

**Florida Housing Finance Corporation Workshop Agenda
RFA 2019-103 for CDBG-DR Financing to be used
for Small Rental Developments Located in Zip Codes Deemed Hurricane Recovery Priorities
227 N. Bronough Street, Seltzer Conference Room, Tallahassee, FL
And via phone #1 888 339.2688, passcode #433 819 19
June 13, 2019, 2:00 p.m., Eastern Time**

Section One - Introduction

The Department of Economic Opportunity (DEO) will work in partnership with the Florida Housing Finance Corporation (the Corporation) to manage this program that will result in the construction of new affordable rental housing in areas impacted by Hurricane Irma and in areas that experienced a population influx because of migration from Puerto Rico and the U. S. Virgin Islands due to Hurricane Maria.

Under this RFA, an estimated \$20 million will be made available for construction of affordable housing utilizing Community Development Block Grant – Disaster Recovery (CDBG-DR) Program funding for small Developments consisting of no more than 50 units in HUD-Designated Most Impacted and Distressed (MID) zip codes.

Discussion: Should Florida Housing allow Applications in Tier 1, Tier 2, and Tier 3 or only allow Tier 1 Applications to be eligible for funding in this RFA?

Proposed Tier 1 would consist of MID Zip Codes: 32091 in Bradford County; 32068 in Clay County; 34266 in DeSoto County; 32136 in Flagler County; 33440 and 33935 in Hendry County; 33825 and 33870 in Highlands County; 33523 in Pasco County; 32084 and 32145 in Saint Johns County; 32771 in Seminole County.

Proposed Tier 2 would help address the unmet need in Rural Areas of the HUD-Designated Most Impacted and Distressed (“HUD-Designated MIDs”): Brevard; Broward; Clay; Collier; Duval; Hillsborough; Lee; Miami-Dade; Orange; Osceola; Palm Beach; Polk; Saint Lucie; Volusia

Proposed Tier 3 would help address the unmet need in Rural Areas of the HUD-Designated Most Impacted and Distressed (MID), or other areas impacted by the storms and deemed as a priority by the State that are not in HUD-Designated MIDs (“State-Designated MIDs”): Alachua; Baker; Bradford; Charlotte; Citrus; Columbia; DeSoto; Dixie; Flagler; Gilchrist; Glades; Hamilton; Hardee; Hendry; Hernando; Highlands; Indian River; Lafayette; Lake; Levy; Manatee; Marion; Martin; Nassau; Okeechobee; Pasco; Putnam; Saint Johns; Sarasota; Seminole; Sumter; Suwannee; Union

Applicants that are selected to receive funding will be invited to enter credit underwriting and will be expected to complete the credit underwriting process, including Board approval of the credit underwriting report, within 12 months of the date of the invitation to enter into credit underwriting.

Section Two – Definitions

Section Three – Procedures and Provisions

A. Submission Requirements

1. The Applicant must download and complete the Application, the Development Cost Pro Forma, and the Principals of the Applicant and Developer(s) Disclosure Form (Form Rev. 08-16) (“Principals Disclosure Form”). A Principals Disclosure Form that was approved during the Advance Review Process may be used to satisfy this requirement, provided the form was approved for the type of funding being requested (i.e. Housing Credits or non-Housing Credits).

Note: The Continuous Advance Review Process is open.

2. In addition to the three documents described above, the Application Package also includes one copy consisting of all of the applicable completed Attachments described in the RFA (“All Attachments Document”).
3. After successfully logging in, the Applicant must click “Upload Application Package” and upload all documents.
4. One printed copy of the complete Uploaded Application with all applicable attachments and the required non-refundable Application fee of \$3,000 must be submitted to the Corporation by the Application Deadline.

Section Four – Information to be Provided in the Application

1. Include an Applicant Certification and Acknowledgement form, executed by the Authorized Contact Person, to indicate the Applicant’s certification and acknowledgement of the provisions and requirements of the RFA.
2. Demographic Commitment must be Workforce, serving the general population.
3. Applicant/Developer/ Contact Person/Management Company
 - a. State name of the Applicant and provide evidence that Applicant is legally formed entity
 - b. To qualify as a Non-Profit Applicant, the Applicant must provide the required documentation for each Non-Profit entity described in the RFA, such as the IRS determination letter and articles of incorporation demonstrating that one of the purposes of the Non-Profit entity is to foster low-income housing.
 - c. General Developer Information
 - (1) Provide the name of each Developer and provide evidence that each Developer is a legally formed entity qualified to do business in Florida as of Application Deadline. A developer is any individual, association, corporation, joint venture, or partnership which possesses the skill, experience, and credit worthiness to successfully produce affordable housing as required in the Application.
 - (2) Developer Experience Funding Preferences
 - (a) Previous Affordable Housing Experience Funding Preference

To qualify for this funding preference, at least one Principal of the Developer entity, or if more than one Developer entity, at least one Principal of at least one of the Developer entities, must demonstrate experience in the completion; (i.e., the certificate of occupancy has been issued for at least one building), of at least one affordable rental housing development consisting of a total number of units no less than 50 percent of the total number of units in the proposed Development.
 - (b) Federal Funding Experience Preference (tiebreaker in funding selection)

Applications will qualify for this funding preference if the Developer demonstrates at least one development that qualifies for the Affordable

Housing Experience consists of at least eight total units that was financed with federal funding and required all federal programs such as Davis Bacon requirements and Environmental Review requirements.

c. Principal Disclosure Form for the Applicant and for each Developer (5 points)

To meet the submission requirements, the Applicant must upload the Principals of the Applicant and Developer(s) Disclosure Form (Form Rev. 08-16) ("Principals Disclosure Form").

Disclosure of the Principals of the Applicant must comply with the following:

- (1) The Applicant must disclose all of the Principals of the Applicant (first principal disclosure level). A Principal that is a Local Government or Land Authority need only be disclosed at the first principal disclosure level and no other disclosure is required;
- (2) The Applicant must disclose all of the Principals of all the entities identified in paragraph (1) above (second principal disclosure level);
- (3) The Applicant must disclose all of the Principals of all of the entities identified in paragraph (2) above (third principal disclosure level). Unless the entity is a trust, all of the Principals must be natural persons; and
- (4) If any of the entities identified in (3) above are a trust, the Applicant must disclose all of the Principals of the trust (fourth principal disclosure level), all of whom must be natural persons.

Disclosure of the Principals of each Developer must comply with the following:

- (a) The Applicant must disclose all of the Principals of the Developer (first principal disclosure level); and
- (b) The Applicant must disclose all of the Principals of all the entities identified in paragraph (1) above (second principal disclosure level).

Applications will earn 5 points by submitting a Principals Disclosure Form that was approved during the Advance Review Process. The Continuous Advance Review Process is now open and can be accessed on page <https://www.floridahousing.org/programs/developers-multifamily-programs/competitive/2019/2019-103> (also available by clicking [here](#)).

d. General Management Company

- (1) Required for all Developments

Provide the name of the General Management Company for the Development.

- (2) Required for Developments consisting of more than 25 units

Applicants must demonstrate that the listed Management Company has experience in the management of at least two 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 of which consists of a total number of units no less than 50 percent of the total number of units in the proposed Development, for at least two years each.

- e. Authorized Principal Representative / Operational Contact Person

The Authorized Principal Representative identified in the Application MUST be a Principal of the Applicant and MUST sign the Applicant Certification and Acknowledgement form and the Site Control Certification form. The Operational Contact Person is optional.

4. General Proposed Development Information:

- a. Development Name
- b. The Development Category must be new construction, with or without acquisition. All units must consist entirely of new construction units. Rehabilitation of existing units is not allowed. Demolition of current structures is allowed.
- c. Development Type (i.e., Single Family Homes including modular homes that are installed by certified contractors, Duplexes, Quadraplexes, or Garden Apartments (a building comprised of 1, 2 or 3 stories, with or without an elevator), and Mid-Rise (4, 5 or 6 stories).
- d. Resiliency Preference (tiebreaker in funding selection)
 - (1) Applications that select the Single Family Homes Development Type will automatically qualify for the Resiliency Preference.
 - (2) Applications that select any of the other Development Types will qualify for the Resiliency Preference by qualifying for “Enhanced Structural Systems Construction” or “ESS Construction”. To qualify, the proposed Development must meet at least one of the specifications listed below.
 - (a) 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.
 - (b) Any buildings with the Development Type of Mid-Rise (4, 5 or 6 story) that utilize an ESS Podium Structure shall qualify as “ESS Construction.” Buildings of other Development Types that utilize an ESS Podium Structure must meet the requirements in (a) above in order to qualify as “ESS Construction.” In this event, the top surface of the 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 “ESS Construction,” there is no requirement regarding the materials to be used in the roof of the building.

The term “ESS 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 must utilize at least 85 percent of the square footage for parking or non-commercial utility/ancillary building uses only. Up to 15 percent of the square footage can be used for other non-residential purposes.

These qualifying criteria specifically exclude face brick or brick veneer from qualifying as ESS Construction for purposes of this RFA unless the proposed Development otherwise meets the requirements in (a) or (b) above.

- e. State whether construction has commenced as of Application Deadline. Note: If “Yes”, all rules and regulations in 24 CFR Part 92, which includes cross-cutting Federal Regulations, will apply.

5. Location of the Development

- a. County

The following counties are HUD-Designated MID's or State-Designated MID's and are the only counties eligible for funding under this RFA:

Alachua; Baker; Bradford; Brevard; Broward; Charlotte; Citrus; Clay; Collier; Columbia; DeSoto; Dixie; Duval; Flagler; Gilchrist; Glades; Hamilton; Hardee; Hendry; Hernando; Highlands; Hillsborough; Indian River; Lafayette; Lake; Lee; Levy; Manatee; Marion; Martin; Miami-Dade; Nassau; Okeechobee; Orange; Osceola; Palm Beach; Pasco; Polk; Putnam; Saint Johns; Saint Lucie; Sarasota; Seminole; Sumter; Suwannee; Union; Volusia

- b. Address

- (1) Provide address of the entire proposed Development, including any Scattered Sites. A part of the boundary of each Scattered Site must be located within ½ mile of a part of the boundary of the Scattered Site with the most units.
- (2) Latitude and Longitude Coordinates for the Development Location Point and each Scattered Site must be provided in Exhibit A.

- c. *Discussion: Should Florida Housing allow Applications in Tier 1, Tier 2, and Tier 3 as provided below, or only allow Tier 1 Applications to be eligible for funding in this RFA?*

- (1) Tier 1 Classification

Tier 1 Applications will be selected before any Tier 2 or Tier 3 Applications are selected and continue to be selected until either of the following occurs: each MID Zip Code has one Application credited towards it or there are no eligible Tier 1 Applications that can be fully funded. To qualify as a Tier 1 Application, the proposed Development must be located in one of the following MID Zip Codes:

Bradford County	32091
Clay County	32068
DeSoto County	34266
Flagler County	32136
Hendry County	33440 and 33935
Highlands County	33825 and 33870
Pasco County	33523
St. Johns County	32084 and 32145
Seminole County	32771

- (2) Tier 2 Classification

Tier 2 Applications will be selected before any Tier 3 Applications are selected and continue to be selected until there are no eligible Tier 2 Applications that can be fully funded. To qualify as a Tier 2 Application, the proposed Development must be located in a Rural Area in one of the following HUD-Designated MID:

Brevard; Broward; Clay; Collier; Duval; Hillsborough; Lee; Miami-Dade; Orange; Osceola; Palm Beach; Polk; Saint Lucie; Volusia

(3) Tier 3 Classification

Tier 3 Applications will continue to be selected until there are no eligible Tier 3 Applications that can be fully funded. To qualify as a Tier 3 Application, the proposed Development must be located in a Rural Area one of the following State-Designated MID:

Alachua; Baker; Bradford; Charlotte; Citrus; Columbia; DeSoto; Dixie; Flagler; Gilchrist; Glades; Hamilton; Hardee; Hendry; Hernando; Highlands; Indian River; Lafayette; Lake; Levy; Manatee; Marion; Martin; Nassau; Okeechobee; Pasco; Putnam; Saint Johns; Sarasota; Seminole; Sumter; Suwannee; Union

(4) Demonstration of Rural Area

If applying as a Tier 2 or Tier 3 Application, the Applicant must demonstrate that the proposed Development is located in an eligible Rural Area as defined by the United State Department of Agriculture Rural Development (RD) by providing evidence confirming that the proposed Development is located in an RD-designated Rural Area. This evidence must be dated within six months of the Application Deadline from RD, and may be in the form of printed information from the RD website if the website recognizes and can confirm that the address of the proposed Development stated in Exhibit A and, if Scattered Sites, that all other addresses of the proposed Development are located in a Rural Area. The RD website can be found at <http://eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do> (also accessible by clicking [here](#)). If confirmation of all sites of the proposed Development cannot be obtained through the above referenced website, the Applicant must provide a letter from RD confirming that all sites comprising the proposed Development are located in a Rural Area as of the Application Deadline. The Development's location within a Rural Area is subject to further verification in credit underwriting.

6. Buildings and Number of Units

- a. Proposed Developments must consist of a minimum of 10 total units. Proposed Development are limited to 50 units.
- b. The Applicant must 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), and the total number of units per bedroom type. Any zero (0) bedroom units must meet the definition of Zero Bedroom Unit.
- c. Affordability Set-Aside Commitments

100 percent of the total units must be set aside at or below 80 percent AMI. At least 10 percent of the total units must be set-aside at or below the appropriate AMI as Extremely Low-Income (ELI) Set-Aside Units. At least 50 percent of the ELI Set-Aside units (i.e., at least 5 percent of the total units) must be set aside as Link Units for Persons with Special Needs.

d. Compliance Period

The Compliance Period committed to in this section includes the units set aside for the Demographic Commitments made in this RFA, which includes the commitments for Link Units and ELI Households. An annual compliance monitoring fee will be charged for the first 50 years.

HUD affordability period of 20 years. Additionally, Florida Housing is adding 30 years of an extended affordability period to the HUD affordability period, for a total affordability period of 50 years.

e. The Applicant should state the total number of buildings with dwelling units in the proposed Development.

7. Readiness to Proceed

a. Site Control

A Site Control form must be submitted and executed by the Authorized Principal Representative with documentation demonstrating site control. The form is provided on the Corporation's Website <http://www.floridahousing.org/programs/developers-multifamily-programs/competitive/2019/2018-103/forms-related-to-rfa-2019-103> (also accessible by clicking [here](#)). The Applicant must demonstrate site control by providing one or more of the following:

- Eligible Contract
- Deed or Certificate of Title
- Lease

b. Ability to Proceed (i.e., status of site/plat plan, appropriately zoned, availability of infrastructure (electricity, water, sewer and roads) – all as of Application Deadline). Applicants must provide the Ability to Proceed Verification forms (Form Rev. 08-18). To demonstrate infrastructure availability, the Applicant may provide a letter from the provider (that states the Development Location and dated within 12 months of the Application Deadline, and in the case of water and sewer, the number of units) in lieu of the form.

7. Uniform Relocation Act

8. Required Design and Construction Features

- a. Federal Requirements and State Building Code Requirements
- b. Required general features
- c. Accessibility, Adaptability, Universal Design and Visitability Features
- d. Required Green Building Features

Proposed Developments must achieve one of the following Green Building Certification programs: Leadership in Energy and Environmental Design (LEED); Florida Green Building Coalition (FGBC); or ICC 700 National Green Building Standard (NGBS).

9. Resident Programs

For proposed Developments that consist of up to 25 units, it is a Mandatory requirement that at least one of the resident programs is selected, but this may be off-site if accommodations are made so that residents can attend. For all proposed Developments that consist of more than 25 units, it is a Mandatory requirement that at least two of the resident programs are selected and offered on-site. The eligible resident programs which may be selected are as follows: After School Program for Children, Literacy Training, Employment Assistance Program, Family Support Coordinator, or Financial Management Program.

10. Funding

- a. The maximum Request Amount is limited to the lesser of the per unit Rental FHFC Subsidy Limit for the applicable county or \$5 million. The Rental FHFC Subsidy Limits chart is provided below:

County	HUD Subsidy Limit				
	0 Bedroom	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom
Alachua, Dixie, Gilchrist, Hamilton, Lafayette, Levy, Marion, Putnam, Suwannee	\$139,149	\$158,368	\$192,575	\$249,130	\$266,417
Baker, Bradford, Brevard, Broward, Charlotte, Citrus, Clay, Collier, Columbia, DeSoto, Duval, Flagler, Glades, Hardee, Hendry, Hernando, Highlands, Hillsborough, Indian River, Lake, Lee, Manatee, Martin, Miami-Dade, Nassau, Okeechobee, Orange, Osceola, Palm Beach, Pasco, Polk, Saint Johns, Saint Lucie, Sarasota, Seminole, Sumter, Union, Volusia	\$141,088	\$161,738	\$196,672	\$254,431	\$272,085

- b. Additional funding sources must be demonstrated if Applicant’s total development cost per unit exceeds the CDBG-DR maximum subsidy limit.
- c. Developer Fee for this RFA is based on 16% of Development Cost.

11. Ranking and Funding Selection:

- a. Eligibility Requirements
- b. Sorting Order
 - Points Awarded
 - First, by the Enhanced Structural Systems Construction Preference;
 - Next, by the Federal Funding Experience Preference;
 - Next, by the Application’s CDBG-DR Development Funding Request Amount per Set-Aside;
 - Next, by the Application’s eligibility for the Florida Job Creation Preference; and
 - Finally, by the Application’s lottery number.

c. Geographic Distribution Tools

(1) Tier 1 - One Per MID County

As each Application is selected for tentative funding, the MID County where the proposed Development will be located will have one Application credited toward the County Award Tally. The Corporation will only fund one Tier 1 Application in each MID County. If multiple Tier 1 eligible Applications from the same MID County are submitted, the highest ranking will be selected for funding, and the others will remain eligible but unfunded.

(2) County Award Tally Tier 2 and Tier 3

As each Application is selected for tentative funding whether in Tier 1, Tier 2 or Tier 3, the county where the proposed Development will be located will have one (1) Application credited toward the County Award Tally. The Corporation will prioritize eligible unfunded Applications that meet the Funding Test and are located in counties that have the lowest applicable County Award Tally above other eligible unfunded Applications in counties with a higher County Award Tally that also meet the Funding Test, even if the Applications with a higher County Award Tally are higher ranked.

d. Selection Process

The highest ranked eligible unfunded Tier 1 Application(s) that can be fully funded will be selected for funding, followed by Tier 2 Applications, then Tier 3 Applications, subject to the Geographic Distribution Tools described above.

12. Other sections of RFA

Exhibit D - contains a timeline listing due dates for information to be provided to the Corporation or to the credit underwriter after the Applicant receives the invitation to credit underwriting.

Item 1 of Exhibit C – provides additional information regarding Total Development Cost per Unit Limitation calculation

Item 2 of Exhibit C – provides additional information regarding the Florida Job Creation Preference calculation

Item 3 of Exhibit C – provides a list of fees

Item 4 of Exhibit C – provides additional CDBG-DR requirements

Item 5.a. of Exhibit C – lists the Development Team forms, which must be provided to the Corporation within 21 Calendar Days of the date of the invitation

13. Time Line

Issue RFA: *July 30, 2019*

RFA Due Date: *August 29, 2019*

Review Committee Meeting (make recommendations to Board) *2:00 p.m. on November 13, 2019*

Request Board Approval of Recommendations (at scheduled Board Meeting) *December 13, 2019*

14. Other Discussion Topics

Credit Underwriting Process

Applicants that are selected to receive funding will be invited to enter credit underwriting and will be expected to complete the credit underwriting process, including Board approval of the credit underwriting report, within 12 months of the date of the invitation to enter credit underwriting.

All Applications must meet the CDBG-DR requirements as outlined in the RFA. These requirements are similar to HOME funding, such as the requirement to comply with the HUD environmental requirements as provided in 24 CFR 93.301(f)(1) and (2). However, Priority I Applications will not be charged a fee for the environmental review.