

Florida Housing Finance Corporation Workshop Agenda

RFA 2019-109 HOME Financing to be Used for Rental Developments for Hurricane Michael Recovery and in Rural Areas

227 N. Bronough Street, Seltzer Conference Room, Tallahassee, FL
And via phone #1 888 339.2688, passcode #308 090 97

Thursday, January 24, 2019, 2:00 p.m., Eastern Time

A. Introduction:

1. A total of \$30,000,000 in HOME funding is available
2. 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, and execute a HOME written agreement within nine (9) months of the date of the invitation to enter credit underwriting.
3. This RFA is intended to fund proposed Developments located in Hurricane Michael Impacted Areas (Tier 1 Applications) and statewide Rural Area Developments (Tier 2 Applications).
4. "Rural" or "Rural Area" means an area of land in Florida recognized, as of Application Deadline, by the United States Department of Agriculture, Rural Development (USDA RD) as an eligible rural area, within which properties are eligible to participate in USDA RD administered single family or multifamily housing programs, as applicable, based on the written determination of USDA RD or which maps as an eligible rural area on the maps and mapping systems established and maintained for that purpose by USDA RD and available at the following link:
<http://eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do> (also accessible by clicking [here](#)). The Florida offices of the USDA can be contacted using information found at the website: <http://www.rurdev.usda.gov/FL-Contacts.html> (also accessible by clicking [here](#)).
5. The "Hurricane Michael Impacted Areas" are Bay, Calhoun, Franklin, Gadsden, Gulf, Jackson, Liberty, Wakulla, and Washington counties.

B. Submission Requirements

1. Once the RFA is issued, a link will be provided in which Applicants will upload the Application, Development Cost Pro Forma, Principals Disclosure Form, and all attachments.
2. One (1) printed copy of the complete Uploaded Application with all applicable attachments is required to be submitted to the Corporation.

2. Application Fee: \$3,000 (non-refundable), payable to Florida Housing Finance Corporation (check or money order only).

C. Exhibit A Items

1. The Applicant must include a signed Applicant Certification and Acknowledgement form to indicate the Applicant's certification and acknowledgement of the provisions and requirements of the RFA.
2. Demographic Commitment
 - a. Family
 - b. Elderly, non-Assisted Living Facilities
3. Applicant Information
 - a. State name of Applicant
 - b. Evidence that Applicant is legally formed entity
 - c. If applying as a Non-Profit, the Applicant must meet the definition of a Non-Profit as set out in Rule Chapter 67-48, F.A.C., and provide the following information:
 - (1) The IRS determination letter;
 - (2) A description/explanation of how the Non-Profit entity is substantially and materially participating in the management and operation of the Development (i.e., the role of the Non-Profit);
 - (3) The names and addresses of the members of the governing board of the Non-Profit entity; and
 - (4) The articles of incorporation or the IRS Form 990 most recently filed with the IRS, but no earlier than 2016, demonstrating that, as of the Application Deadline, one of the purposes of the Non-Profit entity is to foster low-income housing.
 - d. Principals of the Applicant and Developer(s) Disclosure Form (Form Rev. 08-16)
 - (1) Eligibility
The Principals Disclosure Form must identify the Principals of the Applicant and each Developer, pursuant to Section 67-48.002, F.A.C., as of the Application Deadline.
 - (2) Points
The Application will receive 5 points if the uploaded Principal Disclosure Form was stamped "Approve" during the Advance Review Process provided (a) it is still correct as of Application Deadline, and (b) it was

approved for the type of funding being requested (i.e., Housing Credits or Non-Housing Credits).

The Advance Review Process for Disclosure of Applicant and Developer Principals is available on the Corporation's Website <https://www.floridahousing.org/programs/developers-multifamily-programs/competitive/2019/2019-109> (also available by clicking [here](#)) and also includes samples which may assist the Applicant in completing the required Principals Disclosure Form.

Note: It is the sole responsibility of the Applicant to review the Advance Review Process procedures and to submit any Principals Disclosure Form for review in a timely manner in order to meet the Application Deadline.

e. Contact Person

(1) Authorized Principal Representative

The Authorized Principal Representative (a) must be a natural person Principal of the Applicant listed on the Principal Disclosure Form; (b) must have signature authority to bind the Applicant entity; (c) must sign the Applicant Certification and Acknowledgement form submitted in this Application; (d) must sign the Site Control Certification form submitted in this Application; and (e) if funded, will be the recipient of all future documentation that requires a signature.

(2) Operational Contact Person (optional)

If provided, the Operational Contact Person will be the recipient of any general correspondence associated with the Development activities that does not require a signature. If an Operational Contact Person is not provided, the Authorized Principal Representative will be the recipient of any such documentation.

f. To qualify as a CHDO Applicant and be eligible for the CHDO funding set-aside, the following requirements must be met:

- (1) A properly completed FHFC CHDO Checklist, along with all appropriate exhibits, must be provided. The CHDO Checklist must be provided by both CHDOs that have been previously designated by the Corporation and by any new organizations seeking CHDO designation. The service area of the CHDO must include the area in which the proposed Development site is to be located. The CHDO checklist is available on the Corporation's Website at <https://www.floridahousing.org/programs/developers-multifamily-programs/competitive/2019/2019-109/other-information-related-to-rfa-2019-109> (also accessible by clicking [here](#)). To be considered a CHDO, all required information must be provided in the Application.

and

(2) The CHDO must be organized and structured according to the standards provided in the HOME regulations, and its role must be to develop, own or sponsor the HOME-assisted housing (24 CFR §92.300), as outlined below. Documentation evidencing the CHDO's role and eligibility will be required during the credit underwriting process.

(a) Developer

Rental housing is "developed" by the community development housing organization if the CHDO is the owner of multifamily or single family housing in fee simple absolute (or has a long term ground lease) and the developer of new housing that will be constructed or existing substandard housing that will be redeveloped for rent to low-income families in accordance with 24 CFR §92.252. To be the "developer", the community development housing organization must be in sole charge of all aspects of the development process, including obtaining zoning, securing non-HOME financing, selecting architects, engineers and general contractors, overseeing the progress of the work and determining the reasonableness of costs. At a minimum, the CHDO must own the housing during development and for a period at least equal to the period of affordability in 24 CFR §92.252.

(b) Owner

Rental housing is "owned" by the CHDO if the CHDO is the owner in fee simple absolute of multifamily or single family housing (or has a long term ground lease) for rental to low-income families in accordance with 24 CFR §92.252. If the housing is to be redeveloped or constructed, the CHDO hires and oversees the developer that redevelops or constructs the housing. At a minimum, the CHDO must hire or contract with an experienced project manager to oversee all aspects of the development, including obtaining zoning, securing non-HOME financing, selecting a developer or general contractor, overseeing the progress of the work and determining the reasonableness of costs. The CHDO must own the rental housing during development and for a period at least equal to the period of affordability in 24 CFR §92.252. If the CHDO acquires housing that meets the property standards in 24 CFR §92.251, the CHDO must own the rental housing for a period at least equal to the period of affordability in 24 CFR §92.252.

(c) Sponsor:

Rental housing is “sponsored” by the community development housing organization if it is rental housing “owned” or “developed” by a subsidiary of a CHDO, a limited partnership of which the CHDO or its subsidiary is the sole general partner, or a limited liability company of which the CHDO or its subsidiary is the sole managing member.

4. Developer and Management Company Information

a. General Developer Information:

- (1) Name of Developer (including all co-Developers);
- (2) Evidence each Developer is a legally formed entity qualified to do business in Florida as of Application Deadline
- (3) 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) HOME Funding Experience Preference

To qualify for this funding preference, the Developer must demonstrate experience in the completion of at least one development consisting of at least 10 total units that was funded with HOME Funding.

b. Management Company Information:

- (1) Name of Management Company; and
- (2) Required General Management Company experience.

The Management Company or a principal of the Management Company must have completed at least two affordable rental housing properties, 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.

5. General Development Information

- a. Name of Development
- b. Location of Development
 - (1) The RFA is open to all counties. During ranking, there will be preference for proposed Developments located in the Hurricane Michael impacted Areas (Tier 1 Applications) of Bay, Calhoun, Gulf and Jackson, Franklin, Gadsden, Liberty, Wakulla, and Washington. Proposed developments located in Rural Areas are considered Tier 2 Applications.
 - (2) Address must be provided

If the proposed Development is Scattered Sites:

 - (a) For Developments located in all Counties except Monroe County, a part of the boundary of each Scattered Site must be located within ½ mile of the Scattered Site with the most units. For Developments located in Monroe County, a part of the boundary of each Scattered Site must be located within 20 miles of the Scattered Site with the most units;
 - (b) Site control and Ability to Proceed must be demonstrated in the Application for all of the Scattered Sites; and
 - (c) All Scattered Sites must be located in the same county.
 - (3) Latitude and Longitude Coordinates for the Development Location Point and each Scattered Site must be provided.
 - (4) Tier 2 Applicants must confirm 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 dated within six (6) months of the Application Deadline from RD confirming that the proposed Development is located in an RD-designated Rural Area.
 - (a) This evidence may be in the form of printed information from the website <http://eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do> if the website recognizes and can confirm that the address of the proposed Development stated at question 5.b.(2) of Exhibit A and, if Scattered Sites, all other addresses of the proposed Development are located in a Rural Area.
 - (b) 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 all sites comprising the proposed Development are located in a Rural Area as of the Application Deadline.

- c. Proposed Developments must consist of a minimum of 10 units. Proposed Development are limited to 50 units.
- d. Development Category

All Development Categories (new construction or Redevelopment, with or without acquisition) must consist entirely of new construction units. Rehabilitation of existing units is not allowed.
- e. Development Type
 - (1) Single Family Homes including modular homes that are installed by certified contractors, Townhouses, Duplexes, Quadraplexes, or Garden Apartments (a building comprised of 1, 2 or 3 stories, with or without an elevator).
 - (2) Group homes, Assisted Living Facilities, and other specialized licensed residential facilities, as well as units within a condominium complex or any single room occupancy developments, are not eligible for funding.
 - (3) Any dwelling unit that consists of more than one story, (e.g. Townhouse), is prohibited for Elderly set-aside units. A residential building that consists of more than one story is not prohibited for Elderly set-aside units if there is a minimum of one elevator per residential building provided for all Elderly set-aside units that are located on a floor higher than the first floor.
- f. Enhanced Structural Systems Construction (“ESS Construction”)
 - (1) Formerly “concrete construction”
 - (2) Specifications will be outlined in the RFA
- g. Applicants must 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.
- h. 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.

If Elderly Demographic, at least 50 percent of the total units must be comprised of one-bedroom units and no more than 15 percent of the total units can be larger than 2 bedroom units.
- i. The Applicant should state the total number of buildings with dwelling units in the proposed Development.
- j. Ability to Proceed (i.e., 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 is Development-specific and dated within 12 months of the Application Deadline) in lieu of the form.

6. Set-Aside Commitments

- a. Applicants must calculate the minimum number of HOME-Assisted units required by HUD. The minimum number of HOME-Assisted Units must meet the minimum requirements of 24 CFR Part 92.
- b. Low HOME Rent units must be equal to or greater than 20 percent of the total HOME-Assisted units committed to. All remaining HOME-Assisted units will be High HOME Rent units.
- c. All Applicants are required to set aside the units for 50 years. This includes the HUD affordability period of 20 years for new construction plus a minimum 30 year extended affordability period, for a total affordability period of 50 years.

7. HOME Uniform Relocation Act

The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA) is government-wide legislation, and compliance begins at the initiation of negotiation for federal assistance.

8. Site Control

The Applicant must demonstrate site control by providing the Site Control Certification Form (form Rev. 08-18), attaching one or more of the following:

- Eligible Contract (with a term that does not expire prior to 6 months following the Application Deadline);
- Deed or Certificate of Title; or
- Lease (with a minimum term of 50 years following Application Deadline)

9. 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

10. Resident Programs

- a. Applicants that commit to the Family Demographic Commitment must provide at least two (2) of the resident programs outlined below:
 - (1) After School Program for Children

- (2) Adult Literacy
- (3) Employment Assistance Program
- (4) Family Support Coordinator
- (5) Financial Management Program

b. Applicants that commit to the Elderly Demographic Commitment must provide at least three (3) of the resident programs outlined below:

- (1) Adult Literacy
- (2) Computer Training
- (3) Daily Activities
- (4) Assistance with Light Housekeeping, Grocery Shopping and/or Laundry
- (5) Resident Assurance Check-In Program

In addition to the selections made above, 24 Hour Support to Assist Residents In Handling Urgent Issues will be required.

11. Match

Applicants with a higher percentage of Match compared to the Applicant’s Eligible HOME Request Amount will receive a funding preference.

12. Funding

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

	Per Unit FHFC Maximum Subsidy Limits				
	0 BR	1BR	2 BR	3 BR	4BR
Bay, Calhoun, Gulf, Holmes, Jackson, Walton, Washington	\$102,744	\$117,784	\$143,223	\$185,285	\$203,385
Escambia, Okaloosa, Santa Rosa	\$106,014	\$121,532	\$147,780	\$191,180	\$209,856
Alachua, Baker, Bradford, Brevard, Broward, Charlotte, Citrus, Clay, Collier, Columbia, DeSoto, Dixie, Duval, Flagler, Franklin, Gadsden, Gilchrist, Glades, Hamilton, Hardee, Hendry, Hernando, Highlands, Hillsborough, Indian River, Jefferson, Lafayette, Lake, Lee, Leon, Levy, Liberty, Madison, Manatee, Marion, Martin, Miami-Dade, Monroe, Nassau, Okeechobee, Orange, Osceola,	\$112,085	\$128,412	\$156,243	\$202,129	\$221,875

	Per Unit FHFC Maximum Subsidy Limits				
Palm Beach, Pasco, Pinellas, Polk, Putnam, Saint Johns, Saint Lucie, Sarasota, Seminole, Sumter, Suwannee, Taylor, Union, Volusia, Wakulla					

13. Total Development Cost Per Unit Limitations

Measure	New Construction Units	
	Wood	ESS
Maximum TDC Per Unit Limitation ** for all counties except Broward and Miami-Dade	\$206,000	\$248,000
Maximum TDC Per Unit Limitation ** for Broward and Miami-Dade counties	\$217,000	\$260,000
Applicable TDC Multipliers (to be applied against the Development's TDC) and TDC Add-Ons (to be added to the Maximum TDC Per Unit Limitation)		
TDC Multiplier for Florida Keys Area for all areas north of Plantation Key (i.e., north of Tavernier Creek)	65%	
TDC Multiplier for Florida Keys Area for all areas located on or south of Plantation Key (i.e., south of Tavernier Creek)	50%***	
TDC Add-On for Applicants that have a PHA/instrumentality of a PHA as a Principal	\$5,000 of additional per unit costs will be added to the above Maximum TDC Per Unit Limitation	

D. Funding Selection

1. All Tier 1 and Tier 2 eligible Applications will be ranked by sorting the Applications as follows:
 - a. First, preference will be given to Applications that qualify for the HOME Funding Experience Preference;
 - b. Next, preference will be given to Applications that qualify for the Previous Affordable Housing Experience Funding Preference;
 - c. Next, by percentage resulting from the Applicant's Eligible HOME Request Amount divided by the maximum award amount the Applicant is eligible to request (rounded to two (2) decimal places of the percentage). Applications will be listed in ascending order beginning with the Application with the lowest percentage and ending with the Application that has the highest percentage;
 - d. Next, by the percentage of Match compared to the Applicant's Eligible HOME Request Amount;
 - e. Next, by the Application's eligibility for the Florida Job Creation Preference; and
 - f. Finally, by lottery number.

2. County Award Tally

As each Application is selected for tentative funding within Tier 1 and Tier 2 separately, 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. Tier 1 Applications may have more than one application credited to the County Award Tally until all eligible Tier 1 Applications have been selected for funding. If additional funding remains after funding all eligible Tier 1 Applications, Tier 2 Applications will be selected for funding pursuant to the Selection process subject to the County Award Tally.

3. Selection Process

First, the highest ranked eligible CHDO Tier 1 Application will be selected for funding.

Next, the highest ranked Tier 1 Application that can be fully funded will be selected for funding, subject to the County Award Tally until there are no remaining eligible Tier 1 Applications.

Then, with the remaining HOME allocation, if a CHDO was not selected for funding in Tier 1, the highest ranked eligible CHDO Tier 2 Application that can be fully funded will be selected for funding.

Then, the highest ranked eligible Tier 2 Application(s) that can be fully funded will be selected for funding, subject to the County Award Tally until there are no remaining eligible Tier 2 Applications.

If there is funding remaining, it will be distributed as approved by the Board.

Expected Issue Date: February 2019

Expected Due Date: March 2019

Expected Review Committee Meeting Date: April 2019, with results presented at the May 2019 Board meeting