

Florida Housing Finance Corporation Workshop Agenda
RFA 2019-103 for CDBG-DR Financing to be used
for Small Rental Developments Located in Areas Deemed Hurricane Recovery Priorities
227 N. Bronough Street, Seltzer Conference Room, Tallahassee, FL
And via phone #1 888 339.2688, passcode # 831 898 51
July 9, 2019, 10:00 a.m., Eastern Time

Welcome to the second workshop regarding RFA 2019-103 for CDBG-DR Financing to be used for Small Rental Developments Located in Areas Deemed Hurricane Recovery Priorities. A draft RFA and Development Cost Pro Forma have been posted to the webpage <https://www.floridahousing.org/programs/developers-multifamily-programs/competitive/2019/2019-103> (also available by clicking [here](#)). This workshop will focus on information that has changed since the previous workshop and areas that have generated the most questions or concerns.

Section One - Introduction

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.

The proposed developments must help address the unmet Workforce Housing need in the HUD-Designated Most Impacted and Distressed (MID) zip codes (“MID Zip Codes”), HUD-Designated (“HUD-Designated MIDs”), or other areas impacted by the storms and deemed as a priority by the State that are not HUD MIDs (“State-Designated MIDs”).

Section Two – Definitions

Section Three – Procedures and Provisions, including submission requirements

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 ("Principals Disclosure Form").

A new Principal Disclosure Form has been created after the June 13, 2019 workshop.

To accommodate the Applicant structures allowed in RFAs 2019-101, 2019-102, and 2019-103, a Principals of the Applicant and Developer(s) Disclosure form and corresponding Instructions have been created specifically for these RFAs requesting CDBG-DR funding. Principal Disclosure Form (Rev. 06-19). The CDBG-DR Principal Disclosure form and corresponding instructions can be found on the webpage <https://www.floridahousing.org/programs/developers-multifamily-programs/competitive/2019/2019-103>.

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.

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

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 in the RFA.
- 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. Provide the address of the entire proposed Development, including any Scattered Sites.
- c. All Applicants must provide latitude and longitude coordinates and, if applicable, each of the Scattered Sites, stated in decimal degrees, rounded to at least the sixth decimal place. Note: 30.443900, -84.283960 is an example of decimal degrees format, represented to six decimal places.
- d. Tier 1, Tier 2, Tier 3 and Tier 4

As further explained in the Funding Selection process, Tier 1 and Tier 2 Applications will be selected before any Tier 3 or Tier 4 Applications are selected and continue to be selected until either of the following occurs: funding is depleted or there are no eligible Tier 1 or Tier 2 Applications that can be fully funded.

(1) Tier 1 Classification

To qualify as a Tier 1 Application, identify the MID Zip Codes in which the proposed Development is located:

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

To qualify as a Tier 2 Application, the proposed Development must be located in a Rural Area in one of the following HUD-Designated MIDs:

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

The process for demonstrating that the proposed Development is located in a Rural Area is outlined in f. below.

(3) Tier 3 Classification

To qualify as a Tier 3 Application, the proposed Development must be located in a Rural Area in one of the following 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

The process for demonstrating that the proposed Development is located in a Rural Area is outlined in f. below.

(4) Tier 4 Classification

To qualify as a Tier 4 Application, the Application must meet both of the following criteria: (i) the Applicant, a Principal of the Applicant, or an instrumentality of the Applicant must be a Public Housing Authority, and (ii) the proposed Development must be located in a non-Rural Area in one of the following HUD or State-Designated MIDs:

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

e. 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.

Question for discussion: Should Applicants that qualify as Tier 4 with proposed Developments with 30 units or less and that are located in HUD-Designated MIDs be able to apply as Tier 2? Also, should Applicants that qualify as Tier 4 with proposed Developments with 30 units or less and that are located in State-Designated MIDs be able to apply as Tier 3? Note: This would eliminate Tier 4.

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

* After the June 13, 2019 workshop, Enterprise Green Communities was added as an option. The language now says:

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

A question has also been added to Exhibit A that asks which certification program will be achieved.

9. Resident Programs

For proposed Developments that consist of up to 25 units, 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

All Tier 1 and Tier 2 Applications will be grouped together and then sorted together using the following sorting criteria. Then, all Tier 3 and Tier 4 Applications will be grouped together and then sorted together using the following sorting criteria.

- *(1) First, by the Tier Level, with Tier 1 Applications receiving the highest preference;
- (2) Next, by the points achieved;
- (3) Next, by the Resiliency Preference outlined in Section Four, A.4.d;
- (4) Next, by the Affordable Housing Experience Preference outlined in Section Four, A.3.b.(3);
- (5) Next, by the Federal Funding Experience Preference outlined in Section Four, A.3.b.(4);
- (6) Next, by the Application’s CDBG-DR Development Funding Request Amount per Unit;
- (7) By the Application’s eligibility for the Florida Job Creation Funding Preference which is outlined in Item 2 of Exhibit C of the RFA;
- (8) Finally, by lottery number, with Applications that have a lower lottery number listed above Applications with a higher lottery number.

*Florida Housing has simplified the funding selection process by making the Tier Level a preference. This replaces the “One Per MID County” Geographic Distribution Tool that was described on the June 13, 2019 workshop agenda.

c. County Award Tally

As each Application is selected for tentative funding, regardless of Tier level, the county where the proposed Development will be located will have one 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 and Tier 2 Applications that can be fully funded will be selected for funding, subject to the County Award Tally. If funding remains and no Tier 1 or Tier 2 Applications can be fully funded, then no further Tier 1 or Tier 2 Applications will be selected for funding and the process will begin for Tier 3 and Tier 4 Applications. If funding remains and no Tier 3 or Tier 4 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.

12. Other sections of RFA

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 and 5 of Exhibit C – provides additional requirements including those specific to the CDBG-DR funding

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.

Exhibit E - Additional requirements for the Link Units for Persons with Special Needs

Exhibit F – provides the Credit Underwriting Procedures specific to the CDBG-DR funding.

13. Time Line

<i>Issue RFA:</i>	<i>July 30, 2019</i>
<i>RFA Due Date:</i>	<i>August 29, 2019</i>
<i>Review Committee Meeting (make recommendations to Board)</i>	<i>2:00 p.m. on November 13, 2019</i>
<i>Request Board Approval of Recommendations (at scheduled Board Meeting)</i>	<i>December 13, 2019</i>