

FLORIDA HOUSING FINANCE CORPORATION

Modification of Request for Applications (RFA) 2019-101 Community Development Block Grant-Disaster Recovery (CDBG-DR) in Monroe County

Pursuant to Rule 67-60.005, F.A.C., Modification of Terms of Competitive Solicitations, Florida Housing hereby modifies Section Four, A.3.a.(2)(a)(iv) of the RFA to read as follows:

(iv) Funding

- Development Funding - Must apply for Development Funding. The maximum request is the lesser of \$8,000,000 or Total Maximum Per Unit CDBG-DR Rental FHFC Subsidy Limit for Monroe County.
- Land Acquisition Program Funding – Priority I Applications that include any costs for land acquisition must request up to \$5,000,000 in Land Acquisition Program Funding to pay for land acquisition costs. The Land Acquisition Program Funding Request Amount must meet the following criteria: (i) the land acquisition expenses must be stated on the Development Cost Pro Forma; (ii) the Land Acquisition Program Funding Request Amount must be \$5,000,000 or less; (iii) if the land acquisition expenses stated on the Development Cost Pro Forma exceed \$5,000,000, then non-CDBG-DR sources must be demonstrated on the Development Cost Pro Forma to pay for the land acquisition expenses that exceed \$5,000,000; (iv) the site control documentation must include an appraisal as further outlined in Section Four, A.7.a. of this RFA. ~~May apply for up to \$5,000,000 to assist with land acquisition costs although this is not required for Priority I Applications.~~ All Priority I Applicants must commit to making the land affordable into Perpetuity.

Pursuant to Rule 67-60.005, F.A.C., Modification of Terms of Competitive Solicitations, Florida Housing hereby modifies Section Four, A.3.a.(2)(b)(iv) of the RFA to read as follows:

(iv) Funding

- Development Funding - Must apply for Development Funding. The maximum request is the lesser of \$8,000,000 or Total Maximum Per Unit CDBG-DR Rental FHFC Subsidy Limit for Monroe County.
- Land Acquisition Program Funding – Priority II Applications that include any costs for land acquisition must request up to \$5,000,000 in Land Acquisition Program Funding to pay for land acquisition costs. The Land Acquisition Program Funding Request Amount must meet the following criteria: (i) the land acquisition expenses must be stated on the Development Cost Pro Forma; (ii) the Land Acquisition Program Funding Request Amount must be \$5,000,000 or less; (iii) if the land acquisition expenses stated on the Development Cost Pro Forma exceed \$5,000,000, then non-CDBG-DR sources must be demonstrated on the Development Cost Pro Forma to pay for the land acquisition expenses that exceed \$5,000,000; (iv) the site control documentation must include an appraisal as further outlined in Section Four, A.7.a. of this RFA. ~~May apply for up to \$5,000,000 to assist with land acquisition costs although this is not required for Priority I Applications.~~ All Priority II Applicants must commit to making the land affordable into Perpetuity.

Pursuant to Rule 67-60.005, F.A.C., Modification of Terms of Competitive Solicitations, Florida Housing hereby modifies Section Four, A.6.c. of the RFA to read as follows:

c. Unit Mix

Complete the Unit Mix Chart listing the total number of bedrooms per unit, the total number of bathrooms per unit (including half-baths, if applicable), the total number of units per bedroom type, and the number of units that are ELI Set-Aside units. All units in the proposed Development must be listed, including all manager/employee units ~~and all market rate units~~, if applicable.

No more than 25 percent of the total units may be comprised of Zero Bedroom units.

If additional space is required, enter the information in the Addenda. Note: During credit underwriting, the credit underwriter will verify that the ELI Set-Aside units are distributed across the unit mix on a pro-rata basis.

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

a. Site Control

The properly executed Site Control Certification form (Form Rev. 08-18) must be provided as **Attachment 6** to demonstrate site control as of Application Deadline. Attached to the form must be documents that meet the conditions outlined below. The Site Control Certification form is provided on the RFA Website.

Note: The Corporation will not review the site control documentation that is submitted with the Site Control Certification form during the scoring process unless there is a reason to believe that the form has been improperly executed, nor will it in any case evaluate the validity or enforceability of any such documentation. During scoring, the Corporation will rely on the properly executed Site Control Certification form to determine whether an Applicant has met the requirement of this RFA to demonstrate site control. The Corporation has no authority to, and will not, evaluate the validity or enforceability of any eligible site control documentation that is attached to the Site Control Certification form during the scoring process. During credit underwriting, if it is determined that the site control documents do not meet the above requirements, the Corporation may rescind the award.

Priority I or II Applications seeking Land Acquisition Program Funding Requirements

The land must be affordable into Perpetuity. This RFA provides funding to purchase land or provides reimbursement to Applicants that have purchased land since September 10, 2017, the date Hurricane Irma made landfall. No Affiliate or Principal of the Applicant or Developer seeking CDBG-DR Land Acquisition Program Funding reimbursement may have owned the land at any time prior to September 10, 2017. Note: There is no guarantee of funding or purchase reimbursement, even for Applicants that are selected for funding. To be eligible for funding or reimbursement, other conditions such as an environmental review and approval during credit underwriting, among others, must be met.

Land Acquisition Program Funding for the future purchase of land

- (1) The Site Control documentation must include an eligible contract with a Local Government, Public Housing Authority, Land Authority, or Community Land Trust as the buyer. An eligible contract must meet all of the following conditions:
 - (a) It must have a term that does not expire before December 13, 2019 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 December 13, 2019;
 - (b) It must specifically state that the buyer's remedy for default on the part of the seller includes or is specific performance;
 - (c) The purchase price must be included;
 - (d) The buyer must be the Local Government, Public Housing Authority, Land Authority, or Community Land Trust (designated "Land Owner"); and
 - (e) The owner of the subject property must be the seller, or is a party to one or more intermediate contracts, agreements, assignments, options, or conveyances between or among the owner, the Applicant, or other parties, that have the effect of assigning the owner's right to sell the property to the seller. Any intermediate contract must meet the criteria for an eligible contract in (a) through (d) above.
- (2) The Site Control documentation must include an appraisal demonstrating that the appraised value of the land meets or exceeds the purchase price. The purchase price must be based on the post-disaster value of the land, consistent with applicable cost principals. The pre-disaster value may not be used. The Corporation may seek a re-appraisal by an independent third party if needed. If the appraisal demonstrates that the purchase price exceeds the fair market value, the only land costs that can be included in the Total Development Cost or awarded through Land Acquisition Funding will be the appraised value, which will be confirmed in credit underwriting;
- (3) For Applicants that are not also the Land Owner, include a lease between the Land Owner and the Applicant entity. The lease payments must equal \$10 a year or less. The lease must have an unexpired term of at least 50 years after the Application Deadline.

Land Acquisition Program Funding for reimbursement

- (1) The Site Control documentation must include a deed or certificate of title AND a copy of the underlying purchase contract. The deed or certificate of title (in the event the property was acquired through foreclosure) must meet the following:
 - (a) The Deed must be recorded in Monroe County and show the Local Government, Public Housing Authority, Land Authority, or Community Land Trust as the sole Grantee;

and

- (b) A copy of the underlying purchase contract, executed no earlier than September 10, 2017.
- (2) The Site Control documentation must include an appraisal demonstrating that the appraised value of the land meets or exceeds the purchase price. If the appraisal demonstrates that the purchase price exceeds the fair market value, the only land costs that can be included in the Total Development Cost or awarded through Land Acquisition Program Funding will be the appraised value, which will be confirmed in credit underwriting;
- (3) For Applicants that are not also the Land Owner, include a lease between the Land Owner and the Applicant entity. The lease payments must equal \$10 a year or less. The lease must have an unexpired term of at least 50 years after the Application Deadline.

Priority I and II Applications that are not seeking Land Acquisition Program Funding

The Local Government, Public Housing Authority, Land Authority, or Community Land Trust must already own the land and, if funded, tThe land must be affordable into Perpetuity. Applicants must demonstrate site control as of Application Deadline by providing the properly executed Site Control Certification form (Form Rev. 08-18). Attached to the form must be the following documents ~~that meet the conditions outlined below:~~

- ~~(1) — If the Applicant is purchasing the land, the Site Control documentation must include an eligible contract that meets all of the following conditions:~~
 - ~~(a) — It must have a term that does not expire before February 29, 2020 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 February 29, 2020;~~
 - ~~(b) — It must specifically state that the buyer's remedy for default on the part of the seller includes or is specific performance;~~
 - ~~(c) — The buyer must be the Local Government, Public Housing Authority, Land Authority, or Community Land Trust (designated Land Owner); and~~
 - ~~(d) — The owner of the subject property must be the seller, or is a party to one or more intermediate contracts, agreements, assignments, options, or conveyances between or among the owner, the Applicant, or other parties, that have the effect of assigning the owner's right to sell the property to the seller. Any intermediate contract must meet the criteria for an eligible contract in (a) through (c) above.~~
- (2) ~~If the Local Government, Public Housing Authority, Land Authority, or Community Land Trust already owns the land, the Site Control documentation must include a~~ Deed or

Certificate of Title. The deed or certificate of title (in the event the property was acquired through foreclosure) must be recorded in Monroe County and show the Local Government, Public Housing Authority, Land Authority, or Community Land Trust as the sole Grantee. There are no restrictions on when the land was acquired.

- (3) For Applicants that are not also the Land Owner, include a lease between the Land Owner and the Applicant entity. The lease payments must equal \$10 a year or less. The lease must have an unexpired term of at least 50 years after the Application Deadline.

Priority III Applications

- (1) If the Applicant is purchasing the land, the Site Control documentation must include an eligible contract must meet all of the following conditions:
 - (a) It must have a term that does not expire before February 29, 2020 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 February 29, 2020;
 - (b) It must specifically state that the buyer's remedy for default on the part of the seller includes or is specific performance;
 - (c) The Applicant must be the buyer unless there is an assignment of the eligible contract, signed by the assignor and the assignee, which assigns all of the buyer's rights, title and interests in the eligible contract to the Applicant; and
 - (d) The owner of the subject property must be the seller, or is a party to one or more intermediate contracts, agreements, assignments, options, or conveyances between or among the owner, the Applicant, or other parties, that have the effect of assigning the owner's right to sell the property to the seller. Any intermediate contract must meet the criteria for an eligible contract in (a) through (c) above.
- (2) If the Applicant already owns the land, the Site Control documentation must include a deed or certificate of title. The deed or certificate of title (in the event the property was acquired through foreclosure) must be recorded in Monroe County and show the Applicant as the sole Grantee. There are no restrictions on when the land was acquired.
- (3) If the Applicant is leasing the land, the Site Control documentation must include a Lease. The lease must have an unexpired term of at least 50 years after the Application Deadline and the lessee must be the Applicant. The owner of the subject property must be a party to the lease, or a party to one or more intermediate leases, subleases, agreements, or assignments, between or among the owner, the Applicant, or other parties, that have the effect of assigning the owner's right to lease the property for at least 50 years to the lessee.

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.a.(1)(a) of the RFA to read as follows:

(a) CDBG-DR Funding Request Amounts

State the amount of CDBG-DR Funding it is requesting in Exhibit A, as well as on the Development Cost Pro Forma.

- (i) Priority I or II Applications that include any costs for land acquisition must ~~may~~ request up to \$5 million out of \$10 million dollars available in Monroe County for Land Acquisition Program Funding, subject to appraisal in credit underwriting, in addition to the Development Funding request amount. The Land Acquisition Program Funding Request Amount must meet the following criteria: (i) the land acquisition expenses must be stated on the Development Cost Pro Forma; (ii) the Land Acquisition Program Funding Request Amount must be \$5,000,000 or less; (iii) if the land acquisition expenses stated on the Development Cost Pro Forma exceed \$5,000,000, then non-CDBG-DR sources must be demonstrated on the Development Cost Pro Forma to pay for the land acquisition expenses that exceed \$5,000,000; (iv) the site control documentation must include an appraisal as further outlined in Section Four, A.7.a. of this RFA. If the Land Acquisition Program Funding is depleted and eligible Priority I or Priority II Applications remain, ~~Priority I~~ Applications may be fully funded from Development Program Funding, if (i) the total request in funding is \$8 million or less, and (ii) enough funding remains in the Development Program Funding to fully fund the Application.
- (ii) All Applications must request Development Funding. Priority III Applications may use Development Funding for all aspects of creating affordable housing, including land acquisition. The Development Funding amount requested at question 10.a.(1)(a) of Exhibit A is the amount that will be used for the Leveraging Calculation described in Section Five, B.1.d. of the RFA and the Job Creation Funding Preference calculation described in Item 2 of Exhibit C. The maximum amount of Development Funding is the lesser of the following:
- \$8 million; or
 - The Total Maximum Per Unit CDBG-DR Rental FHFC Subsidy Limit for Monroe County as stated below:
 - \$217,058 per Zero Bedroom Unit
 - \$248,828 per 1 Bedroom Unit
 - \$302,572 per 2 Bedroom Unit
 - \$391,432 per 3 Bedroom Unit
 - \$418,592 per 4 Bedroom Unit

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.(1) of the RFA to read as follows:

- (1) Each financing proposal shall contain:
- Amount of the construction loan, if applicable;
 - Amount of the permanent loan, if applicable;

- Specific reference to the Applicant as the borrower or direct recipient; and
- Signature of ~~all parties, including acceptance by the Applicant~~ the lender.

Note: For ALL Applicants, eligible Local Government (including Land Authority) financial commitments can be considered without meeting the requirements ~~of (i) through (iv)~~ above if the Applicant provides the properly completed and executed Local Government Verification of Contribution – Grant Form and/or the Local Government Verification of Contribution – Loan Form.

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.c.(5) of the RFA to read as follows:

- (5) With respect to the loan amount(s), all fees set forth in Exhibit C to the RFA, except for Loan Servicing Fees, are part of Development Cost and can be included in the Development Cost Pro Forma and paid with loan proceeds.

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.11.c. of the RFA to read as follows:

- c. Uniform Relocation Act Acquisition Information ~~(For All Development Categories):~~

Provide the following information:

- (1) If the Applicant or Land Owner owns the Development site (i.e., holds a deed or currently has a lease with a minimum 50-year term), provide a narrative describing the acquisition as **Attachment 16** to Exhibit A. This narrative must describe how, when, and from whom the property was acquired and whether or not the property was vacant when acquired.
- (2) If the Applicant or Land Owner is a private company and is acquiring the property or will have a lease with a minimum 50-year term for the property, the Applicant (buyer) must provide the seller with a notice that the buyer does not have the power of eminent domain to obtain the property and a determination of market value will estimate the value of the property. This must be done prior to execution of the contract or proposed lease (with a minimum 50-year term) or may be attached as an addendum to the contract or proposed lease (with a minimum 50-year term). A copy of the required notice and confirmation of the current owner's/seller's receipt of notice must be provided as **Attachment 17** to Exhibit A. Note: The only permissible Land Owner that could be a private company is a Community Land Trust.
- (3) If the Applicant or Land Owner is a public (government) Applicant, respond to all applicable remaining questions in this relocation section.
- (4) Eminent Domain:
 - (a) If the buyer has the power of eminent domain, the buyer must notify the seller in writing that it has such power and the determination of market value for the property is being waived. Provide a copy of the required notice as **Attachment 18** to Exhibit A.

- (b) If the Applicant is a public (government) Applicant and does not have the power of eminent domain, provide the following: (i) notice of interest, (ii) determination of fair market value, (iii) appraisal of the property, and (iv) written offer of just compensation which includes a statement of just value, property description, and identification of buildings. Provide all required documentation as **Attachment 18** to Exhibit A.

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

- e. Next, by the Application's Leveraging Calculation, (the Eligible CDBG-DR Development Funding Request Amount ~~per-divided by the total number of Unitunits~~);

Pursuant to Rule 67-60.005, F.A.C., Modification of Terms of Competitive Solicitations, Florida Housing hereby modifies Section Five, B.3. of the RFA to read as follows:

- 3. Land Owner Award Tally (Priority I and II Applications only)

As each Priority I or Priority II Application is selected for tentative funding, the Local Government, Public Housing Authority, Land Authority, or Community Land Trust that owns the land and that was identified at question 3.a. in Exhibit A of the RFA will be considered the Land Owner for purposes of the Land Owner Award Tally and have one Application credited toward the Land Owner Award Tally.

The Corporation will ~~not select any~~prioritize eligible unfunded Priority I ~~or Priority II~~ Applications that can be fully funded and that have an Application credited towards the lowest Land Owner Award Tally ~~until all remaining eligible unfunded Priority I and II Applications have received one Application towards the~~above other eligible unfunded Priority I Applications with a higher Land Owner Award Tally that also can be fully funded, even if the Priority I Applications with a higher Land Owner Award Tally are higher ranked. The Corporation will then follow the same pattern ~~and, as each Priority I or for~~ Priority II Applications is selected for tentative funding, the Land Owner will have a second Application credited toward the Land Owner Award Tally.

This procedure will be applied when selecting Priority I Applications and Priority II Applications only.

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

- 4. Funding Selection Order

After Applications are sorted, funding selection will proceed. The highest ranked Priority I Applications will be selected first, subject to the Land Owner Award Tally. As each Priority I Application is selected for funding, the CDBG-DR Request Amount will be deducted from both the Development Funding Amount and, if applicable, Land Acquisition Program Funding.

If ~~there is not enough~~ Land Acquisition Program Funding ~~is depleted to fully fund an~~ and eligible unfunded Priority I Application's Land Acquisition Program Fundings request amount, the remain, Priority I Applications may still be fully funded from Development Program Funding, if

(i) the total request in funding is \$8 million or less, and (ii) enough funding remains in the Development Program Funding to fully fund the Application, or there is enough funding in a combination of the remaining Land Acquisition Program Funding and the Development Program Funding to fully fund the Application. The remaining balance of Land Acquisition Program Funding, if any, will be awarded and the remaining balance of the request amount will be deducted from the total amount of Development Funding available in this RFA.

If funding remains and no eligible unfunded Priority I Applications can be fully funded, the process will be repeated with the highest-ranking Priority II Applications ~~with the remaining Development Funding~~ until there are no Priority II Applications that can be fully funded. If Land Acquisition Program Funding remains and there are no eligible Priority I or II Applications that can be fully funded, the Land Acquisition Program Funding will be distributed as approved by the Florida Housing Board of Directors and the Florida Department of Economic Opportunity. The Land Acquisition Program Funding will not be used to fund Priority III Applications.

If Development Funding remains, and no Priority I or II Applications can be fully funded, then the ~~process will be repeated with the~~ highest-ranking Priority III Applications that can be fully funded will be selected for funding.

If funding remains and no eligible unfunded Applications can be fully funded, then no further Applications will be selected for funding and the remaining funding will be distributed as approved by the Board.

Pursuant to Rule 67-60.005, F.A.C., Modification of Terms of Competitive Solicitations, Florida Housing hereby modifies question 7.a. of Exhibit A of the RFA to read as follows:

a. Site Control

The properly executed Site Control Certification form (Form Rev. 08-18) and attachments must be provided as **Attachment 6** to demonstrate site control as of Application Deadline.

Pursuant to Rule 67-60.005, F.A.C., Modification of Terms of Competitive Solicitations, Florida Housing hereby modifies question 11.c. of Exhibit A of the RFA to read as follows:

c. Uniform Relocation Act (URA) Acquisition Information ~~(For All Development Categories):~~

(1) Does the Applicant or Land Owner currently own the Development site?

Choose an item.

If “Yes” - Provide a narrative regarding the acquisition as **Attachment 16** and skip questions (2) through (4) below.

If “No” - Answer question (2) below.

(2) Is the Applicant or Land Owner a private company?

Choose an item.

If “Yes” - Provide a copy of the notice provided to the current owner/seller as **Attachment 17** and skip questions (3) and (4) below.

If “No” - Answer question (3) below.

- (3) Is the Applicant or Land Owner a public (government) Applicant?

Choose an item.

If “Yes” - Answer question (4) below.

If “No” - Skip question (4) below.

- (4) Does the Applicant have eminent domain power?

Choose an item.

If “Yes” - Provide a copy of the required notice as **Attachment 18**.

If “No” - Provide the required information as **Attachment 18**.

Pursuant to Rule 67-60.005, F.A.C., Modification of Terms of Competitive Solicitations, Florida Housing hereby modifies Item 2. of Exhibit C of the RFA to read as follows:

2. 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 implied eligible CDBG-DR Development Funding amount requested at question 10.a.(1)(a) of Exhibit A. To qualify for the Florida Job Creation Funding Preference in Section Five of the RFA, all Applications must earn a Florida Job Creation score equal to or greater than 1.092.48. If an Applicant requested Land Acquisition Program Funding, it will not be used in this calculation.

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

- The number of total units committed to by the Applicant (as stated by the Applicant at question 6.a. of Exhibit A);
- The Florida job creation rate of 1.738 Florida Jobs per Single Family Unit;
- The Florida job creation rate of 3.974 Florida Jobs per non-Single Family Unit;
- The Eligible CDBG-DR Development Funding Request Amount.

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

a. Developments consisting of only Single Family units:

Number of units x 1.738 Florida Jobs per Unit x 1,000,000 / Eligible CDBG-DR Development Funding Request Amount = Florida Jobs per \$1 million of CDBG-DR funding.

For example:

Application A consists of 15 Single Family units and has an Eligible CDBG-DR Development Funding Request Amount of \$5,500,000.

15 x 1.738 x 1,000,000 / 5,500,000 = Florida Job Creation score of 4.74.

b. Developments consisting of only non-Single Family units:

Number of units x 3.974 Florida Jobs per Unit x 1,000,000 / Eligible CDBG-DR Development Funding Request Amount = Florida Jobs per \$1 million of CDBG-DR funding.

For example:

Application A-B consists of 15 non-Single Family units and has an Eligible CDBG-DR Development Funding Request Amount of \$5,500,000.

15 x 3.974 x 1,000,000 / 5,500,000 = Florida Job Creation score of 10.84.

c. Developments consisting of both Single Family and non-Single Family units:

(Number of Single Family units x 1.738 Florida Jobs per unit + Number of non-Single Family units x 3.974 Florida Jobs per unit) x 1,000,000 / the Eligible CDBG-DR Development Funding Request Amount = Florida Jobs per \$1 million of CDBG-DR funding.

For example:

Application C consists of 10 Single Family units and 5 non-Single Family units and has an Eligible CDBG-DR Development Funding Request Amount of \$5,500,000.

(10 x 1.738 + 5 x 3.974) x 1,000,000 / 5,500,000 = Florida Job Creation score of 6.77.

In the above examples, the Application will qualify for the Job Creation Funding Preference because it has a Florida Job Creation score that is at least 2.481.09.

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

All fees set forth below, except for ~~Compliance Monitoring Fees and~~ Loan Servicing Fees, are part of Development Cost and can be included in the Development Cost Pro Forma and paid with loan proceeds.

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

~~d. — Commitment Fees~~

~~Each Applicant to which a firm commitment is granted shall submit to the Corporation a non-refundable commitment fee of 1 percent of the CDBG-DR 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.~~

Pursuant to Rule 67-60.005, F.A.C., Modification of Terms of Competitive Solicitations, Florida Housing hereby modifies Item 5.(4) of Exhibit C of the RFA to read as follows:

- (4) Lead Based Paint - If the Development was built before 1978, Lead Based Paint Regulations may apply. See 24 CFR Part 35 for exemptions. During the credit underwriting process, the Applicant must certify that it understands the requirements of the current HUD lead based paint regulations.

If the ~~Applicant is purchasing the property and the~~ Development was built before 1978, provide a copy of the executed Disclosure of Information on Lead Based Paint and Lead Based Paint Hazards form*, signed by both the buyer and the seller.

Pursuant to Rule 67-60.005, F.A.C., Modification of Terms of Competitive Solicitations, Florida Housing hereby modifies Item 5.a. of Exhibit F of the RFA to read as follows:

- a. For Priority I Applications, the CDBG-DR funding associated with the land acquisition costs will be If Land Acquisition Program Funding is awarded to the designated Land Owner and the remaining funding will be awarded to the Applicant. The designated Land Owner and the Applicant an entity separate from the successful Applicant Entity in a proposed Development, the Local Government, PHA, Land/Trust Authority will each enter into a separate CDBG-DR loans with the terms and conditions outlined below. The closing of the Land Owner loans and Applicant loan will be contemporaneous.

Pursuant to Rule 67-60.005, F.A.C., Modification of Terms of Competitive Solicitations, Florida Housing hereby modifies Item 5.l. of Exhibit F of the RFA to read as follows:

- I. After accepting a preliminary commitment, the Applicant or Land Owner shall not refinance, increase the principal amount, or alter any terms or conditions of any mortgage superior or inferior to the CDBG-DR mortgage without prior approval of the Corporation's Board of Directors. However, an Applicant or Land Owner 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.

Pursuant to Rule 67-60.005, F.A.C., Modification of Terms of Competitive Solicitations, Florida Housing hereby modifies Item 5.q. of Exhibit F of the RFA to read as follows:

- q. Failure of the Applicant to provide the Corporation and its servicer with the Form SR-1 shall constitute a default on the CDBG-DR loan.

Pursuant to Rule 67-60.005, F.A.C., Modification of Terms of Competitive Solicitations, Florida Housing hereby modifies Item 5.s. of Exhibit F of the RFA to read as follows:

- s. Unless and until a guarantor's obligations for an Applicant's CDBG-DR 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.

Pursuant to Rule 67-60.005, F.A.C., Modification of Terms of Competitive Solicitations, Florida Housing hereby modifies Item 6.a. of Exhibit F of the RFA to read as follows:

- 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 or land 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.

Pursuant to Rule 67-60.005, F.A.C., Modification of Terms of Competitive Solicitations, Florida Housing hereby modifies Item 6.b. of Exhibit F of the RFA to read as follows:

- b. The CDBG-DR loan shall be assumable upon sale or transfer of the Development or land if the following conditions are met:
 - (1) The proposed transferee meets all specific Applicant or Land Owner 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 CDBG-DR 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.

Pursuant to Rule 67-60.005, F.A.C., Modification of Terms of Competitive Solicitations, Florida Housing hereby modifies Item 6.c.(6) of Exhibit F of the RFA to read as follows:

- (6) If there will be insufficient funds available from the proposed sale of the Development or land to satisfy paragraphs c.(1) – (6) above, the CDBG-DR 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 or land is reasonable and consistent with existing market conditions;
 - (b) A certification from the Applicant or Land Owner that the purchase price reported is the actual price paid for the Development or land, 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 CDBG-DR loan was true and accurate;
 - (c) A certification from the Applicant that there are no Development funds available to repay the CDBG-DR loan, including any interest due, and the Applicant knows of no source from which funds could or would be forthcoming to pay the CDBG-DR loan; and
 - (d) A certification from the Applicant or Land Owner detailing the information needed to determine the final billing for CDBG-DR loan interest. Such certification shall require submission of financial statements and other documents that may be required by the Corporation and its servicer.

Pursuant to Rule 67-60.005, F.A.C., Modification of Terms of Competitive Solicitations, Florida Housing hereby modifies Item 8. of Exhibit F of the RFA to read as follows:

8. General Program Procedures and Restrictions.

- a. ~~When the income of a resident increases above 80 percent of area median income, the next unit that becomes available in the Development must be rented to a income-eligible resident. If the income of an Extremely Low Income household increases above the limits for an Extremely Low Income household, then the Developer must rent the next available unit to an Extremely Low Income household. The amount of rent the resident whose income has increased must pay is the lesser of the amount payable by resident under state or local law or 30 percent of the adjusted monthly income for rent and utilities.~~
- b. ~~Units in a Development must have rents set at no more than the lesser of the Section 8 Fair Market Rent (FMRs) or rents that are 30 percent of the gross income of a Family at 65 percent of median income limit, minus utility allowance. Low rent means 20 percent of the Units in a Development must have rents set at no more than the lesser of the Section 8 Fair Market Rent (FMRs), or 30 percent of the gross income of a Family at 50~~

~~percent of the area median income, minus utility allowance. The rent limits for a Rent-Restricted Unit is the maximum gross rent that can be charged for a Rent-Restricted Unit (FMRs, 30 percent of the gross income of a family at 65 percent of median income, or 30 percent of the gross income of a family at 50 percent of the area median income), less the applicable utility allowance. These rent limits are published in HUD periodically, 80 percent of median income limit, minus utility allowance. These rent limits are published by HUD periodically., Assisted Units with Section 8 subsidy must compare the Section 8 gross rent (resident rent, subsidy amount, and utility allowance) to the maximum applicable high or low rent limit minus utilities. However, Developments with project-based rental assistance may utilize the project-based rents as compared to the High and Low rents.rent limits. Compliance with the rent restrictions will take precedence over the Developer's acceptance of a full Section 8 (resident-based) subsidy for the units. However, if a Rent-Restricted Unit receives federal or state project-based rental subsidy and the Family's contribution toward rent does not exceed 30 percent of the Family's adjusted income, then the maximum rent (i.e., tenant contribution plus project-based rental subsidy) is the rent allowable under the federal or state project-based rental subsidy program.~~

- e. The minimum Compliance Period for newly-constructed rental housing is 20 years from Project Completion. The set-aside requirements apply beginning on the later of the first day on which any residential unit in the Development is occupied or the loan closing date. The Compliance Period will be extended until the later of such longer term agreed to by the Applicant in its Application.
- ~~db.~~ The minimum Compliance Period for newly-constructed rental housing is 20 years from Project Completion. The set-aside requirements apply beginning on the later of the first day on which any residential unit in the Development is occupied or the loan closing date. The Compliance Period will be extended until the later of such longer term agreed to by the Applicant in its Application or the loan is repaid.
- ec. The Development will remain affordable, pursuant to commitments documented within the executed Land Use Restriction Agreement without regard to the term of the mortgage or to transfer of ownership.
- df. The Development must comply with all applicable provisions of the competitive solicitation process.
- ge. A Development that is under construction may be eligible to apply for CDBG-DR funds only if Development is able to provide evidence of compliance with federal labor standards for any work already completed, and the Development is able to provide evidence of compliance with HUD environmental requirements as well as all other federal regulations. The federal requirements may require completion of activities prior to submission of an Application for funding.
- hf. Any single contract for the development of affordable housing must contain a provision requiring that not less than the wages prevailing in the locality, as predetermined by the United States Secretary of Labor pursuant to the Davis-Bacon Act, 40 U.S.C. 3141, et seq and 29 CFR part 1, 3, 5, 6, and 7 will be paid to all laborers and mechanics employed for

the construction of the Development, and such contracts must also be subject to the overtime provisions of the Contract Work Hours and Safety Standards Act, 40 U.S.C. §§3701 – 3706 and 3708 (2002), the Copeland Act (Anti-Kickback Act), 18 U.S.C. 874, and the Fair Labor Standards Act of 1938, as amended (29 U.S.C. §201 et seq.).

ig. All Developments must conform to the following federal requirements:

- (1) Title VI of the Civil Rights Act of 1964 – Prohibits discrimination by government agencies that receive Federal funding;
- (2) Title VII of the Civil Rights Act of 1964 – prohibits employment discrimination on the basis of race, color, religion, sex, or national origin;
- (3) Title VIII of the Civil Rights Act of 1968 – as amended (the Fair Housing Act of 1988);
- (4) 24 C.F.R. § 570.490 – Recordkeeping Requirements;
- (5) 24 C.F.R. § 570.606(b) – Relocation assistance for displaced persons at URA levels;
- (6) Age Discrimination Act of 1975;
- (7) Executive Order 12892 – Leadership and Coordination of Fair Housing in Federal Programs: Affirmatively Furthering Fair Housing;
- (8) Section 109 of the Housing and Community Development Act of 1974 – No person shall be excluded from participation in, denied benefits of, or subjected to discrimination under any program or activity receiving CDBG-DR funds because of race, color, religion, sex or national origin;
- (9) Section 504 of the Rehabilitation Act of 1973 and 24 C.F.R. part 8, which prohibits discrimination against people with disabilities;
- (10) Executive Order 11063 – Equal Opportunity in Housing;
- (11) Executive Order 11246 – Equal Employment Opportunity;
- (12) Section 3 of the Housing and Urban Development Act of 1968, as amended – Employment/Training of Lower Income Residents and Local Business Contracting.
- (13) Environmental Review as enumerated in 24 CFR Part 58 and National Environmental Policy Act of 1969.
- (14) Other than those requirements waived via Federal Register Notice, including in FR 6066-N-01 and 6109-N-01, the Subrecipient shall comply with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as

amended (URA), 42 USC 4601 – 4655, 49 CFR part 24, 24 CFR part 42, and 24 CFR 570.606.

- (15) Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4821-4846), the Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851-4856), and implementing regulations at part 35, subparts A, B, J, K, and R of this title.
- (16) Provisions in 24 CFR 570.489(h).as enumerated in 24 CFR §92.356, 2 CFR §200.317 and 2 CFR §200.318), Debarment and Suspension as enumerated in 24 CFR Part 24.(h), Handicapped Accessibility as enumerated in Section 504 of the Rehabilitation Act of 1973 (implemented in 24 CFR Part 8) and 24 CFR §100.205.
- (17) Americans with Disabilities Act as enumerated in 42 U.S.C. §12131; and 47 U.S.C. §§155, 201, 218 and 225.
- (18) Economic Opportunity for Low- and Very Low-Income Persons as implemented in 24 CFR Part 135.
- (19) Minority/Women Employment as enumerated in 2 CFR §200.321 and Executive Orders 11625, 12432, and 12138.

Pursuant to Rule 67-60.005, F.A.C., Modification of Terms of Competitive Solicitations, Florida Housing hereby modifies Item 2. of the Land Owner Certification and Acknowledgement form to read as follows:

2. The legal description or the address of the land that is the subject of the proposed Development “the Land” including all scattered sites, if applicable. If additional space is needed, provide attachments to this form:

Pursuant to Rule 67-60.005, F.A.C., Modification of Terms of Competitive Solicitations, Florida Housing hereby modifies Item 4. of the Land Owner Certification and Acknowledgement form to read as follows:

3. The following type of entity holds or will hold 100 percent ownership in the Land identified in 21. above, and therefore can be considered the “Land Owner” for purposes of this Application:

- A Local Government
- A Public Housing Authority
- Land Authority
- Community Land Trust

Pursuant to Rule 67-60.005, F.A.C., Modification of Terms of Competitive Solicitations, Florida Housing hereby modifies Item 4. of the Land Owner Certification and Acknowledgement form to read as follows:

4. If this Application for the proposed Development described above is selected for funding, the ~~The~~ Land Owner identified in 23. above will hold the Land identified in 12. above and maintain the affordability requirements of the Land identified in 12. above in Perpetuity. For purposes of this RFA, Perpetuity means 99 years or more.

Pursuant to Rule 67-60.005, F.A.C., Modification of Terms of Competitive Solicitations, Florida Housing hereby modifies Item 5. of the Land Owner Certification and Acknowledgement form to read as follows:

5. If this Application for the proposed Development described above includes a request for Land Acquisition Funding, the ~~The~~ Site Control documentation must include an appraisal demonstrating that the appraised value of the land meets or exceeds the purchase price. The purchase price must be based on the post-disaster value of the land, consistent with applicable cost principals. The pre-disaster value may not be used. The Corporation will seek a re-appraisal by an independent third party during credit underwriting. If the appraisal demonstrates that the purchase price exceeds the fair market value, the only land costs that can be included in the Total Development Cost or awarded through Land Acquisition Program Funding will be the appraised value, which will be confirmed in credit underwriting. The appraisals conducted during credit underwriting may cause a reduction in the funding amount.

Pursuant to Rule 67-60.005, F.A.C., Modification of Terms of Competitive Solicitations, Florida Housing hereby modifies Item 9. of the Land Owner Certification and Acknowledgement form to read as follows:

9. The ~~Applicant Land Owner~~ acknowledges that any funding preliminarily secured by the Applicant Land Owner is expressly conditioned upon any independent review, analysis and verification of all information contained in this 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.

Submitted By:
Marisa Button
Director of Multifamily Allocations
Florida Housing Finance Corporation
227 N. Bronough Street, Suite 5000
Tallahassee, FL 32301
850-488-4197 or Marisa.Button@floridahousing.org