicer shall review the request for a Draw, and the servicer shall provide the Corporation with approval of the request or an alternative recommendation, after the title insurer provides an endorsement to the policy of title insurance updating the policy to the date of the current Draw and increasing the insurance coverage to an amount equal to the sum of all prior Draws and the current Draw.
- d. The Corporation shall disburse construction Draws through Automated Clearing House (ACH). The Applicant may request disbursement of construction Draws via a wire transfer. The Applicant will be charged a fee of \$10 for each wire transfer requested. This charge will be netted against the Draw amount.
- e. The Corporation shall elect to withhold any Draw or portion of any Draw, notwithstanding any documentation submitted by the Applicant in connection with the request for a Draw, if

- (1) The Corporation or the Corporation's servicer determines at any time that the actual cost budget or progress of construction differs from that as shown on the loan documents; or
  - (2) The percentage of progress of construction of the improvements differs from that shown on the request for a Draw.
- f. The servicer may request submission of revised construction budgets.
  - g. Based on the Applicant's progress of construction, if the Corporation determines that further analysis by the Credit Underwriter is required prior to the release of the final Draw, the Applicant shall pay to the Credit Underwriter a fee based on an hourly rate determined pursuant to the contract between the Corporation and the Credit Underwriter.
  - h. Retainage in the amount of 10 percent per Draw shall be held by the servicer during construction until the Development is 50 percent complete. At 50 percent completion, no additional retainage shall be held from the remaining Draws. Release of funds held by the Corporation's servicer as retainage shall occur pursuant to the SAIL loan agreement.