

FLORIDA HOUSING FINANCE CORPORATION

Modification of Request for Applications (RFA) RFA 2018-108 Financing for the Development of Housing for Persons with Disabling Conditions or Developmental Disabilities

Pursuant to Rule 67-60.005, F.A.C., Modification of Terms of Competitive Solicitations, Florida Housing hereby modifies Section Four, A.10.a.(1)(c)(iv) of the RFA to read as follows:

(iv) HUD-designated QCT

A proposed Development may qualify as a first phase and be eligible for the basis boost in subsequent RFAs if the entire Development is located, as of Application Deadline, within a HUD-designated QCT, as defined in Section 42(d)(5)(B)(ii), IRC, as amended and based on the current census, as determined by HUD.

The HUD-designated QCTs are available here:

<https://www.huduser.gov/portal/Datasets/qct/QCT2018M.PDF> and
<https://www.huduser.gov/portal/Datasets/qct/QCT2018NM.PDF>.

To qualify, the Applicant must provide a copy of a letter from the local planning office or census bureau verifying the entire proposed Development site is located within the referenced QCT as **Attachment 143** to Exhibit A.

Pursuant to Rule 67-60.005, F.A.C., Modification of Terms of Competitive Solicitations, Florida Housing hereby modifies Section Four, A.10.a.(1)(d) of the RFA to read as follows:

(d) Housing Credit Equity Proposal

A HC equity proposal must be provided as **Attachment 145**. For purposes of this RFA, to be counted as a source, an equity proposal, regardless of whether the documentation is in the form of a commitment, proposal, term sheet or letter of intent, must: (i) if syndicating/selling the Housing Credits, meet the requirements outlined in (a) below and include the information outlined in (b) below, or (ii) if not syndicating/selling the Housing Credits, meet the requirements outlined in (a) below and include the information outlined in (c) below:

(ai) If the Eligible HC Request Amount is less than the anticipated amount of credit allocation stated in the equity proposal, the equity proposal will be considered a source of financing and, for scoring purposes, the maximum amount of HC equity to be permitted in the Development Cost Pro Forma will be adjusted downward from the amount stated in the equity proposal. This adjusted maximum HC equity will be calculated by taking the total amount of equity to be provided to the proposed Development as stated in the equity proposal letter, dividing it by the credit allocation stated in the equity proposal and multiplying that quotient by the Applicant's Eligible HC Request Amount. If the Eligible HC Request Amount is greater than the anticipated amount of credit allocation stated in the equity proposal, the equity proposal will be considered a source of financing and the maximum amount of HC equity to be

permitted for scoring in the Development Cost Pro Forma will be the amount stated in the equity proposal.

(bii) If syndicating/selling the Housing Credits, the Housing Credit equity proposal must meet the following criteria:

- Be executed by all parties, including the Applicant;
- Include specific reference to the Applicant as the beneficiary of the equity proceeds;
- State the proposed amount of equity to be paid prior to construction completion;
- State the anticipated Eligible Housing Credit Request Amount;
- State the anticipated dollar amount of Housing Credit allocation to be purchased; and
- State the anticipated total amount of equity to be provided.

If the limited partnership agreement or limited liability company operating agreement has closed, the closed agreement must be provided. To be counted as a source of financing, the partnership agreement or operating agreement must meet the requirements of (a) above or the Applicant must submit separate documentation, signed by the equity provider, expressly stating any required criteria not provided in the agreement.

(ciii) If not syndicating/selling the Housing Credits, the owner's commitment to provide equity must be provided. The commitment must include the following information and evidence of ability to fund must be provided as **Attachment 164** to the Application:

- The proposed amount of equity to be paid prior to construction completion;
- The anticipated Eligible Housing Credit Request Amount;
- The anticipated dollar amount of Housing Credit allocation to be purchased; and
- The anticipated total amount of equity to be provided.

Note: Exhibit D to the RFA outlines the requirement and deadline for the Applicant's confirmation that the documented equity amount to be paid prior to or simultaneous with the closing of construction financing is at least 15 percent of the total proposed equity to be provided (the 15 percent criteria).

Pursuant to Rule 67-60.005, F.A.C., Modification of Terms of Competitive Solicitations, Florida Housing hereby modifies the first paragraph of Section Four, A.10.b. of the RFA to read as follows:

b. Non-Corporation Funding Proposals

Unless stated otherwise within this RFA, for funding, other than Corporation funding and deferred Developer fee, to be counted as a source on the Development Cost Pro Forma, the Applicant must provide documentation of all financing proposals from both the construction and the permanent lender(s), equity proposals from the syndicator, 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 17-15**

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.

Pursuant to Rule 67-60.005, F.A.C., Modification of Terms of Competitive Solicitations, Florida Housing hereby modifies the Total Development Cost Per Unit Base Limitations to be used during the scoring process of Section Five, A.1 of the RFA to read as follows:

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	\$188,800	\$227,000	\$227,000	\$250,300	\$298,800	\$158,700	\$223,600
Maximum TDC Per Unit Limitation ** for Broward and Miami-Dade counties	\$198,100	\$238,100	\$238,100	\$262,400	\$313,300	\$166,400	\$234,500
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)							
Demographic Commitment of either persons with a Disabling Condition or Persons with Developmental Disabilities (all Applicants in this RFA)					90%		
TDC Multiplier for all Developments that consist of 50 total units or less <u>and not located in the Florida Keys Area</u>					90%		
TDC Multiplier for all Developments that consist of more than 50 total units, but not more than 80 total units <u>and not located in the Florida Keys Area</u>					95%		
TDC Multiplier for Florida Keys Area for all areas north of Plantation Key (i.e., north of Tavernier Creek)					65%		
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 (as with all property acquisition valuation), the Corporation uses the lesser of the appraised value, or the actual acquisition cost. If the Applicant has entered into a lease for the development site and a sublease or intermediate lease is involved, the lease payments recognized by the Corporation to identify development costs cannot exceed the lesser of market value or the actual capitalized amount of the master lease. When land costs are referenced in this TDC Per Unit Limitation section, the reference shall be limited to the amount of the land cost or capitalized lease cost approved by the Corporation to be provided in the final cost certification under the land owned or land lease cost line item. Any amounts in excess of these limits would be considered as a subset of developer's fee. 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 the Total Development Cost Per Unit Base Limitations with Escalation Factors, to be used for Total Development Cost Per Unit Limitation Tests in Credit Underwriting and Final Cost Certification of Item 1.a. of Exhibit C of the RFA to read as follows:

Total Development Cost Per Unit Base Limitations with Escalation Factors, to be used for Total Development Cost Per Unit Limitation Tests in Credit Underwriting and Final Cost Certification

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	\$192,198.40	\$231,086.00	\$231,086.00	\$254,805.40	\$300,592.80	\$160,921.80	\$226,730.40
Maximum TDC Per Unit Limitation ** for Broward and Miami-Dade counties	\$201,665.80	\$242,385.80	\$242,385.80	\$267,123.20	\$315,179.80	\$168,729.60	\$237,783.00
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)							
Demographic Commitment of either persons with a Disabling Condition or Persons with Developmental Disabilities (all Applicants in this RFA)					90%		
TDC Multiplier for all Developments that consist of 50 total units or less <u>and not located in the Florida Keys Area</u>					90%		
TDC Multiplier for all Developments that consist of more than 50 total units, but not more than 80 total units <u>and not located in the Florida Keys Area</u>					95%		
TDC Multiplier for Florida Keys Area for all areas north of Plantation Key (i.e., north of Tavernier Creek)					65%		
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 (as with all property acquisition valuation), the Corporation uses the lesser of the appraised value, or the actual acquisition cost. If the Applicant has entered into a lease for the development site and a sublease or intermediate lease is involved, the lease payments recognized by the Corporation to identify development costs cannot exceed the lesser of market value or the actual capitalized amount of the master lease. When land costs are referenced in this TDC Per Unit Limitation section, the reference shall be limited to the amount of the land cost or capitalized lease cost approved by the Corporation to be provided in the final cost certification under the land owned or land lease cost line item. Any amounts in excess of these limits would be considered as a subset of developer's fee. 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.

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