

FLORIDA HOUSING FINANCE CORPORATION

Third Modification of Request for Applications (RFA) RFA 2017-108 SAIL Financing of Affordable Multifamily Housing Developments to be used in conjunction with Tax-Exempt Bonds and Non-Competitive Housing Credits

**Pursuant to Rule 67-60.005, F.A.C., Modification of Terms of Competitive Solicitations, Florida Housing hereby modifies Section Four, A.4.d. of the RFA to read as follows:**

d. Concrete Construction Qualifications

To be considered concrete construction for purposes of the Total Development Cost Limitation calculation and the SAIL Leveraging calculation, the proposed Development must meet at least one (1) ~~or more~~ of the specifications listed below.

(1) For all new construction buildings, and as of the Application Deadline for all existing buildings proposed for rehabilitation, as applicable, all of the following structural elements must consist of 100 percent poured concrete/masonry, 100 percent steel, or a combination adding up to 100 percent of concrete/masonry and steel, as verified during credit underwriting: all exterior walls and other external load-bearing elements, as well as the floor of the lowest story of the building that contains residential, commercial or storage space (other than parking), and any under-floor/under-ground supports for that lowest story's floor.

Additionally, if the proposed work includes rehabilitation of any structural elements listed above, the structural elements must also meet the above requirements after completion of the rehabilitation work.

(2) Any new construction buildings with the Development Type of Mid-Rise (4, 5 or 6 story) that utilize a Concrete Podium Structure shall qualify as "concrete construction." New construction buildings of other Development Types that utilize a Concrete Podium Structure must meet the requirements in (1) above in order to qualify as "concrete construction." In this event, the top surface of the concrete podium itself shall be considered to be the floor of the lowest story of the building that contains residential, commercial or storage space (other than parking).

For the purposes of determining "concrete construction," there is no requirement regarding the materials to be used in the roof of the building.

The term "Concrete Podium Structure" shall mean a non-residential support structure underneath the rental units constructed solely of concrete/masonry, steel, or some combination of concrete/masonry and steel together, and where said structure under the rental units is to be limited to parking or non-commercial utility/ancillary building uses only.

These qualifying criteria specifically exclude face brick or brick veneer from qualifying as concrete construction for purposes of this RFA unless the proposed Development otherwise meets the requirements in (1) or (2) above.

- ~~(1) — New construction buildings must have the following poured concrete or concrete masonry elements or load-bearing masonry elements, as verified during credit underwriting: all exterior walls as well as any & all structural elements (whether interior or exterior), not to include roofs; and all structural elements at and under the ground floor, as well as the ground floor itself. For the purposes of this definition, a “concrete structural element” is considered to be an element that is 100 percent poured concrete/masonry, 100 percent steel, or some combination of concrete/masonry and steel together;~~
- ~~(2) — Existing buildings proposed for rehabilitation must have, as of the Application Deadline, the elements outlined in (1) above and the rehabilitation work must include these elements;~~
- ~~(3) — New construction buildings with the Mid-Rise Development Type (4, 5 or 6 story) that utilize a concrete podium structure (for parking or non-commercial utility/ancillary building uses only) under the rental living units, regardless of the composition of the structural elements above the concrete podium, shall qualify as “concrete construction”.~~
- ~~(4) — These qualifying criteria specifically exclude face brick or brick veneer, as well as wood floors or framing (other than in (3) above) from qualifying as concrete construction for purposes of this RFA without the benefit of the qualifying material in (1) or (3) being utilized in the manner prescribed in those subsections.~~

For purposes of this RFA, the Corporation will consider an Application to be concrete construction if the answer to question 4.d. of Exhibit A is “Yes.” This will be verified during the credit underwriting process. If this cannot be verified the Development will no longer be considered concrete construction, and funding awarded under this RFA may be rescinded.

**Pursuant to Rule 67-60.005, F.A.C., Modification of Terms of Competitive Solicitations, Florida Housing hereby modifies Section Four, A.5.f. of the RFA to read as follows:**

f. Mandatory Distance Requirement

To be eligible for funding, Applications must qualify for the Mandatory Distance Requirement. Applications may qualify automatically (as outlined below). Applications that are not eligible for the automatic qualification will only qualify if the distance between the latitude and longitude coordinates provided for the Development Location Point, and any Scattered Sites, if applicable, to the coordinates for the other properties identified on the ~~August 30~~September 22, 2017 FHFC Development Proximity List (the List) that serve the same demographic group as the proposed Development meets the Mandatory Distance Requirement as outlined in (2) below. The List is available on the Corporation’s Website <http://www.floridahousing.org/programs/developers-multifamily-programs/competitive/2017/2017-108/other-information-related-to-rfa-2017-108/> (also accessible by clicking [here](#)). Applications that do not qualify for the Mandatory Distance Requirement under (1) or (2) below will not be eligible for funding.

**Pursuant to Rule 67-60.005, F.A.C., Modification of Terms of Competitive Solicitations, Florida Housing hereby modifies Section Four, A.5.f.(2) of the RFA to read as follows:**

- (2) Applications not eligible for the Automatic qualification for the Mandatory Distance Requirement will qualify for the Mandatory Distance Requirement if the distance between the latitude and longitude coordinates provided for the Development Location Point, and any Scattered Sites, if applicable, to the coordinates for the other properties identified on the ~~September 22, August 30~~, 2017 FHFC Development Proximity List (the List) that serve the same demographic group as the proposed Development meet the following distance requirements:

	Distance between the proposed Development and Developments on the List if proposed Development <u>is</u> an LDA Development	Distance between the proposed Development and Developments on the List if proposed Development is <u>not</u> an LDA Development; AND the Development on the Proximity List has <u>at least</u> 31 Total Units	Distance between the proposed Development and Developments on the List if proposed Development is <u>not</u> an LDA Development; AND the Development on the Proximity List has <u>less than</u> 31 Total Units
All Small and Medium Counties	5 miles	2.5 miles	1.25 miles
Broward and Miami-Dade County	N/A	0.5 miles	0.5 miles
Duval, Hillsborough, Orange, Palm Beach, and Pinellas County	N/A	2 miles	1 miles

The ~~September 22, August 30~~, 2017 FHFC Development Proximity List is available on the Corporation’s Website at <http://www.floridahousing.org/programs/developers-multifamily-programs/competitive/2017/2017-108/other-information-related-to-rfa-2017-108/> (also available by clicking [here](#)). Mapping software to display both the Proximity List properties on the list and the Mandatory Distance Requirement buffers described in the chart above are available on the Corporation’s Website at [http://www.floridahousing.org/programs/developers-multifamily-programs/multifamily-mapping-application-\(beta\)](http://www.floridahousing.org/programs/developers-multifamily-programs/multifamily-mapping-application-(beta)) (also accessible by clicking [here](#)).

An Applicant may disregard any Development(s) on the List if the proposed Development and any Development(s) on the List have one or more of the same Financial Beneficiaries and meet at least one (1) of the following criteria: (i) they are contiguous or are divided by a street, and/or (ii) they are divided by a prior phase of the proposed Development. If this provision applies to the proposed Development, the Applicant must identify the Development(s) on the List that it wishes to disregard.

**Pursuant to Rule 67-60.005, F.A.C., Modification of Terms of Competitive Solicitations, Florida Housing hereby modifies Section Four, A.6.d.(2)(b)(ii) of the RFA to read as follows:**

- (ii) All Applicants with the Demographic Commitment of Family and Elderly Non-ALF are required to commit a Portion of ELI Set-Aside Units as Link Units for Persons with Special Needs as follows:

With the exception of Developments financed with HUD Section 811 or Elderly ALF Demographic Commitment, all Developments must commit to set-aside a portion of ELI Set-Aside units as Link

Units for Persons with Special Needs. The required percentage is provided in (A) and (B) below and based on whether the Development is an LDA Development or a Non-LDA Development.

At least one member of each Link unit’s household shall be referred by a Special Needs Household Referral Agency (Referral Agency) with which the owner executes a Link Memorandum of Understanding (MOU) approved by the Corporation. ~~The Persons with Special Needs must be referred by a Corporation designated Special Needs Household Referral Agency in accordance with the Corporation’s Link Strategy.~~ The current list of designated Special Needs Household Referral Agencies for each county is published on the Corporation’s Website at <http://apps.floridahousing.org/StandAlone/SpecialNeeds/ContentPage.aspx?PAGE=Link%20Initiative%20Page> (also accessible by clicking [here](#)). The Applicant must execute a Link Memorandum of Understanding (MOU) with at least one of the Special Needs Household Referral Agencies serving the Development’s county. The deadline for the Corporation’s approval of the fully executed Link MOU will be stated in the invitation to enter credit underwriting.

Additional requirements for the Link Units for Persons with Special Needs are described in Exhibit E of the RFA.

**Pursuant to Rule 67-60.005, F.A.C., Modification of Terms of Competitive Solicitations, Florida Housing hereby modifies Section Four, A.7.b.(3) of the RFA to read as follows:**

- (3) Availability of Electricity. The Applicant must demonstrate that as of the Application Deadline electricity is available to the entire proposed Development site by providing the following within 21 Calendar Days of the date of the invitation to enter credit underwriting as Attachment 11 to Exhibit A:
  - (a) The properly completed and executed Florida Housing Finance Corporation Verification of Availability of Infrastructure – Electricity form (Form Rev. 08-16); or
  - (b) A letter from the electricity service provider that is Development-specific and dated within 12 months of the Application Deadline. The letter may not be signed by the Applicant, by any related parties of the Applicant, by any Principals or Financial Beneficiaries of the Applicant, or by any local elected officials.

There is no Attachment 11 requirement for this RFA.

**Pursuant to Rule 67-60.005, F.A.C., Modification of Terms of Competitive Solicitations, Florida Housing hereby modifies Section Five, A.1. of the RFA to read as follows:**

Eligibility Items
Submission Requirements met*
Verification that the Applicant has not closed on the Tax-Exempt Bond financing prior to the Application Deadline
Demographic Commitment selected
Authorized Principal Representative provided
Name of Applicant provided
Evidence Applicant is a legally formed entity provided
Name of Each Developer provided

Evidence that each Developer entity is a legally formed entity provided
General Developer Experience Requirement met
Principals for Applicant and Developer(s) Disclosure Form provided
Name of Management Company provided
Prior General Management Company Experience requirement met
Name of Proposed Development provided
Development Category selected
Development Category Qualifying Conditions met
Development Type provided
County identified
Address of Development Site provided
Question whether a Scattered Sites Development answered
Development Location Point provided
Latitude and Longitude Coordinates for any Scattered Sites provided, if applicable
Minimum Transit Score met (if applicable)
Minimum Total Proximity Score met
Mandatory Distance Requirement met
Limited Development Area (LDA) Requirements met, if applicable
Total Number of Units provided and within limits
Number of new construction units and rehabilitation units provided
Occupancy status of any existing units provided
Minimum Set-Aside election provided
Total Set-Aside Breakdown Chart properly completed
Unit Mix provided and meets requirements, if applicable
Evidence of Site Control provided
Status of Site Plan/Plat Approval demonstrated
Appropriate Zoning demonstrated
<del>Availability of Electricity demonstrated</del>
Availability of Water demonstrated
Availability of Sewer demonstrated
Availability of Roads demonstrated
Minimum Additional Green Building Features selected
Minimum Resident Programs selected (if Family or Elderly Non-ALF Demographic)
Applicant's SAIL Funding Request Amount
Eligible SAIL Request Amount Meets Minimum Request Amount (Miami-Dade County Only)
Applicant's Non-Competitive HC Request Amount
Applicant's MMRB Request Amount (if Corporation-issued Bonds) or Bond Request Amount and Other Required Information (if Non-Corporation-issued Bonds)
Development Cost Pro Forma provided (listing expenses or uses) and Construction/Rehab analysis and Permanent analysis (listing sources) – Sources must equal or exceed uses
Financial Arrearage Requirements met**
Total Development Cost Per Unit Limitation met***

\* Submission Requirement

To be eligible for funding, the following submission requirements must be met: (i) the Complete Online Submission Package 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, and (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.

\*\* Financial Arrearage Requirement

An Application will be deemed ineligible for funding if, as of close of business the day before the Committee meets to make a recommendation to the Board, there remains any financial obligations for which an Applicant or Developer or Principal, Affiliate or Financial Beneficiary of the Applicant or Developer is in arrears to the Corporation or any agent or assignee of the Corporation as reflected on the most recently published Past Due Report 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.

\*\*\* Total Development Cost Per Unit Limitation

By submitting its Application, the Applicant agrees and acknowledges that the Application will be subject to the Total Development Cost Per Unit Limitation during the scoring, credit underwriting, and final Housing Credit allocation process.

The Corporation shall limit the Total Development Cost (TDC) per unit for all Developments categorized by the construction type of the units as indicated below and this limit is referred to as the TDC Per Unit Limitation. It is a limit based on TDC, but exclusive of land costs and exclusive of any operating deficit reserves that are part of the permanent phase (i.e., non-construction) financing for the Development which have not been included within the Developer fee, applying any applicable TDC multiplier and/or TDC add-on. The proposed Development's TDC will be tested against the TDC Per Unit Limitation during the scoring of the RFA, utilizing the Development Type, Development Category and concrete determination made by the Applicant in the RFA and it will apply to all units in the proposed Development. During the credit underwriting process, and during the final allocation process, the maximum TDC per unit will be recalculated for each unit type as described in Item 1 of Exhibit C, with consideration given to whether the Development consists one or more Development Types, a mix of both new construction and rehabilitation units, or a mix of wood and concrete units.

Any Application that has an amount that exceeds these limitations during scoring will not be eligible for funding. These TDC Per Unit Base Limitation amounts, inclusive of any applicable TDC multiplier and/or TDC add-on, are effective during the scoring process. Item 1 of Exhibit C provides the TDC Per Unit Base Limitation amounts that account for an escalation factor to be incorporated for the credit underwriting process and final allocation process, as explained in the exhibit.

**Total Development Cost Per Unit Base Limitations to be used during the scoring process**

Measure	New Construction Units					Rehabilitation Units	
	Garden Wood*	Garden Concrete*	Mid-Rise-Wood*	Mid-Rise-Concrete*	High-Rise*	Garden*	Non-Garden*
Maximum TDC Per Unit Limitation ** for all counties except Broward and Miami-Dade	\$193,800	\$232,000	\$232,000	\$255,300	\$303,800	\$163,700	\$228,600
Maximum TDC Per Unit Limitation ** for Broward and Miami-Dade counties	\$203,100	\$243,100	\$243,100	\$267,400	\$318,300	\$171,400	\$239,500
Applicable TDC Multipliers (to be applied against the Development's TDC) and TDC Add-Ons (to be added to the Maximum TDC Per Unit Limitation)							
TDC Multiplier for Florida Keys Area for all areas north of Plantation Key (i.e., north of Tavernier Creek)					65%		
TDC Multiplier for Elderly-ALF Developments					95%		
TDC Multiplier for Florida Keys Area for all areas located on or south of Plantation Key (i.e., south of Tavernier Creek)					50%***		
TDC Add-On for Applicants that have a PHA as a Principal					\$5,000 of additional per unit costs will be added to the above Maximum TDC Per Unit Limitation		

\* Garden includes all Development Types other than Mid-Rise and High-Rise; Non-Garden includes Development Types of Mid-Rise with elevator (4 stories, 5 stories, or 6 stories) and High-Rise (7 or more stories); Mid-Rise includes Development Types of Mid-Rise with elevator (4 stories, 5 stories, or 6 stories); and High-Rise includes Development Type of High Rise (7 or more stories)

\*\* Exclusive of land costs and exclusive of any approved operating deficit reserves that are part of the permanent phase (i.e., non-construction) financing for the Development which have not been included within the Developer fee. When the term of operating deficit reserves (ODR) is mentioned in this TDC Per Unit Limitation section, the term shall refer to these particular operating deficit reserves. For purposes of land valuation, the Corporation uses the lesser of the appraised value, or the actual land cost. When land costs are referenced in this TDC Per Unit Limitation section, the reference shall be limited to the amount of the land cost approved by the Corporation to be provided in the final cost certification under the land owned cost line item. When the term of TDC Per Unit Base Limitation is mentioned below in the compliance determination sections, it is implied to be inclusive of any applicable escalation factor, TDC Multiplier, and/or TDC Add-On.

\*\*\* If the proposed Development consists of Scattered Sites, the 50% TDC Multiplier applies only if all of the sites are located south of Tavernier Creek.

**Pursuant to Rule 67-60.005, F.A.C., Modification of Terms of Competitive Solicitations, Florida Housing hereby modifies Question 7.b.(3) of Exhibit A of the RFA to read as follows:**

- (3) ~~Provide the required documentation to demonstrate availability of electricity as~~ There is no Attachment 11 requirement for this RFA.

**Pursuant to Rule 67-60.005, F.A.C., Modification of Terms of Competitive Solicitations, Florida Housing hereby modifies Item 3.a. of Exhibit C of the RFA to read as follows:**

- a. The Eligible SAIL Request Amount, (exclusive of any ELI Loan funding), as adjusted, will be multiplied by the applicable Leveraging Factor stated in the applicable chart below. This result may be further adjusted as described in b. below.

### Leveraging Factor Chart

Measure	New Construction Developments					Rehabilitation Developments	
	Garden Wood*	Garden Concrete*	Mid-Rise-Wood*	Mid-Rise-Concrete*	High-Rise*	Garden*	Non-Garden*
Leveraging Factor for all counties except Broward and Miami-Dade Counties	250	237	237	300	352	270	297
Leveraging Factor for Broward and Miami-Dade Counties	NA	307	NA	355	445	348	383

\* Garden includes all Development Types other than Mid-Rise and High-Rise; Non-Garden includes Development Types of Mid-Rise with Elevator (4 stories, 5 stories, or 6 stories) and High-Rise (7 or more stories); Mid-Rise includes Development Types of Mid-Rise with Elevator (4 stories, 5 stories, or 6 stories); and High-Rise includes Development Type of High Rise (7 or more stories). The classification of Wood or Concrete, where applicable, is determined by the response to question ~~5.c.(3)d.~~ of Exhibit A whereby a response of "Yes" qualifies as Concrete and any other response qualifies as Wood.

**Pursuant to Rule 67-60.005, F.A.C., Modification of Terms of Competitive Solicitations, Florida Housing hereby modifies Item 3.b. of Exhibit D of the RFA to read as follows:**

- b. Provide the identity of the remaining members of the Development Team (i.e., inexperienced co-Developer(s), General Contractor, Architect, Attorney, Accountant, and for Elderly ALF only, Service Provider), as outlined below. The team members so identified, and any future replacement thereof, must be acceptable to the Corporation and the Credit Underwriter;
- (1) Identify any inexperienced co-Developer(s) by providing the name, address, telephone and facsimile numbers, e-mail address, and the relationship of the co-Developer to the Applicant.
  - (2) Identify the General Contractor by providing the completed and executed Florida Housing Finance Corporation General Contractor or Qualifying Agent of General Contractor Certification form\* and the required prior experience chart as outlined on the form.
  - (3) Identify the Architect by providing the completed and executed Florida Housing Finance Corporation Architect Certification form\*.
  - (4) Identify the Attorney by providing the completed and executed Florida Housing Finance Corporation Attorney Certification form\*.
  - (5) Identify the Accountant by providing the completed and executed Florida Housing Finance Corporation Certification of Accountant form\*.
  - (6) Identify the Service Provider by providing the completed and executed Florida Housing Finance Corporation Service Provider or Principal of Service Provider Certification form (for Elderly ALF Developments only)\*.

\* The certification forms (Forms Rev. [01-1410-17](#)) which are available on the Corporation's Website <http://www.floridahousing.org/programs/developers-multifamily-programs/competitive/2017/2017-108/forms-related-to-rfa-2017-108> (also accessible by



clicking [here](#)). Note: The use of any prior version of these forms will not be acceptable to meet this requirement.

**Pursuant to Rule 67-60.005, F.A.C., Modification of Terms of Competitive Solicitations, Florida Housing hereby modifies Item 3.h. and i. of Exhibit D of the RFA to include the following information:**

h. If the Applicant indicated that the proposed Development is a subsequent phase of a multiphase Development, the Development's status as a subsequent phase will be verified in credit underwriting. If it is determined that the proposed Development does not meet the criteria to be designated a subsequent phase of a multiphase Development, it will no longer be considered a subsequent phase of a multiphase Development; and

i. Applicants must demonstrate that as of the Application Deadline electricity is available to the entire proposed Development site by providing evidence described below:

(1) The properly completed and executed Florida Housing Finance Corporation Verification of Availability of Infrastructure – Electricity form (Form Rev. 08-16); or

(2) A letter from the electricity service provider that is Development-specific and dated within 12 months of the Application Deadline. The letter may not be signed by the Applicant, by any related parties of the Applicant, by any Principals or Financial Beneficiaries of the Applicant, or by any local elected officials

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