

**REQUEST FOR APPLICATIONS 2019-111**

**Rental Recovery Loan Program (RRLP) Financing to be Used for Rental Developments in Hurricane Michael Impacted Counties**

**Issued By:**

**FLORIDA HOUSING FINANCE CORPORATION**

**Issued: August 1, 2019**

**Due: October 9, 2019**

## SECTION ONE INTRODUCTION

This Request for Applications (RFA) is open to Applicants proposing the construction of affordable housing utilizing Rental Recovery Loan Program (RRLP) funding for Developments in Hurricane impacted counties. In Bay and Leon Counties only, Tax-Exempt Bond Financing and Non-Competitive Housing Credits must be used in conjunction with the RRLP funding, if the Development consists of more than 30 total units.

Under this RFA, Florida Housing Finance Corporation (the Corporation) expects to have an estimated \$50 million in RRLP funding appropriated by the 2019 Legislature available for award.

The Corporation is soliciting applications from qualified Applicants that commit to provide housing in accordance with the terms and conditions of this RFA, inclusive of all exhibits, applicable laws, rules and regulations, and the Corporation's general applicable construction and financial standards.

## SECTION TWO DEFINITIONS

Capitalized terms within this RFA shall have the meaning as set forth in Exhibit B, Rule Chapter 67-60, F.A.C., Rule Chapter 67-21, F.A.C., if applicable, or in applicable federal regulations.

## SECTION THREE PROCEDURES AND PROVISIONS

*Unless otherwise stated within the RFA, the Application package, forms and other information related to this RFA may be found on the RFA Website at <https://www.floridahousing.org/programs/developers-multifamily-programs/competitive/2019/2019-111> (also available by clicking [here](#)).*

### A. Submission Requirements

#### 1. Application Deadline

The Application Deadline is **3:00 p.m., Eastern Time, on October 9, 2019.**

#### 2. Completing the Application Package

##### a. Downloading and completing the documents provided by the Corporation

The Applicant must download and complete the following documents found on the RFA Website:

- (1) The Application (Exhibit A of the RFA);
- (2) The Development Cost Pro Forma; and
- (3) The Principals of the Applicant and Developer(s) Disclosure Form (Form Rev. 05-2019) ("Principals Disclosure Form"). A Principals Disclosure Form that was approved during the Advance Review Process, which is

described in Section Four A.3.c. of the RFA, may be used to satisfy this requirement.

The download process may take several minutes. Applicants should save these three documents with a file name that is unique to the specific Application.

b. Creating the All Attachments Document

In addition to the three documents described in a. above, the Application Package also includes one copy consisting of all of the applicable completed Attachments described in the RFA (“All Attachments Document”).

The Applicant must compile all of the attachments described in the RFA into one pdf file separated by pages labeling each Attachment to create the All Attachments Document. This may be accomplished by merging the documents using a computer program such as Adobe Acrobat Pro or by scanning all of the attachments together.

Note: The Corporation has provided sample pages that may be used to separate the attachments on the RFA Website. If any of the attachments are not applicable, the Applicant should insert a page stating “Not Applicable” behind the separation page.

3. Uploading the Application Package

The Application Package consists of Exhibit A, the Development Cost Pro Forma, the Principal Disclosure Form, and the All Attachments Document. To upload the Application Package:

- a. Go to the webpage RFA Website.
- b. Click the link to login and upload the Application Package. Note: A username and password must be entered. If the Applicant has not previously created a username and password, the Applicant will need to create one prior to the upload process.
- c. After successfully logging in, the Applicant must click “Upload Application Package.” The Applicant must also enter the Development Name and click “Browse” to locate the following completed documents saved on the Applicant’s computer:
  - (1) The Application (Exhibit A) in Word format;
  - (2) The Development Cost Pro Forma in Excel format;
  - (3) The Principals Disclosure form in Excel format. (If the Applicant received an approved Principals Disclosure Form through the Advance Review Process, the approved form is what should be uploaded);

- (4) The All Attachments Document in a pdf format.

The average file size is 1.0 MB and should take a moment or two to upload. Larger files may take longer to upload. There is a file size limit of 15 MB, but this may be able to be reduced without reducing the number of pages submitted. Examples of factors that affect file size include the resolution of the scanner or scanning the documents in color or as a graphic/picture.

- d. After the four documents are displayed in the Upload webpage, the Applicant must click "Upload Selected Files" to electronically submit the documents to the Corporation by the Application Deadline. Then the Uploaded Application (consisting of all four documents comprising the Application Package), and its assigned Response Number will be visible in the first column.

Note: If the Applicant clicks "Delete" prior to the Application Deadline, the Application will no longer be considered a Submitted Application and the Applicant will be required to upload the Application Package again in order for these documents to be considered an Uploaded Application. This will generate a new Response Number.

4. Submission to the Corporation

By the Application Deadline, the Applicant must provide to the Corporation the following:

- a. A sealed package containing a printed copy of the final Application Package housed in a 3-ring-binder with numbered divider tabs for each attachment. The final assigned Response Number should be reflected on each page of the printed copy of the Application Package; and
- b. The required non-refundable \$3,000 Application fee, payable to Florida Housing Finance Corporation (check or money order only).

The Applicant should label the outside of the shipping box with the applicable RFA number. The Corporation will not consider faxed or e-mailed Applications.

After 3:00 p.m., Eastern Time, on the Application Deadline, each Application for which a hard copy, an electronically submitted copy, and the Application Fee are received by the Application Deadline will be assigned an Application number. In addition, these Applications will be assigned a lottery number by having the Corporation's internal auditors run the total number of Applications received through a random number generator program.

The printed copy of the Application Package must be addressed to:

Marisa Button  
Director of Multifamily Allocations  
Florida Housing Finance Corporation  
227 N. Bronough Street, Suite 5000, Tallahassee, FL 32301

If the hard copy of the Application Package is not identical to the electronically submitted Application Package, the electronically submitted Application Package will be utilized for scoring purposes.

Pursuant to subsection 67-60.004(2), F.A.C., any Applicant may request withdrawal of its Application from a competitive solicitation by filing a written notice of withdrawal with the Corporation Clerk. For purposes of the funding selection process, the Corporation shall not accept any Application withdrawal request that is submitted between 5:00 p.m., Eastern Time, on the last business day before the date the Review Committee meets to make its recommendations until after the Board has taken action on the Review Committee's recommendations, and such Application shall be included in the funding selection process as if no withdrawal request had been submitted. Any funding or allocation that becomes available after such withdrawal is accepted shall be treated as Returned Funding and disposed of according to Section Five B. of the RFA.

- B. This RFA does not commit the Corporation to award any funding to any Applicant or to pay any costs incurred in the preparation or delivery of an Application.
- C. Florida Housing reserves the right to:
  - 1. Waive Minor Irregularities; and
  - 2. Accept or reject any or all Applications received as a result of this RFA.
- D. Any interested party may submit any inquiry regarding this RFA in writing to the Director of Multifamily Allocations via e-mail at [RFA 2019-111 Questions@floridahousing.org](mailto:RFA_2019-111_Questions@floridahousing.org) (also accessible by clicking [here](#)) with "Questions regarding RFA 2019-111" as the subject of the email. All inquiries are due by 5:00 p.m., Eastern Time, on September 4, 2019. Phone calls or written inquiries other than at the above e-mail address will not be accepted. The Corporation expects to respond to all inquiries by 5:00 p.m., Eastern Time, on September 11, 2019, and will post a copy of all inquiries received, and their answers, on the RFA Website. The Corporation will also send a copy of those inquiries and answers in writing to any interested party that requests a copy. The Corporation will determine the method of sending its answers, which may include regular United States mail, overnight delivery, fax, e-mail, or any combination of the above. No other means of communication, whether oral or written, shall be construed as an official response or statement from the Corporation.
- E. Any person who wishes to protest the specifications of this RFA must file a protest in compliance with Section 120.57(3), Fla. Stat., and Rule Chapter 28-110, F.A.C. Failure to file a protest within the time prescribed in Section 120.57(3), Fla. Stat., shall constitute a waiver of proceedings under Chapter 120, Fla. Stat.
- F. By submitting this Application, including all applicable attachments thereto, each Applicant agrees to the terms and conditions outlined in the RFA and certifies that:
  - 1. Public Records. Any material submitted in response to this RFA is a public record pursuant to Chapter 119, Fla. Stat. Per Section 119.071(1)(b)2., the sealed Applications received by the Corporation are exempt from disclosure until such time as the Board

provides notice of an intended decision or until 30 Calendar Days after the opening of the sealed Applications, whichever is earlier.

2. **Noninterference.** At no time during the review and evaluation process, commencing with the Application Deadline and continuing until the Board renders a final decision on the RFA, may Applicants or their representatives contact Board members or Corporation staff, except Corporation legal staff, concerning their own or any other Applicant's Application. If an Applicant or its representative does contact a Board or staff member in violation of this section, the Board shall, upon a determination that such contact was made in an attempt to influence the selection process, disqualify the Application.
  3. **Requirements.** Proposed Developments funded under this RFA will be subject to the requirements of the RFA, inclusive of all Exhibits, the Application requirements outlined in Rule Chapter 67-60, F.A.C., and the Compliance requirements of Rule Chapter 67-53, F.A.C.
  4. **Modifications.** Any modifications that occur to the Request for Application will be posted on the web site and may result in an extension of the deadline. It is the responsibility of the Applicant to check the website for any modifications prior to the Application Deadline.
- G. The Corporation expects to select one or more Applications to award the funding contemplated by this RFA. Any such Applications will be selected through the Corporation's review of each Application, considering the factors identified in this RFA.

#### **SECTION FOUR INFORMATION TO BE PROVIDED IN APPLICATION**

Provided below are the instructions to be used in completing Exhibit A of this RFA.

#### **A. Exhibit A Items**

##### **1. Applicant Certification and Acknowledgement**

The Applicant must include an Applicant Certification and Acknowledgement form, executed by the Authorized Principal Representative, as **Attachment 1** to Exhibit A to indicate the Applicant's certification and acknowledgement of the provisions and requirements of the RFA. The Applicant Certification and Acknowledgement form is provided on the RFA Website. Note: If the Applicant provides any version of the Applicant Certification and Acknowledgement form other than the version included in this RFA, the form will not be considered.

##### **2. Demographic Commitment**

The Applicant must select one of the following Demographic Commitments:

- a. Family – The proposed Development will serve the general population.
- b. Elderly – Non-Assisted Living Facility (Non-ALF).

If the Elderly demographic commitment is selected, the Applicant understands, acknowledges and agrees that it will comply with the Federal Fair Housing Act requirements for housing for older persons and rent at least 80 percent of the total units to residents that qualify as older persons pursuant to that Act or as provided under any state or federal program that the Secretary of HUD determines is specifically designed and operated to assist elderly persons (as defined in the state or federal program). Further, the Applicant understands, acknowledges and agrees that all such units are subject to the income restrictions committed to in the Set-Aside Commitment section of this Application.

**3. Applicant/Developer/Management Company/Contact Person**

a. Applicant Information

- (1) State the name of the Applicant.
- (2) The Applicant must be a legally formed entity [i.e., limited partnership, limited liability company, etc.] qualified to do business in the state of Florida as of the Application Deadline. The Applicant must include, as **Attachment 2** to Exhibit A, evidence from the Florida Department of State, Division of Corporations, that the Applicant satisfies the foregoing requirements. Such evidence may be in the form of a certificate of status or other reasonably reliable information or documentation issued, published or made available by the Florida Department of State, Division of Corporations.
- (3) An Applicant that indicates that it is applying as a Non-Profit will only be considered a Non-Profit, for purposes of this RFA, if the Applicant (i) answers the question demonstrating that it meets the definition of Non-Profit as set out in Exhibit B of the RFA; and (ii) provides the required information stated below. Any Applicant that applies as a Non-Profit but is not considered a Non-Profit will still be eligible for funding as a for profit entity.

The Applicant's Non-Profit status will be verified during credit underwriting. If this cannot be verified, the Applicant will no longer be considered a Non-Profit Applicant and funding awarded under this RFA may be rescinded.

Provide the following information for the Non-Profit entity that meets the definition stated in Exhibit B of the RFA as **Attachment 3**:

- (a) The IRS determination letter;
- (b) 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);
- (c) The names and addresses of the members of the governing board of the Non-Profit entity; and

- (d) The articles of incorporation demonstrating that one of the purposes of the Non-Profit entity is to foster low-income housing.

If the Applicant applies as a Non-Profit entity and meets the requirements outlined above to be considered a Non-Profit for purposes of this RFA, it must remain a Non-Profit entity and the Non-Profit entity must (i) receive at least 25 percent of the Developer's fee; and (ii) contractually ensure that it substantially and materially participates in the management and operation of the Development throughout the Compliance Period.

b. General Developer Information

- (1) State the name of each Developer, including all co-Developers.
- (2) Each Developer entity identified (that is not a natural person) must be a legally formed entity qualified to do business in the state of Florida as of the Application Deadline. For each stated Developer entity that is not a natural person provide, as **Attachment 4** to Exhibit A, evidence from the Florida Department of State, Division of Corporations, that the Developer satisfies the foregoing requirements. Such evidence may be in the form of a certificate of status or other reasonably reliable information or documentation issued, published or made available by the Florida Department of State, Division of Corporations.

- (3) General Development Experience

To be eligible for funding, at least one natural person Principal of the Developer entity, or if more than one Developer entity, at least one natural person Principal of at least one of the Developer entities, must meet the General Development Experience requirements in (a) and (b) below. The individual meeting the General Development Experience requirements must be disclosed on the Principals of the Applicant and Developer(s) Disclosure Form (Form Rev. 05-2019) and must remain with the Development for three years following the issuance of the final certificate of occupancy or, in the event a final certificate of occupancy is not routinely provided by the applicable jurisdiction, such other information evidencing completion of the Development which is deemed acceptable to the Corporation.

- (a) General Development Experience

A natural person Principal of at least one experienced Developer entity must have, since January 1, 1999, completed at least two affordable rental housing developments. If utilizing Tax-Exempt Bond Financing and Non-Competitive Housing Credits, at least one of the two completed developments must be a Housing Credit Development completed since January 1, 2009. At least one of the two completed developments must consist of a total number of units no less than 50 percent of the total number of units in the proposed Development. For purposes of this provision, completed for the two developments means



(i) that the temporary or final certificate of occupancy has been issued for at least one unit in one of the residential apartment buildings within the development, or (ii) if funded with Housing Credits, that at least one IRS Form 8609 has been issued for one of the residential apartment buildings within the development. As used in this section, a Housing Credit development that contains multiple buildings is a single development regardless of the number of buildings within the development for which an IRS Form 8609 has been issued.

If the experience of a natural person Principal for a Developer entity listed in this Application was acquired from a previous affordable housing Developer entity, the natural person Principal must have also been a Principal of that previous Developer entity as the term Principal was defined by the Corporation at that time.

(b) **Prior General Development Experience Chart**

The Applicant must provide, as **Attachment 4** to Exhibit A, a prior experience chart for each natural person Principal intending to meet the minimum general development experience reflecting the required information for the two completed affordable rental housing developments, one of which must be a Housing Credit development.

Each prior experience chart must include the following information:

Prior General Development Experience Chart				
Name of the natural person Principal with the required experience:				
Name of Developer Entity (for the proposed Development) for which the above individual is a Principal:				
Name of Development	Location (City & State)	Affordable Housing Program that Provided Financing (e.g., Housing Credits, Tax-Exempt Bonds, HOME, SAIL, etc.)	Total Number of Units	Year Completed

c. **Principals Disclosure for the Applicant and for each Developer (5 points)**

(1) **Eligibility Requirements**

To meet the submission requirements, the Applicant must upload the Principals of the Applicant and Developer(s) Disclosure Form (Form Rev. 05-2019) (“Principals Disclosure Form”) as outlined in Section Three above. Previous versions of the Principal Disclosure Form are not acceptable.

To meet eligibility requirements, the Principals Disclosure Form must identify, pursuant to Exhibit B and Section C of Exhibit G of the RFA, the Principals of the Applicant and Developer(s) as of the Application Deadline. For Housing Credits, the investor limited partner of an Applicant limited partnership or the investor member of an Applicant limited liability company must be identified. A Principals Disclosure Form should not include, for any organizational structure,

any type of entity that is not specifically included in the Rule definition of Principals.

As a reminder, Applicants for proposed Developments located in Bay or Leon County must utilize Tax-Exempt Bond Financing and Non-Competitive 4 percent Housing Credits, if the proposed Development consists of more than 30 total units.

(2) Point Item

Applicants will receive 5 points if the uploaded Principal Disclosure Form was stamped "Approved" during the Advance Review Process. The Advance Review Process for Disclosure of Applicant and Developer Principals is available on the RFA Website 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.

(3) For purposes of the following, a material change shall mean 33.3 percent or more of the Applicant, a general partner of the Applicant, or a non-investor member of the Applicant, and a non-material change shall mean less than 33.3 percent of the Applicant, a general partner of the Applicant, or a non-investor member of the Applicant.

The names of the Applicant or Developer(s) entity stated in the Application may be changed only by written request of an Applicant to Corporation staff and approval of the Board after the Applicant has been invited to enter credit underwriting. The Applicant entity shall be the borrowing entity and cannot be changed in any way (materially or non-materially) until after loan closing. After loan closing, (a) any material change will require review and approval of the Credit Underwriter, as well as approval of the Board prior to the change, and (b) any non-material change will require review and approval of the Corporation, as well as approval of the Board prior to the change. Changes to the Applicant entity (material or non-material) prior to the loan closing or without Board approval after the loan closing may result in disqualification from receiving funding and may be deemed a material misrepresentation. Changes to the officers or directors of a Public Housing Authority or officers and directors of a Non-Profit entity, or the investor limited partner of an Applicant limited partnership or the investor member of an Applicant limited liability company owning the syndicating interest therein will not result in disqualification, however, the change must be approved by the Corporation.

The Principals of each Developer identified in the Application, including all co-Developers, may be changed only by written request of an Applicant to Corporation staff and approval of the Board after the Applicant has been invited to enter credit underwriting. In addition, any allowable replacement of an

experienced Principal of a Developer entity must meet the experience requirements that were met by the original Principal.

d. General Management Company Information

Identify the Management Company and provide, as **Attachment 5** to Exhibit A, a prior experience chart for the Management Company or a principal of Management Company demonstrating 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.

The prior experience chart must include the following information:

Prior General Management Experience Chart				
Name of Management Company or a Principal of the Management Company with the Required Experience: _____				
Name of Development	Location (City & State)	Currently Managing or Formerly Managed	Length of Time (Number of Years)	Total Number of Units

Note: If selected for funding, the Corporation must approve the selection or replacement of a management company prior to such company assuming responsibility for the Development, using the following criteria:

- Evidence of authorization to conduct business in the State of Florida;
- Real estate licensure as required under Chapter 475, Florida Statutes;
- Review of company information including resumes of key management personnel, management experience, and operating procedures;
- Review of company forms such as application for apartment residence, income verification forms, lease, etc.; and
- Key management company representatives must attend a Corporation compliance training workshop. Such workshops are posted on the webpage <https://floridahousing.org/owners-and-managers/compliance/compliance-training>

e. Contact Person

- (1) Enter the information for the required 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) A separate Operational Contact Person may be included, if desired. 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.

#### 4. General Proposed Development Information

Unless stated otherwise, all information requested in the RFA pertains to the Development proposed in this Application.

- a. State the name of the proposed Development.
- b. Development Category

The proposed Development must be 100 percent new construction. Demolition of an existing structure is allowed.

- c. Development Type

Select the Development Type for the proposed Development. For mixed-type Developments, indicate the type that will comprise the majority of the units in the Development.

- Garden Apartments (a building comprised of 1, 2 or 3 stories, with or without an elevator)
- Single Family Homes (only available for proposed Developments not utilizing Tax-Exempt Bonds and 4% Housing Credits)
- Duplexes
- Quadraplexes (1 story only)
- Mid-Rise, 4-stories (a building comprised of 4 stories and each residential building must have at least one elevator)

For purposes of determining the number of stories, each floor in the building(s) should be counted regardless of whether it will consist of retail, parking, or residential.

Note: Any dwelling unit that consists of more than one story 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.

Also, Group homes, Assisted Living Facilities, and other specialized licensed residential facilities, or units within a condominium complex are not eligible for funding in this RFA.

\* For purposes of the HC Leveraging Classification described in Item 2 of Exhibit C, if the Applicant selects the Development Type of Mid-Rise, 4 stories, indicate whether at least 90 percent of the proposed Development's total units will be contained in the Mid-Rise building(s). If "No", or if the question is not answered, any adjustments based on the Development Type of Mid-Rise, 4 stories will not be applied to the Application.

d. **Enhanced Structural Systems (“ESS”) Construction**

To qualify as “Enhanced Structural Systems Construction” or “ESS Construction” for purposes of the ESS Construction Preference, the Total Development Cost Limitation calculation and the RRLP Leveraging calculation, the proposed Development must meet at least one of the specifications listed below.

- (1) 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.
- (2) Any new construction buildings with the Development Type of Mid-Rise (4, 5 or 6 story) that utilize a ESS Podium Structure shall qualify as “ESS Construction.” New construction buildings of other Development Types that utilize a ESS Podium Structure must meet the requirements in (1) 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 (1) or (2) above.

For purposes of this RFA, the Corporation will consider an Application to be ESS Construction if the answer to question 4.d. of Exhibit A is “Yes.” This will be verified during the credit underwriting process. If this cannot be verified the Development will no longer be considered ESS Construction, and funding awarded under this RFA may be rescinded.

**5. Location of Proposed Development**

- a. Indicate the county where the proposed Development will be located.

This RFA is only open to proposed Developments located in the counties of Bay, Jackson, Calhoun, Gadsden, Gulf, Washington, Liberty, Franklin, Leon, Wakulla and Holmes.

b. Provide the Address of the Development site

Indicate (1) the address number, street name, and name of city, and/or (2) the street name, closest designated intersection, and either name of city or unincorporated area of county. If the proposed Development consists of Scattered Sites, this information must be provided for each of the Scattered Sites.

c. State whether the Development consists of Scattered Sites.

If the proposed Development consists of Scattered Sites, the following conditions must be met:

- (1) 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) Site control and Ability to Proceed must be demonstrated in the Application for all Scattered Sites; and
- (3) All Scattered Sites must be located within the same county.

d. Latitude/Longitude Coordinates

- (1) All Applicants must provide a Development Location Point stated in decimal degrees, rounded to at least the sixth decimal place. If the proposed Development consists of Scattered Sites, as of Application Deadline the Development Location Point must affirmatively be established on the site with the most units, as outlined in Exhibit B of the RFA, and latitude and longitude coordinates for each Scattered Site must also be provided.
- (2) If the proposed Development consists of Scattered Sites, for each Scattered Site that is in addition to the Development Location Point information provided in (1) above, the Applicant must provide the latitude and longitude coordinates of one point located anywhere on the Scattered Site. The coordinates must be stated in decimal degrees and 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.

**6. Number of Units and Buildings**

a. State the total number of units in the proposed Development.

- (1) All proposed Developments must consist of a minimum of 10 total units.

- (2) There is no maximum number of units for proposed Developments located in Bay County or Leon County that utilize Tax-Exempt Bonds and Non-Competitive Housing Credits.
- (3) All proposed Developments that do NOT utilize Tax-Exempt Bonds and Non-Competitive Housing Credits are limited to 30 total units.

\*Proposed Developments located in Bay or Leon County that consist of more than 30 total units must utilize Tax-Exempt Bond Financing and Non-Competitive Housing Credits.

b. Set-Aside Commitments

- (1) Minimum Set-Aside Commitments per Section 42 of the IRC (For Applicants utilizing Tax-Exempt Bond Financing and Non-Competitive Housing Credits)

Per Section 42 of the IRC, the Applicant must elect one of the following minimum set-aside commitments:

- 20% of the units at 50% or less of the Area Median Income (AMI)
- 40% of the units at 60% or less of the AMI
- Average Income Test\*

Note: Choosing the 20 percent at 50 percent AMI or less minimum set-aside will restrict ALL set-aside units at 50 percent or less of the AMI. Applicants may choose the 40 percent at 60 percent AMI or less minimum set-aside without committing to set aside any of the units at the 60 percent AMI level. For example, an Applicant may commit to set aside 40 percent at 50 percent AMI and this would also be considered 40 percent at 60 percent AMI or less.

\*The Average Income Test requires that (a) 40 percent or more of the residential units in the Development be both rent-restricted and occupied by individuals whose income does not exceed the imputed income limitation designated by the Applicant with respect to the respective unit, subject to the special rules relating to income limitation which (b) require the Applicant to designate the imputed income limitation of each unit taken into account under (a) above, such that the average of the imputed income limitations of all units designated by the Applicant shall not exceed 60 percent of the area median income. The designated imputed income limitation of any such unit shall be in 10-percent increments as follows: 20 percent, 30 percent, 40 percent, 50 percent, 60 percent, 70 percent, or 80 percent of the area median income. If the Average Income Test is selected, the minimum set-aside commitment for the Tax-Exempt Bonds will be 40% of the units at 60% or less of the AMI.

- (2) Set-Aside Commitments per Corporation Requirements

The Corporation has additional minimum set-aside requirements for All Applicants which must be reflected on the Total Set-Aside Breakdown Chart, as outlined below:

(a) Total Income Set-Aside Commitment

The Applicant must set aside a total of at least 70 percent of the Development’s total units, rounded up to the next whole unit, at 60 percent AMI or less.

(b) Extremely Low Income (ELI) Set-Aside Requirements

The Applicant must set aside a required percentage of total units for ELI Households.

(i) The Applicant must set aside at least 10 percent of total units, rounded up to the next whole unit, for ELI Households (which may be part of the required 70%).

(ii) If the Applicant utilizes Tax-Exempt Bond Financing and 4% Housing Credits and selects the Average Income Test, at least 15 percent of the total units, rounded up to the next whole unit, (which may be part of the required 70%) must be set-aside as ELI units at or below 30% AMI.

For purposes of this provision, the requirement to set aside units for ELI Households refers to the ELI Area Median Income (AMI) level for the county where the proposed Development is located, as outlined on the chart below. If the Applicant chooses the Average Income Test at b.(1) above, the ELI AMI level will be 30%, regardless of county.

2019 ELI County Chart	
Bay	35%
Calhoun	40%
Franklin	40%
Gadsden	33%
Gulf	40%
Holmes	40%
Leon	33%
Liberty	40%
Jackson	40%
Wakulla	35%
Washington	40%

For purposes of this provision, the requirement to set aside units for ELI Households refers to the 2019 ELI Area Median Income (AMI) level for the county where the proposed Development is located.

(c) Link Units for Persons with Special Needs



With the exception of Developments financed with HUD Section 811 or a United States Department of Agriculture RD program, all Developments must commit to set-aside 50 percent of the ELI Set-Aside units as Link Units for Persons with Special Needs.

For example, Application A consists of 25 total units. 3 units, (10 percent of the total units, rounded up), must be set-aside as ELI Set-Aside units. Two (2) of the ELI Set-Aside units (50 percent of the ELI Set-Aside units, rounded up), must be set-aside as Link Units for Persons with Special Needs. At least one member of each Link unit's household shall be referred by a Special Needs Household Referral Agency (Referral Agency) with which the owner executes a Link Memorandum of Understanding (MOU) approved by the Corporation. The current list of designated Special Needs Household Referral Agencies for each county is published on the Corporation's Website at <http://apps.floridahousing.org/StandAlone/SpecialNeeds/ContentPage.aspx?PAGE=Link%20Initiative%20Page> (also accessible by clicking [here](#)). The Applicant must execute a Link Memorandum of Understanding (MOU) with at least one of the Special Needs Household Referral Agencies serving the Development's county. The deadline for the Corporation's approval of the fully executed Link MOU is outlined in Exhibit E and will be stated in the invitation to enter credit underwriting.

Additional requirements for the Link Units for Persons with Special Needs are described in Exhibit E of the RFA.

(d) Tenant Selection Plan

With the exception of Developments financed with HUD Section 811 or United States Department of Agriculture RD program, Developments with a Housing Assistance Payment contract and/or an Annual Contributions Contract with HUD: The waiting list section of the Tenant Selection Plan shall establish selection preferences or a section for special admissions specifically for individuals or families who are referred by a designated Referral Agency. The Tenant Selection Plan shall be submitted by the owner to the Corporation for review and preliminary approval before sending to HUD. HUD approval may take several months. HUD approval shall be demonstrated to the Corporation prior to the completion of the final credit underwriting report.

(3) Total Set-Aside Breakdown Chart

The Applicant must complete the applicable Total Set-Aside Breakdown Chart provided in question 6.b.(2) of Exhibit A.

(a) Completing the Total Set-Aside Breakdown Chart if not committing to the Average Income Test

The Applicant must indicate on the chart at 6.b.(2)(a) of Exhibit A the percentage of residential units, stated in whole numbers, to be set aside at each selected AMI level. If the Total Set-Aside Breakdown Chart reflects that either the Total Set-Aside Percentage or the ELI commitment does not meet the Set-Aside requirements, this Application will not be eligible for funding.

Methodology used by the Corporation to convert the percentage of total units to Set-Aside Units and, if applicable, market rate units

- (i) First, calculate of the number of Set-Aside Units for the lowest AMI level commitment.

The percentage associated with the lowest AMI level that the Applicant commits to will be multiplied by the total units, rounded up to the next whole unit. The result will be the number of set-aside units at the lowest AMI level commitment.

- (ii) Then, calculate the number of Set-Aside Units for the second lowest AMI level.

The number of units calculated in (i) above will be subtracted from the results of the following to calculate the number of set-aside units at the second lowest AMI level commitment:

The percentage associated with the second lowest AMI level that the Applicant commits to will be first added to the percentage associated with the lowest AMI level commitment. These percentages, added together, will be multiplied by the total units, rounded up to the next whole unit.

- (iii) Then, calculate the number of Set-Aside Units for each remaining AMI level, if applicable.

Starting with the third lowest AMI level remaining, the number of set-aside units for each of the remaining AMI levels will be calculated using the same methodology described in (ii) above.

- (iv) Finally, calculate market-rate units, if applicable

To calculate the number of market-rate units, the total number of Set-Aside Units will be subtracted from the total number of units.

- (b) Completing the Total Set-Aside Breakdown Chart if committing to the Average Income Test

If committing to the Average Income Test, Applicants must indicate on the chart at 6.b.(2)(b) of Exhibit A the number of Set-Aside Units, stated in whole numbers, to be set aside at each selected AMI level.

The Corporation will verify that the number of units set aside at the ELI level meets the ELI minimum requirements by dividing the number of units that are set-aside at 30 percent AMI, or less, by the total number of units. The Corporation will also verify the overall Set-Aside Commitment of all units by adding all Set-Aside Units and then dividing this sum by the total number of units. The Corporation will calculate the average AMI of all of the Set-Aside Units using the methodology below.

If the Total Set-Aside Breakdown Chart reflects that the Average AMI of all Set-Aside Units exceeds 60 percent, and/or if the number of Set-Aside Units set aside at 30 percent AMI, or less, is not equal to or greater than the required ELI commitment, and/or the overall Set-Aside Commitment requirement is not met, this Application will not be eligible for funding.

The Development Cost Pro Forma includes an Average Income Test worksheet to assist Applicants in this calculation, which may display the percentage of total units with numbers represented with decimal places instead of whole numbers. This is acceptable for the Average Income Test calculation.

Calculation of the average AMI of all of the Set-Aside Units for the Average Income Test

- (i) First, calculate the total number of Set-Aside Units as stated in (b) above.
- (ii) Then, at each AMI commitment, multiply the number of Set-Aside Units by the AMI percentage (e.g., a commitment of 13 Set-Aside Units at 30 percent AMI would be calculated as 3.9).
- (iii) Repeat this calculation at each AMI level. Then add the results together.
- (iv) Divide the number calculated in (iii) by the total number of Set-Aside Units calculated in (i).
- (v) This number must be equal to or less than 60 percent to meet the eligibility requirement.

Where reasonably possible, Applicants will be required to keep the unit mix consistent across each committed AMI level.

The Applicant must take the above ELI and all other set-aside commitments into account during any pre-leasing and leasing activities.

c. Unit Mix

(1) Completing the Unit Mix Chart

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.

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.

(2) Unit Mix requirements for Elderly Developments

At least 50 percent of the total units must be comprised of one bedroom or Zero Bedroom Units, and no more than 15 percent of the total units can be larger than two bedroom units.

(3) Unit Mix requirements for Family Developments

Not more than 15 percent of the total units in the Development may consist of Zero Bedroom units.

d. Number of Buildings

State the anticipated number of residential buildings.

The number of residential buildings stated in the Application may be changed only by written request of an Applicant to Corporation staff after the Applicant has been invited to enter credit underwriting.

e. Compliance Period

All Applicants are required to set aside the units for 50 years.

In submitting its Application, the Applicant knowingly, voluntarily and irrevocably commits to waive, and does hereby waive, for the duration of the 50-year set aside period the option to convert to market, including any option or right to submit a request for a qualified contract, after year fourteen (14), and any other option, right or process available to the Applicant to terminate (or that would result in the termination of the 50-year set aside period at any time prior to the expiration of its full term.

If the Applicant did not commit to the Average Income Test, after 15 years all of the ELI Set-Aside units associated with the ELI Loan Funding may convert to serve residents at or below 60 percent AMI.

If the Applicant committed to the Average Income Test, the ELI Set-Aside Units must remain at 30 percent AMI or less throughout the entire Affordability Period of 50 years.

The ELI Set-Aside Units that were not associated with the ELI Loan Funding will remain ELI Set-Aside Units for a minimum of 50 years.

Note: 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. Although the percentage of units committed to must remain in effect for the entire Compliance Period, the particular units designated for the Demographic Commitment and AMI commitment must not be limited to the same units throughout the Compliance Period. Doing so may cause the Development to be in noncompliance.

## 7. Readiness to Proceed

### a. Site Control

The Applicant must demonstrate site control by providing, as **Attachment 8** to Exhibit A, the properly completed and executed Florida Housing Finance Corporation Site Control Certification form (Form Rev. 08-18), which is provided on the RFA Website.

For the Site Control Certification form to be considered complete, as an attachment to the form the Applicant must include the documentation required in Items (1), (2), and/or (3), as indicated below, demonstrating that it is a party to an eligible contract or lease, or is the owner of the subject property. Such documentation must include all relevant intermediate contracts, agreements, assignments, options, conveyances, intermediate leases, and subleases. If the proposed Development consists of Scattered Sites, site control must be demonstrated for all of the Scattered Sites.

(1) An eligible contract must meet all of the following conditions:

- (a) It must have a term that does not expire before April 30, 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 April 30, 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) and (b) above.

- (2) Deed or Certificate of Title – The deed or certificate of title (in the event the property was acquired through foreclosure) must be recorded in the county in which the property is located and show the Applicant as the sole grantee.
- (3) 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.

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.

b. Ability to Proceed

The Applicant must demonstrate the following Ability to Proceed elements as of Application Deadline, for the entire proposed Development site, including all Scattered Sites, if applicable, as outlined below. The Florida Housing Ability to Proceed Verification forms are provided on the RFA Website. Note: The Applicant may include the Florida Housing Ability to Proceed Verification forms that were included in a previous RFA submission for the same proposed Development, provided (i) the form(s) used for this RFA are labeled Form Rev. 08-18, (ii) the forms are dated within 12 months of the Application Deadline, (iii) none of the information entered on the form and certified to by the signatory has changed in any way, and (iv) the requirements outlined in this RFA are met. If the Applicant provides any prior version of the Florida Housing Ability to Proceed Verification form(s), the form(s) will not be considered.

- (1) Appropriate Zoning. The Applicant must demonstrate that as of the Application Deadline the entire proposed Development site is appropriately zoned and consistent with local land use regulations regarding density and intended use or that the proposed Development site is legally non-conforming by providing, as

**Attachment 9** to Exhibit A, the applicable properly completed and executed verification form:

- (a) The Florida Housing Finance Corporation Local Government Verification that Development is Consistent with Zoning and Land Use Regulations form (Form Rev. 08-18); or
  - (b) The Florida Housing Finance Corporation Local Government Verification that Permits are Not Required for this Development form (Form Rev. 08-18).
- (2) Availability of Electricity. The Applicant must demonstrate that as of the Application Deadline electricity is available to the entire proposed Development site by providing as **Attachment 10** to Exhibit A:
- (a) The properly completed and executed Florida Housing Finance Corporation Verification of Availability of Infrastructure – Electricity form (Form Rev. 08-18); or
  - (b) A letter from the electricity service provider that contains the Development location and is dated within 12 months of the Application Deadline. The letter may not be signed by the Applicant, by any related parties of the Applicant, by any Principals or Financial Beneficiaries of the Applicant, or by any local elected officials.
- (3) Availability of Water. The Applicant must demonstrate that as of the Application Deadline water is available to the entire proposed Development site by providing as **Attachment 11** to Exhibit A:
- (a) The properly completed and executed Florida Housing Finance Corporation Verification of Availability of Infrastructure – Water form (Form Rev. 08-18); or
  - (b) A letter from the water service provider that contains the Development location and the number of units and is dated within 12 months of the Application Deadline. The letter may not be signed by the Applicant, by any related parties of the Applicant, by any Principals or Financial Beneficiaries of the Applicant, or by any local elected officials.
- (4) Availability of Sewer. The Applicant must demonstrate that as of the Application Deadline sewer capacity, package treatment or septic tank service is available to the entire proposed Development site by providing as **Attachment 12** to Exhibit A:
- (a) The properly completed and executed Florida Housing Finance Corporation Verification of Availability of Infrastructure – Sewer Capacity, Package Treatment, or Septic Tank form (Form Rev. 08-18); or

- (b) A letter from the waste treatment service provider that contains the Development location and the number of units and is dated within 12 months of the Application Deadline. The letter may not be signed by the Applicant, by any related parties of the Applicant, by any Principals or Financial Beneficiaries of the Applicant, or by any local elected officials.
- (5) Availability of Roads. The Applicant must demonstrate that as of the Application Deadline paved roads either (i) exist and will provide access to the proposed Development site or (ii) will be constructed as part of the entire proposed Development by providing as **Attachment 13** to Exhibit A:
- (a) The properly completed and executed Florida Housing Finance Corporation Verification of Availability of Infrastructure – Roads form (Form Rev. 08-18); or
  - (b) A letter from the Local Government that contains the Development location and is dated within 12 months of the Application Deadline. The letter may not be signed by the Applicant, by any related parties of the Applicant, by any Principals or Financial Beneficiaries of the Applicant, or by any local elected officials.

## 8. Construction Features

All units are expected to meet all requirements as outlined below. The quality of the construction features committed to by the Applicant is subject to approval of the Board of Directors.

All features and amenities committed to and proposed by the Applicant that are not unit-specific shall be located on each of the Scattered Sites, or no more than 1/16 mile from the Scattered Site with the most units, or a combination of both.

### a. Federal Requirements and State Building Code Requirements for all Developments

All proposed Developments must meet all federal requirements and state building code requirements, including the following, incorporating the most recent amendments, regulations and rules:

- Florida Accessibility Code for Building Construction as adopted pursuant to Section 553.503, Florida Statutes;
- The Fair Housing Act as implemented by 24 CFR 100;
- Section 504 of the Rehabilitation Act of 1973\*; and
- Titles II and III of the Americans with Disabilities Act of 1990 as implemented by 28 CFR 35.

\* All Developments must comply with Section 504 of the Rehabilitation Act of 1973, as implemented by 24 CFR Part 8 (“Section 504 and its related regulations”). All Developments must meet accessibility standards of Section 504. Section 504 accessibility standards require a minimum of 5 percent of the total dwelling units, but not fewer than one unit, to be accessible for individuals with mobility impairments. An additional



2 percent of the total units, but not fewer than one unit, must be accessible for persons with hearing or vision impairments.

To the extent that a Development is not otherwise subject to Section 504 and its related regulations, the Development shall nevertheless comply with Section 504 and its related regulations as requirements of the Corporation funding program to the same extent as if the Development were subject to Section 504 and its related regulations in all respects. To that end, all Corporation funding shall be deemed "Federal financial assistance" within the meaning of that term as used in Section 504 and its related regulations for all Developments.

Federal and state law and building code regulations requires that programs, activities, and facilities be readily accessible to and usable by persons with disabilities. Florida Housing requires that the design, construction, or alteration of its financed Developments be in compliance with federal and state accessibility requirements. When more than one law and accessibility standard applies, the Applicant shall comply with the standard (2010 ADA Standards, Section 504, Fair Housing Act, or Florida Building Code, Accessibility) which affords the greater level of accessibility for the residents and visitors. Areas required to be made accessible to mobility-impaired residents and their visitors, including those in wheelchairs, shall include, but not be limited to, accessible routes and entrances, paths of travel, primary function areas, parking, trash bins, mail and package receiving areas for residents, pool and other amenities, including paths of travel to amenities and laundry rooms, including washers and dryers.

The above documents are available on the RFA Website.

b. General Features

The following General Features must be provided for all proposed Developments:

- Termite prevention;
- Pest control;
- Window covering for each window and glass door inside each unit;
- Cable or satellite TV hook-up in each unit and, if the Development offers cable or satellite TV service to the residents, the price cannot exceed the market rate for service of similar quality available to the Development's residents from a primary provider of cable or satellite TV;
- Washer and dryer hook ups in each of the Development's units or an on-site laundry facility for resident use. If the proposed Development will have an on-site laundry facility, the following requirements must be met:
  - There must be a minimum of one Energy Star certified washer and one Energy Star certified dryer per every 15 units. To determine the required number of washers and dryers for the on-site laundry facility; divide the total number of the Development's units by 15, and then round the equation's total up to the nearest whole number; and
  - If the proposed Development consists of Scattered Sites, the laundry facility shall be located on each of the Scattered Sites, or no more than 1/16 mile from the Scattered Site with the most units, or a combination of both.
- At least two full bathrooms in all 3 bedroom or larger new construction units; and
- Bathtub with shower in at least one bathroom in at least 90 percent of the new construction non-Elderly units.
- All Developments must provide a full-size range and oven in all units.

c. Required Accessibility Features

(1) Required Accessibility Features in all Units

- Primary entrance doors on an accessible route shall have a threshold with no more than a ½-inch rise;
- All door handles on primary entrance door and interior doors must have lever handles;
- Lever handles on all bathroom faucets and kitchen sink faucets;
- Mid-point on light switches and thermostats shall not be more than 48 inches above finished floor level; and
- Cabinet drawer handles and cabinet door handles in bathroom and kitchen shall be lever or D-pull type that operate easily using a single closed fist.

(2) All Family Demographic Developments must provide reinforced walls for future installation of horizontal grab bars in place around each toilet/shower, or a Corporation-approved alternative approach for grab bar installation. The installation of the grab bars must meet or exceed the 2010 ADA Standards for Accessible Design, Section 604.5.1 (Side Wall) and Section 604.5.2 (Rear Wall).

At the request of and at no charge to a resident household, the Development shall purchase and install grab bars around each tub/shower unit and toilet in the dwelling unit. The product specifications and installation must meet or exceed 2010 ADA Standards for Accessible Design. The Development shall inform a prospective resident that the Development, upon a resident household's request and at no charge to the household, will install grab bars around a dwelling unit's tub/shower unit, pursuant to the 2010 ADA Standards. At a minimum, the Development shall inform each prospective lessee by including language in the Development's written materials listing and describing the unit's features, as well as including the language in each household's lease.

(3) Accessibility Features in all Developments with the Elderly Demographic must also provide the following features:

- 20 percent of the new construction units must have roll-in showers.
- Horizontal grab bars in place around each tub and/or shower, or a Corporation-approved alternative approach for grab bar installation. The installation of the grab bars must meet or exceed 2010 ADA Standards for Accessible Design, Section 609. In addition, the following standards for grab bars are required:
  - If a bathtub/shower combination with a permanent seat is provided, grab bars shall be installed to meet or exceed 2010 ADA Standards for Accessible Design, Section 607.4.1.

- If a bathtub/shower combination without a permanent seat is provided, grab bars shall be installed to meet or exceed 2010 ADA Standards for Accessible Design, Section 607.4.2.
- If a roll-in shower is provided, grab bars shall be installed to meet or exceed 2010 ADA Standards for Accessible Design, Section 608.3.2;
- Reinforced walls for future installation of horizontal grab bars in place around each toilet, or a Corporation-approved alternative approach for grab bar installation. The installation of the grab bars must meet or exceed the 2010 ADA Standards for Accessible Design, Section 604.5.1 (Side Wall) and Section 604.5.2 (Rear Wall);
- Roll-out shelving or drawers in all bottom bathroom vanity cabinets;
- Adjustable shelving in master bedroom closets (must be adjustable by resident); and
- In one of the kitchen's base cabinets, there shall be a large bottom drawer that opens beyond full extension, also referred to as an "over-travel feature." Drawers with the over-travel feature allow drawers to extend completely past the cabinet front so all the contents can be accessed. The drawer shall be deep and wide enough to store pots and pans and the drawer slides shall have a weight load rating of a minimum of 100 pounds. The drawers shall be mounted on a pair of metal side rails that are ball-bearing.

d. Required Green Building Features in all Developments

(1) All units must have the features listed below:

- Low or No-VOC paint for all interior walls (Low-VOC means 50 grams per liter or less for flat; 150 grams per liter or less for non-flat paint);
- Low-flow water fixtures in bathrooms—WaterSense labeled products or the following specifications:
  - Toilets: 1.28 gallons/flush or less,
  - Urinals: 0.5 gallons/flush,
  - Lavatory Faucets: 1.5 gallons/minute or less at 60 psi flow rate,
  - Showerheads: 2.0 gallons/minute or less at 80 psi flow rate;
- Energy Star certified refrigerator;
- Energy Star certified dishwasher;
- Energy Star certified ventilation fan in all bathrooms;
- Water heater minimum efficiency specifications:
  - Residential Electric:
    - Up to 55 gallons = .95 EF or .92 UEF; or
    - More than 55 gallons = Energy Star certified; or
    - Tankless = Energy Star certified;

- Residential Gas (storage or tankless/instantaneous): Energy Star certified,
- Commercial Gas Water Heater: Energy Star certified;
- Energy Star certified ceiling fans with lighting fixtures in bedrooms;
- Air Conditioning (choose in-unit or commercial):
  - Air-Source Heat Pumps – Energy Star certified:
    - ≥ 8.5 HSPF/ ≥15 SEER/ ≥12.5 EER for split systems
    - ≥ 8.2 HSPF ≥15 SEER/ ≥12 EER for single package equipment including gas/electric package units
  - Central Air Conditioners – Energy Star certified:
    - ≥15 SEER/ ≥12.5 EER\* for split systems
    - ≥15 SEER/ ≥12 EER\* for single package equipment including gas/electric package units.

NOTE: Window air conditioners and portable air conditioners are not allowed. Package Terminal Air Conditioners (PTACs) and Package Terminal Heat Pumps (PTHPs) are allowed in studio and 1 bedroom units.

- (2) In addition to the required Green Building features outlined in (1) above, proposed Developments must achieve one of the following Green Building Certification programs: Leadership in Energy and Environmental Design (LEED); Florida Green Building Coalition (FGBC); ICC 700 National Green Building Standard (NGBS); or Enterprise Green Communities. The Green Building Certification program will be selected during credit underwriting.

## 9. Resident Programs

The quality of the Resident Programs committed to by the Applicant is subject to approval of the Board of Directors. The availability of the Resident Programs must be publicized on an ongoing basis such as through community newsletters, bulletin board posts, or flyers.

### a. Family Demographic Commitment

If the Family Demographic is selected, the Applicant must provide at least three of the resident programs outlined below. It is a Mandatory requirement that the Applicant select at least three of the resident programs. The eligible resident programs which may be selected are as follows:

#### (1) After School Program for Children

This program requires the Applicant or its Management Company to provide supervised, structured, age-appropriate activities for children during after school hours, Monday through Friday. Activities must be on-site.

#### (2) Adult Literacy

The Applicant or its Management Company must make available, at no cost to the resident, literacy tutor(s) who will provide weekly literacy lessons to residents in private space on-site. Various literacy programming can be offered

that strengthens participants' reading, writing skills, and comprehension, but at a minimum, these must include English proficiency and basic reading education.

Training must be held between the hours of 8:00 a.m. and 7:00 p.m. and electronic media, if used, must be used in conjunction with live instruction. If the Development consists of Scattered Sites, this resident program must be provided on the Scattered Site with the most units.

(3) Employment Assistance Program

The Applicant or its Management Company must provide, at no cost to the resident, a minimum of quarterly scheduled Employment Assistance Program workshops/meetings offering employment counseling by a knowledgeable employment counselor. Such a program includes employability skills workshops providing instruction in the basic skills necessary for getting, keeping, and doing well in a job. The instruction must be held between the hours of 8:00 a.m. and 7:00 p.m. and include, but not be limited to, the following:

- Evaluation of current job skills;
- Assistance in setting job goals;
- Assistance in development of and regular review/update of an individualized plan for each participating resident;
- Resume assistance;
- Interview preparation; and
- Placement and follow-up services.

If the training is not provided on-site, transportation at no cost to the resident must be provided. Electronic media, if used, must be used in conjunction with live instruction.

(4) Family Support Coordinator

The Applicant must provide a Family Support Coordinator at no cost to the resident. The Family Support Coordinator shall assist residents in assessing needs and obtaining services, with the goal of promoting successful tenancies and helping residents achieve and maintain maximum independence and self-sufficiency. Responsibilities shall include linking residents with public and private resources in the community to provide needed assistance, develop and oversee on-site programs and activities based on the needs and interests of residents, and support residents in organizing group activities to build community and to address and solve problems such as crime and drug activity. The duties of the Family Support Coordinator shall not be performed by property management staff. The Coordinator shall be on-site and available to residents at least 20 hours per week, within the hours of 9 a.m. and 8 p.m. The Coordinator may be an employee of the Development or, through an agreement, an employee of a third-party agency or organization that provides these services.

(5) Financial Management Program

The Applicant or its Management Company shall provide a series of classes to provide residents training in various aspects of personal financial management. Classes must be held at least quarterly, consisting of at least two hours of training per quarter, and must be conducted by parties that are qualified to provide training regarding the respective topic area. If the Development consists of Scattered Sites, the Resident Program must be held on the Scattered Site with the most units. Residents residing at the other sites of a Scattered Site Development must be offered transportation, at no cost to them, to the classes. The topic areas must include, but not be limited to:

- Financial budgeting and bill-paying including training in the use of technologies and web-based applications;
- Tax preparation including do's and don'ts, common tips, and how and where to file, including electronically;
- Fraud prevention including how to prevent credit card and banking fraud, identity theft, computer hacking and avoiding common consumer scams;
- Retirement planning & savings options including preparing a will and estate planning; and
- Homebuyer education including how to prepare to buy a home, and how to access to first-time homebuyer programs in the county in which the development is located.

Different topic areas must be selected for each session, and no topic area may be repeated consecutively.

(6) Homeownership Opportunity Program

Applicant commits to provide a financial incentive which includes the following provisions:

- The incentive must be applicable to the home selected by the resident and may not be restricted to or enhanced by the purchase of homes in which the Applicant, Developer, or other related party has an interest;
- the incentive must be not less than 5 percent of the rent for the resident's unit during the resident's entire occupancy (Note: Resident will receive the incentive for all months for which the resident is in compliance with the terms and conditions of the lease. Damages to the unit in excess of the security deposit will be deducted from the incentive.);
- The benefit must be in the form of a gift or grant and may not be a loan of any nature;
- The benefits of the incentive must accrue from the beginning of occupancy;
- the vesting period can be no longer than 2 years of continuous residency; and
- No fee, deposit or any other such charge can be levied against the resident as a condition of participation in this program.

b. Elderly Demographic Commitment

(1) Required Resident Program for all Applicants that select the Elderly Demographic

24 Hour Support to Assist Residents In Handling Urgent Issues

An important aging in place best practice is providing the residents access to property management support 24 hours per day, 7 days a week to assist them to appropriately and efficiently handle urgent issues or incidents that may arise. These issues may include, but are not limited to, an apartment maintenance emergency, security or safety concern, or a health risk incident in their apartment or on the property. The management's assistance will include a 24/7 approach to receiving residents' requests for assistance that will include a formal written process for relevant property management staff to effectively assess and provide assistance for each request.

This assistance may include staff:

- visiting or coordinating a visit to a resident's apartment to address an urgent maintenance issue;
- responding to a resident being locked out of their apartment;
- contacting on-site security or the police to address a concern;
- providing contact information to the resident and directing or making calls on a resident's behalf to appropriate community-based emergency services or related resources to address an urgent health risk incident;
- calling the resident's informal emergency contact; or
- addressing a resident's urgent concern about another resident.

Property management staff shall be on site at least 8 hours daily, but the 24-hour support approach may include contracted services or technology to assist the management in meeting this commitment, if these methods adequately address the intent of this service. The Development's owner and/or designated property management entity shall develop and implement policies and procedures for staff to immediately receive and handle a resident's call and assess the call based on a resident's request and/or need.

At a minimum, residents shall be informed by the property management, at move-in and via a written notice(s)/instructions provided to each resident and displayed in the Development's common or public areas, that staff are available to receive resident calls at all times. These notices shall also provide contact information and direction to first contact the community-based emergency services if they have health or safety risk concerns.

(2) Applicants who select the Elderly Demographic must also provide at least three of the resident programs outlined below:

(a) Adult Literacy

The Applicant or its Management Company must make available, at no cost to the resident, literacy tutor(s) who will provide weekly literacy lessons to residents in private space on-site. Various literacy programming can be offered that strengthens participants' reading, writing skills, and comprehension, but at a minimum, these must include English proficiency and basic reading education.

Training must be held between the hours of 8:00 a.m. and 7:00 p.m. and electronic media, if used, must be used in conjunction with live instruction. If the Development consists of Scattered Sites, this resident program must be provided on the Scattered Site with the most units.

(b) Computer Training

The Applicant or its Management Company shall make available computer and internet training classes (basic and/or advanced level depending on the needs and requests of the residents). The training classes must be provided at least once a week, at no cost to the resident, in a dedicated space on site. Training must be held between the hours of 8:00 a.m. and 7:00 p.m., and electronic media, if used, must be used in conjunction with live instruction. If the Development consists of Scattered Sites, this resident program must be provided on the Scattered Site with the most units.

(c) Daily Activities

The Applicant or its Management Company must provide on-site supervised, structured activities, at no cost to the resident, at least five days per week which must be offered between the hours of 8:00 a.m. and 7:00 p.m. If the Development consists of Scattered Sites, this resident program must be provided on the Scattered Site with the most units.

(d) Assistance with Light Housekeeping, Grocery Shopping and/or Laundry

The Applicant or its Management Company must provide residents with a list of qualified service providers for (a) light housekeeping, and/or (b) grocery shopping, and/or (c) laundry and will coordinate, at no cost to the resident, the scheduling of services. The Developer or Management Company shall verify that the services referral information is accurate and up-to-date at least once every six months.

(e) Resident Assurance Check-In Program

The Applicant commits to provide and use an established system for checking in with each resident on a pre-determined basis not less than once per day, at no cost to the resident. Residents may opt out of this program with a written certification that they choose not to participate.



**10. Funding**

a. Corporation Funding

(1) RRLP Base Loan Request Amount

State the amount of RRLP funding it is requesting. The terms and conditions of the RRLP loan are further outlined in Exhibit G of the RFA.

- (a) The RRLP Request Amount for Applicants utilizing Tax-Exempt Bond Financing and Non-Competitive Housing Credits is limited to the lesser of (i) \$70,000 per unit or (ii) \$6 million per Development located in Leon County or \$10 million per Development located in Bay County.
- (b) The maximum RRLP Request Amount for all other transactions is limited to the lesser of the following:
  - (i) \$5 million per Development; or
  - (ii) Per unit limit based on HUD’s 2019 maximum subsidy limits for HOME:

0 BR	1 BR	2 BR	3 BR	4 BR
\$149,868	\$171,802	\$208,913	\$270,266	\$296,666

During the scoring process, if the stated RRLP Request Amount is greater than the amount the Applicant is eligible to request, the Corporation will reduce the amount down to the maximum amount the Applicant is eligible to request. The Applicant’s RRLP Request Amount will be reviewed for compliance with the per unit limit and per Development limit.

If a reduction in the RRLP Request Amount is needed and a funding shortfall is created in either the Construction/Rehab and/or the Permanent Analysis of the Applicant’s Development Cost Pro Forma, the amount of the adjustment(s), to the extent needed and possible, will be offset by increasing the deferred Developer fee up to the maximum eligible amount as provided below.

The Development Cost Pro Forma contains a section (cells S274:W301) to assist the Applicant in calculating the maximum funding request limit for both the RRLP Base Loan Request Amount and the ELI Loan Request Amount.

(2) ELI Loan Request Amount

State the amount of ELI Loan funding it is requesting.

The terms and conditions of the ELI Loan are outlined in Exhibit H of the RFA.

In addition to the RRLP Base Loan in (1) above, Applicants may request an ELI Loan for each ELI Set-Aside unit, not to exceed 10% of the total units. The Loan will be based on the following:

County	2019 ELI AMI	0 & 1 Bedroom Units	2 Bedroom Units	3 & Higher Bedroom Units
Bay	35%	\$56,600	\$66,500	\$74,900
Calhoun	40%	\$37,300	\$43,700	\$49,400
Franklin	40%	\$37,300	\$43,700	\$49,400
Gadsden	33%	\$65,400	\$76,600	\$86,200
Gulf	40%	\$37,700	\$44,300	\$49,900
Holmes	40%	\$37,300	\$43,700	\$49,400
Jackson	40%	\$37,300	\$43,700	\$49,400
Leon	33%	\$65,400	\$76,600	\$86,200
Liberty	40%	\$39,800	\$46,500	\$52,500
Wakulla	35%	\$56,000	\$65,500	\$73,800
Washington	40%	\$37,300	\$43,700	\$49,400

If the stated amount of ELI Loan funding is greater than the amount for which the Applicant is eligible, the Corporation will reduce the amount to the maximum eligible amount.

(3) Corporation-Issued MMRB Request Amount (Bay and Leon County only)

State the amount of Corporation-Issued MMRB it is requesting. The MMRB Request amount must be in increments of \$5,000. The Corporation will make any necessary adjustment by rounding up to the nearest \$5,000 increment.

No other documentation regarding Corporation-Issued MMRB is required to be submitted with this Application.

(4) If the Applicant intends to utilize Non-Corporation issued Tax-Exempt Bonds (Bay and Leon County only)

- (a) The Applicant must provide, as **Attachment 14** to Exhibit A, a letter, executed by the chair or vice chair of the governing body, mayor, or deputy mayor, city manager or assistant city manager, county manager/administrator/coordinator or assistant county manager/administrator/coordinator, executive director or assistant executive director, or by an individual occupying a position reasonably equivalent to any of the foregoing, as applicable, of the entity issuing the Tax-Exempt Bonds, that (a) confirms that the Applicant has submitted an application for Tax-Exempt Bonds for the Development proposed in this RFA, (b) states the amount of the Applicant’s Bond

request, and (c) confirms that the closing on the Bonds has not occurred and will not occur prior to the Application Deadline for this RFA; and

- (b) The Applicant must include the anticipated amount of such Bond financing on the Construction/Rehab Analysis and the Permanent Analysis.

The Applicant is not required to include any other documentation beyond the requirements of (a) and (b) above regarding the County HFA-issued Tax-Exempt Bonds in its Application. The necessary documentation will be required after the Applicant is invited to enter credit underwriting, as outlined in Exhibit D to the RFA.

Applicants are not eligible to apply for any funding offered in this RFA if the Applicant has already closed on the Tax-Exempt Bond financing prior to the Application Deadline for this RFA. In addition, proposed Developments are not eligible to receive any funding awarded through this RFA if the Applicant closes on the Tax-Exempt Bond financing prior to the issuance of the preliminary commitment. As part of the Applicant's acceptance of the invitation to enter credit underwriting (i.e., the preliminary commitment), the Applicant will be required to confirm that the Bonds have not closed. If the Bonds are closed between the Application Deadline and issuance of the RRLP preliminary commitment, the Applicant's award will be rescinded.

- (5) Non-Competitive Housing Credit Request Amount (Bay and Leon County only)

State the amount of Non-Competitive Housing Credits it is requesting. There is no request limit; however, if the Applicant states an amount that is not a whole dollar amount, the Corporation will round down to a whole dollar amount.

- (a) Declaration as First Phase of a Multiphase Development

If the Applicant intends to declare the proposed Development as the first phase of a multiphase Development, it must answer "Yes" to the question in Exhibit A. To declare this proposed Development as the first phase of a multiphase Development, at least one building must be located within the HUD-designated DDA or HUD-designated QCT stated in Exhibit A.

During the credit underwriting process the Applicant will be required to submit to the Corporation an opinion letter by a licensed attorney that the Development meets the definition of a "multiphase project" as defined in the Federal Register. The letter must also include: (i) the name of the declared first phase Development and the Corporation-assigned Application number, (ii) the total number of phases and the projected Development name for each phase, (iii) the total number of buildings in each phase, (iv) the expected completion date for each phase, and (e)

any other information as determined by the Corporation and stated in the invitation to enter credit underwriting.

To qualify for the basis boost, subsequent phases must meet the requirements in (c)(i) below.

(b) Basis Boost Qualifications

With regard to Housing Credits, HUD provides regulatory guidance on the effective date of Difficult Development Area (DDA) and Qualified Census Tract (QCT) lists for the purpose of determining whether a Development qualifies for an increase in eligible basis in accordance with Section 42(d)(5)(B) of the IRC. HUD's notice published in the October 22, 2018 edition of the Federal Register [https://www.huduser.gov/portal/Datasets/QCT/QCTDDA2019\\_Notice.pdf](https://www.huduser.gov/portal/Datasets/QCT/QCTDDA2019_Notice.pdf) (also available by clicking [here](#)) governs the eligibility for a basis boost for the Development proposed in this RFA.

(i) Subsequent Phase of a Multiphase Development

For purposes of this RFA, a subsequent phase of a multiphase Development is one where the first phase was appropriately identified as such and received an award of Housing Credits ("initial award") in one of the following: (i) the 2011 Universal Application Cycle, (ii) a Request for Proposal or Request for Application ("RFP" or "RFA") issued in calendar year 2013, 2014, 2015, 2016, 2017, 2018 or 2019, or (iii) a Non-Competitive Housing Credit Application (awarded through a Corporation competitive RFA process or a Non-Corporation Bond issuer's competitive application).

For the subsequent phase to be eligible for the basis boost, after the initial award, (A) the Applicant must have submitted an Application for Housing Credits in immediately consecutive years, per the HUD requirements, (B) the 730-day period following the initial award must not end prior to the submission deadline for the Corporation's competitive RFA or a Non-Corporation Bond issuer's competitive application, per HUD's requirements, and (C) the subsequent phase must have at least one building located within the boundary of the declared HUD-designated DDA or HUD-designated QCT which applied to the Development declared as the first phase by the first phase Applicant.

If the proposed Development qualifies as a subsequent phase of a multiphase Development, the Applicant must indicate as such in Exhibit A and provide the Corporation-

assigned Application number for the Development where the first phase was declared and awarded an allocation of Housing Credits.

The proposed Development's subsequent phase status will be confirmed during the credit underwriting process. If it is determined that the proposed Development does not meet the criteria to be designated a subsequent phase of a multiphase Development and the Housing Credit request was based on such contention, it will no longer be considered a subsequent phase of a multiphase Development.

(ii) HUD-designated Small Area DDA (SADDA)

A proposed Development will be eligible for the basis boost if located within a HUD-designated Small Area DDA (SADDA), as defined in Section 42(d)(5)(B)(iii), IRC. The SADDA designation will only apply to the building(s) located within the applicable SADDA Zip Code Tabulation Area (ZCTA) and only those building(s) will be eligible for the basis boost.

HUD has assigned a ZCTA number to each SADDA, available at <https://www.huduser.gov/portal/Datasets/qct/DDA2019M.PDF> (also available by clicking [here](#)). The applicable HUD mapping software is available at [https://www.huduser.gov/portal/sadda/sadda\\_qct.html](https://www.huduser.gov/portal/sadda/sadda_qct.html) (also available by clicking [here](#)).

To qualify, the Applicant must identify, in Exhibit A, the ZCTA number(s) for the proposed Development.

During credit underwriting and at the time of Final Cost Certification, if it is determined that there are buildings located outside of the applicable SADDA ZCTA, the Corporation reserves the right to reduce the Housing Credit Allocation if the eligible basis for the building(s) located in the applicable SADDA ZCTA is not sufficient to support the request amount.

(iii) HUD-designated Non-Metropolitan DDA

The proposed Development will be eligible for the basis boost if the Development county, as stated in Exhibit A, is located within a HUD-designated non-metropolitan DDA as defined in Section 42(d)(5)(B)(iii), IRC. The 2019 HUD-designated non-metropolitan DDAs are available here:

<https://www.huduser.gov/portal/Datasets/qct/DDA2019NM.PDF>.

(iv) HUD-designated QCT

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

The HUD-designated QCTs are available here:

<https://www.huduser.gov/portal/Datasets/qct/QCT2019M.PDF> and  
<https://www.huduser.gov/portal/Datasets/qct/QCT2019NM.PDF>.

To qualify, the Applicant must indicate the HUD-designated QCT census tract number.

(c) Housing Credit Equity Proposal

A HC equity proposal must be provided as **Attachment 15**. For purposes of this RFA, to be counted as a source, an equity proposal, regardless of whether the documentation is in the form of a commitment, proposal, term sheet or letter of intent, it must meet the requirements set out below:

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

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

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

- (iii) If not syndicating/selling the Housing Credits, the owner's commitment to provide equity must be provided. The commitment must include the following information and evidence of ability to fund must be provided as **Attachment 15** to the Application:
- The proposed amount of equity to be paid prior to construction completion;
  - The anticipated Eligible Housing Credit Request Amount;
  - The anticipated dollar amount of Housing Credit allocation to be purchased; and
  - The anticipated total amount of equity to be provided.

Note: Exhibit D to the RFA requires documentation during credit underwriting that the equity amount to be paid prior to or simultaneous with the closing of construction financing is at least 15 percent of the total proposed equity to be provided (the 15 percent criteria).

(6) Other Corporation Funding

- (a) If the Development has received funding from the Predevelopment Loan Program (PLP), the Corporation file number and amount of funding must be listed. Note: PLP funding cannot be used as a source of financing on the Construction/Rehab Analysis or the Permanent Analysis.

- (b) The Applicant must list any other Corporation funding that is intended to be utilized as a source of financing for the proposed Development.

b. Non-Corporation Funding

- (1) If the proposed Development will be assisted with funding under the United States Department of Agriculture RD 515 Program and/or RD 538 Program, the following information must be provided:

- (a) Indicate the applicable RD Program(s) in Exhibit A.

- (b) For a proposed Development that is assisted with funding from RD 515, the Applicant must:

- (i) Include the funding amount at the USDA RD 515 Financing line item on the Development Cost Pro Forma (Construction/Rehab Analysis and/or Permanent Analysis), and
- (ii) Provide a letter from RD, dated within six months of the Application Deadline, as **Attachment 16** to Exhibit A, confirming the funding source as outlined below:

- (A) For proposed Developments with the Development Category of Redevelopment (either one with or without Acquisition), the RD letter must include the following information:

- Name of existing development;
- Name of proposed Development;
- Current RD Loan balance;
- Acknowledgment that property is applying for Housing Credits; and
- Acknowledgment that property will remain in the USDA/RD 515 loan portfolio.

or

- (B) For proposed Developments with the Development Category of New Construction, the RD letter must include the following information:

- Name of Proposed Development;
- Name of Applicant as borrower or direct recipient;
- RD Loan amount; and
- Acknowledgment that property is applying for Housing Credits.

- (c) If the proposed Development will be assisted with funding under the RD 538 Program, the Applicant must:



- (i) Include the funding amount at the USDA RD 538 Financing line item on the Development Cost Pro Forma (Construction/Rehab Analysis and/or Permanent Analysis); and
- (ii) Provide the letter sent to the Applicant by an RD 538 approved lender certifying that the lender is prepared to make a loan consistent with the program requirements through the Section 538 Guaranteed Rural Rental Housing (“538”) Loan Program as **Attachment 16** to Exhibit A. The U.S. Department of Agriculture, Rural Development (RD), list of Section 538 Guaranteed Rural Rental Housing approved lenders is available on the RFA Website.

As outlined in Exhibit D, the Section 538 Selection letter from RD must be provided during credit underwriting.

(2) Non-Corporation Funding Proposals

Unless stated otherwise within this RFA, for funding other than Corporation funding and deferred Developer fee to be counted as a source on the Development Cost Pro Forma, the Applicant must provide documentation of all financing proposals from both the construction and the permanent lender(s), equity proposals from the syndicator, and other sources of funding. The financing proposals must state whether they are for construction financing, permanent financing, or both, and all attachments and/or exhibits referenced in the proposal must be provided as **Attachment 17**.

For purposes of the Application, the following will not be considered a source of financing: net operating income, capital contributions not documented in accordance with financing proposals that are not from a Regulated Mortgage Lender, fee waivers or any portion of any fees that are reimbursed by the local government. Additionally, fee waivers or any portion of any fees that are reimbursed by the local government cannot be considered as Development costs.

(a) Financing Proposal

Financing proposal documentation, regardless of whether the documentation is in the form of a commitment, proposal, term sheet, or letter of intent, must meet the following criteria. Evidence for each funding source must be behind its own numbered attachment.

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 lender.

Note: Eligible Local Government financial commitments (i.e., grants and loans) can be considered a source of financing without meeting the requirements above if the Applicant provides the properly completed and executed Local Government Verification of Contribution – Grant Form (Form 07-2019) and/or the Local Government Verification of Contribution – Loan Form (Form 07-2019) and such grant and/or loan is effective at least through June 30, 2020. A loan with a forgiveness provision (and no accrued interest charges) requiring approval of the Local Government can be treated as a loan or a grant, for scoring purposes. Either the "Loan" or the "Grant" verification forms can be used. The grant and loan forms (Form 07-2019) are available on the RFA Website. If the loan form is used for a loan with forgiveness provision (and no accrued interest charges), the space for entering the net present value of the loan is not applicable to this RFA and will not be considered.

(b) Financing that has closed:

- (i) For any financing other than Tax-Exempt Bond financing\*, if the financing has closed in the Applicant's name, provide a letter from the lender acknowledging that the loan has closed. The letter must also include the following information:
- Amount of the construction loan, if applicable;
  - Amount of the permanent loan, if applicable; and
  - Specific reference to the Applicant as the borrower/direct recipient/mortgagee.

\*As stated in Section Four A.10.a.(4)(b) of the RFA, proposed Developments are not eligible to apply for any funding offered in this RFA if the Applicant has already closed on the Tax-Exempt Bond financing prior to the Application Deadline for this RFA. In addition, proposed Developments are not eligible to receive any funding awarded through this RFA if the Applicant closes on the Tax-Exempt Bond financing prior to the issuance of the preliminary commitment. As part of the Applicant's acceptance of the invitation to enter credit underwriting (i.e., the preliminary commitment), the Applicant will be required to confirm that the Bonds have not closed. If the Bonds are closed between the Application Deadline and issuance of the preliminary commitment, the Applicant's award will be rescinded.

- (ii) Except for HUD and RD funding, if the financing involves an assumption of debt not currently in the Applicant's name, as evidence that the lender approves of the proposal of assumption, the Applicant must provide a letter from the lender, dated within six months of the Application Deadline, that includes the following information:

- Specifically references the Applicant as the assuming party;
- If a permanent loan, states the amount to be assumed; and
- If a construction loan, states the maximum amount of funding capacity.

If the debt being assumed is provided by HUD, the Applicant must provide a letter from HUD, dated within six months of the Application Deadline, confirming the funding source. The letter must include the following information:

- Name of existing development;
- Name of proposed Development;
- Loan balance;
- Acknowledgment that property is applying for Housing Credits; and
- Applicable HUD program.

If the debt being assumed is provided by RD, the Applicant is only required to provide the information described in Item 10.b.(1)(b) above.

- (c) If the financing proposal is not from a Regulated Mortgage Lender in the business of making loans or a governmental entity, evidence of ability to fund must be provided. Evidence of ability to fund includes: (i) a copy of the lender's most current audited financial statements no more than 17 months old; or (ii) if the loan has already been funded, a copy of the note and recorded mortgage. The age of all financial statements is as of the Application Deadline. In evaluating ability to fund, the Corporation will consider the entity's unrestricted current assets typically used in the normal course of business. Assets considered restricted include, but are not limited to, pension funds, rental security deposits, and sinking funds. Financing proposals from lenders who cannot demonstrate ability to fund will not count as a source of financing. Financial statements must be included in the Application. Note: This provision does not apply to deferred Developer fee.

In the case where the seller of the Development's property is providing a seller's note (purchase money mortgage) to help finance the Applicant's acquisition of the property, evidence of its ability to fund the amount of the seller's note is not needed so long as the Application includes a letter from the seller that meets the financing proposal criteria outlined in (4)(a) above and the amount of the seller's note is equal to or less than the purchase price of the property.

- (d) If a financing proposal shows an amount less than the corresponding line item on the Development Cost Pro Forma, only the financing

proposal amount will be considered as a funding source. However, if a financing proposal shows an amount greater than the corresponding line item on the Development Cost Pro Forma, up to the total amount of the financing proposal amount may be utilized as a funding source, if needed.

- (e) The loan amount may be conditioned upon an appraisal or debt service coverage ratio or any other typical due diligence required during credit underwriting.
- (f) Financing proposals may be conditioned upon the Applicant receiving the funding from the Corporation for which it is applying.
- (g) If a financing proposal has a provision for holding back funds until certain conditions are met, the amount of the hold-back will not be counted as a source of construction financing unless it can be determined that the conditions for the release of the hold-back can be met prior to or simultaneous with the closing of the Development's permanent financing.
- (h) Grant funds are contributions to the Development, other than equity, which carry no repayment provision or interest rate. A commitment for grant funds will be considered a commitment for scoring purposes if the commitment is properly executed and, if applicable, evidence of ability to fund is provided.

c. Development Cost Pro Forma

The Development Cost Pro Forma listing the anticipated expenses or uses, the Detail/Explanation Sheet, if applicable, and the Construction or Rehab Analysis and Permanent Analysis listing the anticipated sources (both Corporation and non-Corporation funding) must be completed. The sources must equal or exceed the uses. During the scoring process, if a funding source is not considered and/or if the Applicant's funding Request Amount is adjusted downward, this may result in a funding shortfall. If the Applicant has a funding shortfall, it will be ineligible for funding.

The Development Cost Pro Forma must include all anticipated costs of the Development construction, including the Developer Fee and General Contractor fee, as outlined below. Waived or reimbursed fees or charges are not considered costs to the Development and therefore, should not be included on the Development Cost Pro Forma. Note: deferred Developer fees are not considered "waived fees."

Developer Fee and General Contractor fee must be disclosed. In the event the Developer Fee and/or General Contractor fee are/is not disclosed on the Development Cost Pro Forma, the Corporation will assume that these fees will be the maximum allowable and will add the maximum amount(s) to Total Development Cost. If an Applicant lists a Developer Fee, General Contractor fee, or

contingency reserve that exceeds the stated Application limits, the Corporation will adjust the fee to the maximum allowable. As stated below, Applicants may not enter any amounts pertaining to operating deficit reserves. The Corporation will not consider any operating deficit reserves listed on the Development Cost Pro Forma.

Unless stated otherwise in this RFA, except for deferred Developer Fee, the Application requires complete information on all sources of Development funding and the proposed uses of those funds. All loans, grants, donations, syndication proceeds, etc., should be detailed in the Application as outlined above. The total of monetary funds determined to be in funding proposals must equal or exceed uses.

(1) Developer Fee

Each Developer Fee component listed in (i) and (ii) below shall not exceed the respective amounts described below:

(i) Developer Fee on Acquisition Costs, is limited to 16\* percent of the Total Acquisition Cost of Existing Development (excluding land) stated on the Development Cost Pro Forma in Column 3 of Item B, rounded down to the nearest dollar; and

(ii) Developer Fee on Non-Acquisition Costs, is limited to 16\* percent of the net amount after deducting Total Acquisition Cost of Existing Development (excluding land) (Column 3 of Item B) from the Development Cost stated on the Development Cost Pro Forma in Column 3 of Item C, rounded down to the nearest dollar.

\*For Applications for proposed Developments located in Bay or Leon County utilizing Tax-Exempt Bond Financing and Non-Competitive Housing Credits, the Developer Fee is limited to 18 percent. Please note that the Development Cost Pro Forma defaults to a 16 percent Developer Fee for error checking. For proposed Developments located in Bay or Leon County that utilize Tax-Exempt Bonds and Non-Competitive Housing Credits, the Developer Fee limit should be changed to 18 percent at cell Q182 of the Pro Forma.

If the maximums stated in (i) or (ii) are exceeded, the Corporation will adjust the amount down to the maximum allowed. Additionally, the Corporation may further adjust the Developer Fee on Acquisition Costs, and/or Developer Fee on Non-Acquisition Costs stated on the Development Cost Pro Forma and used to calculate the Developer Fee in Item D of the Development Cost Pro Forma. The conditions for such adjustments are stated below:

- If the amount of Developer Fee on Acquisition Costs is more than the amount allowed in (i) above, AND if the amount of Developer Fee on Non-Acquisition Costs is less than the amount allowed in (ii) above, the Corporation will reduce the amount of Developer Fee on Acquisition

Costs to the maximum allowed amount, and increase the amount of Developer Fee on Non-Acquisition Costs by the amount reduced in the Developer Fee on Acquisition Costs, up to the maximum allowed amount.

- If the amount of Developer Fee on Non-Acquisition Costs is more than the amount allowed in (ii) above, AND if the amount of Developer Fee on Acquisition Costs is less than the amount allowed in (i) above, the Corporation will reduce the amount of Developer fee on Non-Acquisition Costs to the maximum allowed amount, and increase the amount of Developer Fee on Acquisition Costs by the amount reduced in the Developer Fee on Non-Acquisition Costs, up to the maximum allowed amount.

The Corporation will allow up to 100 percent of the eligible Developer Fee to be deferred and used as a source on the Development Cost Pro Forma without the requirement to show evidence of ability to fund.

Consulting fees, if any, and any financial or other guarantees required for the financing must be paid out of the Developer Fee. Consulting fees include, but are not limited to, payments for Application consultants, construction management or supervision consultants, or local government consultants.

The Development Cost Pro Forma contains a section (cells S274:W301) to assist the Applicant in calculating the maximum funding request limit for both the RRLP Base Loan Request Amount and the ELI Loan Request Amount.

(2) General Contractor Fee

General Contractor fee shall be limited to 14 percent of actual construction cost. The maximum allowable General Contractor fee will be tested during the scoring of the Application by multiplying the actual construction cost by 14 percent, rounded down to the nearest dollar.

(3) Contingency Reserves

For Application purposes, the maximum hard and soft cost contingencies allowed cannot exceed 5 percent of hard and soft costs. The determination of the contingency reserve is limited to the maximum stated percentage of total actual construction costs (hard costs) and general development costs (soft costs), as applicable.

(4) Operating Deficit Reserves

An operating deficit reserve is not to be included as part of Development Costs and cannot be used in determining the maximum Developer Fee. Applicants may not enter any amounts pertaining to any type of reserve

other than the contingency reserve mentioned above and, if applicable, any reserve permitted in the RFA and established as a subset of Developer Fee, on the Development Cost Pro Forma as part of the Application process. A reserve, including an operating deficit reserve, if necessary as determined by an equity provider, first mortgage lender, and/or the Credit Underwriter engaged by the Corporation in its reasonable discretion, will be required and sized in credit underwriting. The inclusion of any reserve is not permitted in the Application (other than the permitted contingency reserve) which may include, but is not limited to, operating deficit reserve, debt service shortfalls, lease-up, rent-re-stabilization, working capital, lender or syndicator required reserve(s), and any pre-funded capital (replacement) reserves. If any reserve other than the permitted contingency reserve and the Developer Fee subset, if applicable, can be identified and is included in the Development Cost Pro Forma, the Corporation will remove it during Application scoring.

In exchange for receiving funding from the Corporation, the Corporation reserves the authority to restrict the disposition of any funds remaining in any operating deficit reserve(s) after the term of the reserve's original purpose has terminated or is near termination. Authorized disposition uses are limited to payments towards any outstanding loan balances of the Development funded from the Corporation, any outstanding Corporation fees, any unpaid costs incurred in the completion of the Development (i.e., deferred Developer fee), the Development's capital replacement reserve account (provided, however, that any operating deficit reserve funds deposited to the replacement reserve account will not replace, negate, or otherwise be considered an advance payment or pre-funding of the Applicant's obligation to periodically fund the replacement reserve account), and the reimbursement of any loan(s) provided by a partner, member or guarantor as set forth in the Applicant's organizational agreement (i.e., operating or limited partnership agreement). The actual direction of the disposition is at the Applicant's discretion so long as it is an option permitted by the Corporation. In no event, shall the payment of amounts to the Applicant or the Developer from any operating deficit reserve established for the Development cause the Developer Fee or General Contractor fee to exceed the applicable percentage limitations provided for in this RFA.

- d. Principal of the Applicant is a Public Housing Authority and/or an instrumentality of a Public Housing Authority

The Applicant should state whether any Principals of the Applicant entity are a Public Housing Authority and/or an instrumentality of a Public Housing Authority. To qualify for the "Add-On Bonus" described Section Five, A.1 of the RFA and in Item 1 of Exhibit C, as well as the PHA leveraging multiplier described in Item 2 of Exhibit C, the Public Housing Authority and/or instrumentality of a Public Housing Authority must be reflected on the Principals of the Applicant and Developer(s) Disclosure Form (Form Rev. 05-2019). For purposes of the "Add-On Bonus", the Public Housing Authority and/or

instrumentality of a Public Housing Authority must not be disclosed as only the Investor Limited Partner of the Applicant or Investor Member of the Applicant.

If the Principal of the Applicant is an instrumentality of a Public Housing Authority, state the name of the Public Housing Authority.

**B. Addenda**

The Applicant may use the Addenda section of Exhibit A to provide any additional information or explanatory addendum for items described in Section Four, A. above. Please specify the particular item to which the additional information or explanatory addendum applies.

**SECTION FIVE  
SCORING AND EVALUATION PROCESS**

**A. Scoring the RFA**

**1. Determining Eligibility**

Only Applications that meet all of the following Eligibility Items will be eligible for funding and considered for funding selection.

<b>Eligibility Items</b>
Submission Requirements met*
Applicant Certification and Acknowledgement Form provided and signed by Applicant Principal Representative
Demographic Commitment selected
Authorized Principal Representative provided
Name of Applicant provided
Evidence Applicant is a legally formed entity provided
Name of Each Developer provided
Evidence that each Developer entity is a legally formed entity provided
General Development Experience Requirement met
Principals for Applicant and Developer(s) Disclosure Form provided
Name of Management Company provided
Prior General Management Company Experience requirement met
Name of Proposed Development provided
Development Category selected
Development Category Qualifying Conditions met
Development Type provided
County identified
Address of Development Site provided
Question whether a Scattered Sites Development answered
Development Location Point provided
Latitude and Longitude Coordinates for any Scattered Sites provided, if applicable
Total Number of Units provided and within limits
Number of residential buildings provided



Minimum Set-Aside election provided
Total Set-Aside Breakdown Chart properly completed
Unit Mix provided and meets requirements, if applicable
Evidence of Site Control provided
Appropriate Zoning demonstrated
Availability of Electricity demonstrated
Availability of Water demonstrated
Availability of Sewer demonstrated
Availability of Roads demonstrated
Minimum Resident Programs selected
Applicant's RRLP request amount provided
Applicant's MMRB request amount provided, if applicable
Applicant's Housing Credit Request Amount provided, if applicable
Development Cost Pro Forma provided (listing expenses or uses) and Construction/Rehab analysis and Permanent analysis (listing sources) – Sources must equal or exceed uses
Financial Arrearage Requirements met**
Previous Funding Requirements met ***
Total Development Cost Per Unit Limitation met****

\* Submission Requirement

To be eligible for funding, the following submission requirements must be met: (i) the Application must be submitted online by the Application Deadline, (ii) the required hard copy must be submitted by the Application Deadline, (iii) the Applicant's hard copy submission must be contained in a sealed package, and (iv) the required Application fee must be submitted as of the Application Deadline.

\*\* Financial Arrearage Requirement

An Application will be deemed ineligible for funding if, as of close of business the day before the Committee meets to make a recommendation to the Board, there remains any financial obligations for which an Applicant or Developer or Principal, Affiliate or Financial Beneficiary of the Applicant or Developer is in arrears to the Corporation or any agent or assignee of the Corporation as reflected on the most recently published Past Due Report posted to the Corporation's Website under the link Property Owners & Managers/Past Due Reports (also accessible by clicking [here](#)), but not more recently than five business days prior to the date the Committee meets to make a recommendation to the Board.

\*\*\* Previous Funding Requirements met

An Application will be deemed ineligible to be considered for funding if, as of the close of business the day before the Committee meets to make a recommendation to the Board, an Applicant or Developer or Principal, Affiliate or Financial Beneficiary of the Applicant or Developer has received an award of

any funding from any RFA issued by Florida Housing Finance Corporation but such funding has been de-obligated by the Florida Housing Finance Corporation Board of Directors within the 36 months prior to this RFA Application Deadline, with the exception of de-obligations that resulted from the termination of the Multifamily Energy Retrofit Program (MERP) funding awarded through RFA 2015-115, or de-obligation of National Housing Trust Fund (NHTF) funding.

An Application will be deemed ineligible for funding if the Applicant has accepted an invitation to enter credit underwriting for the same Development in a previous RFA (with the exception of funding awarded under the Predevelopment Loan Program (PLP) and/or the Elderly Housing Community Loan (EHCL) program) and, as of Application Deadline for this RFA, the funding has not been returned to the Corporation. If the acceptance to an invitation to enter credit underwriting in a previous RFA occurs after the Application Deadline and before the Review Committee Meeting for this RFA, the proposed Development will be considered ineligible for funding in this RFA. If the acceptance to an invitation to enter credit underwriting in a previous RFA occurs after the Review Committee Meeting for this RFA, the proposed Development will be considered ineligible for funding in this RFA and any funding awarded in this RFA will be rescinded and considered Returned Funding.

\*\*\*\* Total Development Cost Per Unit Limitation

By submitting its Application, the Applicant agrees and acknowledges that the Application will be subject to the Total Development Cost Per Unit Limitation during the scoring, credit underwriting, and final Housing Credit allocation process.

The Corporation shall limit the Total Development Cost (TDC) per unit for all Developments categorized by the construction type of the units as indicated below and this limit is referred to as the TDC Per Unit Limitation. It is a limit based on TDC, but exclusive of land costs and exclusive of any operating deficit reserves that are part of the permanent phase (i.e., non-construction) financing for the Development which have not been included within the Developer fee, applying any applicable TDC multiplier and/or TDC add-on. The proposed Development's TDC will be tested against the TDC Per Unit Limitation during the scoring of the RFA, utilizing the Development Type, Development Category and ESS Construction determination made by the Applicant in the RFA and it will apply to all units in the proposed Development. During the credit underwriting process, and during the final allocation process, the maximum TDC per unit will be recalculated for each unit type as described in Item 1 of Exhibit C, with consideration given to whether the Development consists one or more Development Types, a mix of both new construction and rehabilitation units, or a mix of wood and ESS Construction units.

Any Application that has an amount that exceeds these limitations during scoring will not be eligible for funding. These TDC Per Unit Base Limitation amounts, inclusive of any applicable TDC multiplier and/or TDC add-on, are

effective during the scoring process. Item 1 of Exhibit C provides the TDC Per Unit Base Limitation amounts that account for an escalation factor to be incorporated for the credit underwriting process and final allocation process, as explained in the exhibit.

**Total Development Cost Per Unit Base Limitations to be used during the scoring process**

Measure	New Construction Units			
	Garden Wood*	Garden ESS*	Mid-Rise-Wood*	Mid-Rise-ESS*
Maximum TDC Per Unit Limitation ** for all counties	\$212,200	\$255,400	\$255,400	\$282,200
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 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	
TDC Add-On for Applicants utilizing tax-exempt bond funding due to known expenses related to bond transactions			\$5,000 of additional per unit costs will be added to the above Maximum TDC Per Unit Limitation	

\* Garden includes all Development Types other than Mid-Rise; Non-Garden includes Development Type of Mid-Rise with elevator (4 stories); Mid-Rise includes Development Type of Mid-Rise with elevator (4 stories). ESS means Enhanced Structural Systems Construction.

\*\* Exclusive of land costs and exclusive of any approved operating deficit reserves that are part of the permanent phase (i.e., non-construction) financing for the Development which have not been included within the Developer fee. When the term of operating deficit reserves (ODR) is mentioned in this TDC Per Unit Limitation section, the term shall refer to these particular operating deficit reserves. Examples of reserves which can be considered part of the operating deficit reserve for this calculation are provided in the Operating Deficit Reserve portion of the Funding section in the RFA. For purposes of property acquisition valuation (land with or without building improvements), the Corporation uses the lesser of the appraised value, or the actual cost of acquisition. The appraised value will be determined during credit underwriting. When land costs are referenced in this TDC Per Unit Limitation section, the reference shall be limited to the amount of the land cost approved by the Corporation to be provided in the final cost certification under the land owned cost line item. For Applicants that have a public housing authority/instrumentality of a public housing authority listed as a Principal on the Applicant's Principal Disclosure Form may also exclude demolition costs and tenant relocation costs from TDC PU Limitation calculations. The total amount of costs that are to be excluded from the TDC Per Unit Limitation process are the applicable land costs, operating deficit reserves and certain PHA costs described herein are referred to in Exhibit C in the congregate as applicable qualifying costs.

**2. Awarding Points**

Point Items	Maximum Points
Submission of Principal Disclosure Form stamped by Corporation as "Pre-Approved"	5
<b>Total Possible Points</b>	<b>5</b>

**B. Funding Selection Process**

**1. Application Sorting Order**

The highest scoring Applications will be determined by first sorting together all eligible Applications from highest score to lowest score, with any scores that are tied separated in the following order:

- a. First, preference will be given to Applications that qualify for the ESS Construction Preference;
- b. Next, by the Application's Leveraging Level number (which is outlined in Item 2. of Exhibit C) with Applications that have a lower Leveraging Level number listed above Applications that have a higher Leveraging Level number;
- c. By the Application's eligibility for the Florida Job Creation Funding Preference which is outlined in Item 3 of Exhibit C of the RFA (with Applications that qualify for the preference listed above Applications that do not qualify for the preference); and
- d. By lottery number, resulting in the lowest lottery number receiving preference.

**2. Bay County PHA Funding Goal**

The Corporation has a goal to fund one Application (a) with a Demographic commitment of Family (b) that is located in Bay County; and (c) that has a Public Housing Authority/instrumentality of a Public Housing Authority as a Principal of the Applicant.

**3. Funding Test**

Applications will be selected for funding only if there is enough Funding available to fully fund the Eligible Request Amount.

**4. The Funding Selection Process**

- a. First, the Corporation will select the highest ranking eligible Bay County Application that qualifies for the Bay County PHA Funding Goal.
- b. Next, the Corporation will select the next highest ranking eligible unfunded Bay County Application that does not qualify for the Bay County PHA Funding Goal.
- c. Next, the Corporation will select the highest ranking eligible unfunded Application in each county in the following order, subject to the Funding Test: Jackson, Calhoun, Gadsden, Gulf Washington, Liberty, Franklin, Leon, Wakulla, and Holmes. Only one Application from each of these counties will be selected.
- d. Next, if there is funding remaining after funding one Application in each County in c. above, the Corporation repeat the process in c. above, subject to the Funding Test.
- e. If funding remains and none of the eligible unfunded Applications can meet the Funding Test, no further Applications will be considered for funding. Any remaining funding will be distributed as approved by the Board.

**5. Returned Funding**

Funding that becomes available after the Board takes action on the Committee's recommendation(s), due to an Applicant withdrawing, an Applicant declining its invitation to enter credit underwriting or the Applicant's inability to satisfy a requirement outlined in this RFA, will be distributed as approved by the Board.

**SECTION SIX  
AWARD PROCESS**

Committee members shall independently evaluate and score their assigned portions of the submitted Applications, consulting with non-committee Corporation staff and legal counsel as necessary and appropriate.

The Committee shall conduct at least one public meeting during which the Committee members may discuss their evaluations, select Applicants to be considered for award, and make any adjustments deemed necessary to best serve the interests of the Corporation's mission. The Committee will list the Applications deemed eligible for funding in order applying the funding selection criteria outlined in Section Five above and develop a recommendation or series of recommendations to the Board.

The Board may use the Applications, the Committee's scoring, any other information or recommendation provided by the Committee or staff, and any other information the Board deems relevant in its selection of Applicants to whom to award funding. Notwithstanding an award by the Board pursuant to this RFA, funding will be subject to a positive recommendation from the Credit Underwriter based on criteria outlined in the credit underwriting provisions in Exhibits G and H of the RFA and, if applicable, Rule Chapter 67-21, F.A.C.

The Corporation shall provide notice of its decision, or intended decision, for this RFA on the Corporation's Website the day of the applicable Board vote. After posting, an unsuccessful Applicant may file a notice of protest and a formal written protest in accordance with Section 120.57(3), Fla. Stat., et. al. Failure to file a protest within the time prescribed in Section 120.57(3), Fla. Stat., et. al. shall constitute a waiver of proceedings under Chapter 120, Fla. Stat.

After the Board's decision to select Applicants for funding in this RFA has become final action, the Corporation shall offer all Applicants within the funding range an invitation to enter credit underwriting. The Corporation shall select the Credit Underwriter for each Development.

- NOTES:
- (1) Developer fee may not exceed the limits established in Rule Chapter 67-21, F.A.C., or this RFA. Any portion of the fee that has been deferred must be included in Total Development Cost. Both 16% and 18% are possible Developer Fee options.
  - (2) When Housing Credit equity proceeds are being used as a source of financing, complete Columns 1 and 2. The various FHFC Program fees should be estimated and included in column 2 for at least the Housing Credit Program.
  - (3) General Contractor's fee is limited to 14% of actual construction cost (for Application purposes, this is represented by A1.1. Column 3), rounded down to nearest dollar. The General Contractor's fee must be disclosed. The General Contractor's fee includes General Conditions, Overhead, and Profit.
  - (4) For Application purposes, the maximum hard cost contingency allowed cannot exceed 5% of the amount provided in column 3 for A1.3. TOTAL ACTUAL CONSTRUCTION COSTS for Developments where 50 percent or more of the units are new construction. Otherwise the maximum is 15%. The maximum soft cost contingency allowed cannot exceed 5% of the amount provided in column 3 for A2.1 TOTAL GENERAL DEVELOPMENT COST. Limitations on these contingency line items post-Application are provided in Rule Chapter 67-21, F.A.C. (if applicable) and this RFA.
  - (5) Operating Deficit Reserves (ODR) of any kind are not to be included in C. DEVELOPMENT COST and cannot be used in determining the maximum Developer fee. In addition, an ODR is not permitted in this Application at all. If one has been included, it will be removed by the scorer, reducing total costs. However, one may be included during the credit underwriting process where it will be sized. The final cost certification may include an ODR, but it cannot exceed the amount sized during credit underwriting.
  - (6) Although the Corporation acknowledges that the costs listed on the Development Cost Pro Forma, Detail/Explanation Sheet, Construction or Rehab Analysis and Permanent Analysis are subject to change during credit underwriting, such costs are subject to the Total Development Cost Per Unit Limitation as provided in the RFA, as well as the other cost limitations provided in Rule Chapter 67-21, F.A.C., as applicable.

USE THE DETAIL/EXPLANATION SHEET FOR EXPLANATION OF \* ITEMS. IF ADDITIONAL SPACE IS REQUIRED, ENTER THE INFORMATION ON THE ADDENDA LOCATED AT THE END OF THE APPLICATION.

What was the Development Category of the Proposed Development:  
*Indicate the number of total units in the proposed Development:*

New Construction (w/ or w/o Acquisition)  
 (enter a value)

\*\*

	1 ENTER COSTS	2* HC INELIGIBLE COSTS	3 TOTAL COSTS
<b>DEVELOPMENT COSTS</b>			
<i>Actual Construction Costs</i>			
Accessory Buildings	_____	_____	_____
Demolition	_____	_____	_____
New Rental Units	_____	_____	_____
<b>*Off-Site Work (explain in detail)</b>	_____	_____	_____
Recreational Amenities	_____	_____	_____
Rehab of Existing Common Areas	_____	_____	_____
Rehab of Existing Rental Units	_____	_____	_____
Site Work	_____	_____	_____
<b>*Other (explain in detail)</b>	_____	_____	_____
<b>A1.1. Actual Construction Cost</b>	<b>\$ _____</b>	<b>\$ _____</b>	<b>\$ _____</b>
<b>A1.2. General Contractor Fee</b> <small>See Note (3)</small> <b>(Max. 14% of A1.1., column 3)</b>	<b>\$ _____</b>	<b>\$ _____</b>	<b>\$ _____</b>
<b>A1.3. TOTAL ACTUAL CONSTRUCTION COSTS</b>	<b>\$ _____</b>	<b>\$ _____</b>	<b>\$ _____</b>
<b>A1.4. HARD COST CONTINGENCY</b> <small>See Note (4)</small>	<b>\$ _____</b>	<b>\$ _____</b>	<b>\$ _____</b>

	1 ENTER COSTS	2* HC INELIGIBLE COSTS	3 TOTAL COSTS
<i>General Development Costs</i>			
Accounting Fees	_____	_____	_____
Appraisal	_____	_____	_____
Architect's Fee - Site/Building Design	_____	_____	_____
Architect's Fee - Supervision	_____	_____	_____
Builder's Risk Insurance	_____	_____	_____
Building Permit	_____	_____	_____
Capital Needs Assessment	_____	_____	_____
Engineering Fees	_____	_____	_____
Environmental Report	_____	_____	_____
FHFC Administrative Fee <small>See Note (2)</small>	██████████	_____	_____
FHFC Application Fee <small>See Note (2)</small>	_____	_____	_____
FHFC Compliance Fee <small>See Note (2)</small>	██████████	_____	_____
FHFC PRL/Credit Underwriting Fees <small>See Note (2)</small>	_____	_____	_____
Green Building Certification/ HERS Inspection Costs	_____	_____	_____
<b>*Impact Fees (list in detail)</b>	_____	_____	_____
Inspection Fees	_____	_____	_____
Insurance	_____	_____	_____
Legal Fees	_____	_____	_____
Market Study	_____	_____	_____
Marketing/Advertising	_____	_____	_____
Property Taxes	_____	_____	_____
Soil Test Report	_____	_____	_____
Survey	_____	_____	_____
Tenant Relocation Costs	_____	_____	_____
Title Insurance & Recording Fees	_____	_____	_____
Utility Connection Fee	_____	_____	_____
<b>*Other (explain in detail)</b>	_____	_____	_____
<b>A2.1. TOTAL GENERAL DEVELOPMENT COST</b>	\$ _____	\$ _____	\$ _____
<b>A2.2. SOFT COST CONTINGENCY</b> <small>See Note (4)</small>	\$ _____	\$ _____	\$ _____

	1 ENTER COSTS	2* HC INELIGIBLE COSTS	3 TOTAL COSTS
<i>Financial Costs</i>			
Construction Loan Origination/ Commitment Fee(s)	_____	_____	_____
Construction Loan Credit Enhancement Fee(s)	_____	_____	_____
Construction Loan Interest	_____	_____	_____
Non-Permanent Loan(s) Closing Costs	_____	_____	_____
Permanent Loan Origination/ Commitment Fee(s)	_____	_____	_____
Permanent Loan Credit Enhancement Fee(s)	██████████	_____	_____
Permanent Loan Closing Costs	_____	_____	_____
Bridge Loan Origination/ Commitment Fee(s)	_____	_____	_____
Bridge Loan Interest	_____	_____	_____
*Other (explain in detail)	_____	_____	_____
<b>A3. TOTAL FINANCIAL COSTS</b>	<b>\$</b> _____	<b>\$</b> _____	<b>\$</b> _____
<i>ACQUISITION COST OF EXISTING DEVELOPMENT (excluding land)</i>			
Existing Building(s)	_____	_____	_____
*Other (explain in detail)	_____	_____	_____
<b>B. TOTAL ACQUISITION COSTS OF EXISTING DEVELOPMENT (excluding land)</b>	<b>\$</b> _____	<b>\$</b> _____	<b>\$</b> _____
<b>C. DEVELOPMENT COST</b> (A1.3+A1.4+A2.1+A2.2+A3+B)	<b>\$</b> _____	<b>\$</b> _____	<b>\$</b> _____
<i>Developer Fee See Note (1)</i>			
Developer Fee on Acquisition Costs	_____	_____	_____
Developer Fee on Non-Acquisition Costs	_____	_____	_____
<b>D. TOTAL DEVELOPER FEE</b>	<b>\$</b> _____	<b>\$</b> _____	<b>\$</b> _____
<b>E. OPERATING DEFICIT RESERVES</b> See Note (5)	<b>\$</b> ██████████	<b>\$</b> ██████████	<b>\$</b> ██████████
<b>F. TOTAL LAND COST</b>	_____	_____	_____
<b>G. TOTAL DEVELOPMENT COST</b> See Note (6) (C+D+E+F)	<b>\$</b> _____	<b>\$</b> _____	<b>\$</b> _____



**Detail/Explanation Sheet**

Totals must agree with Pro Forma. Provide component descriptions and amounts for each item that has been completed on the Pro Forma that requires a detailed list or explanation.

**DEVELOPMENT COSTS**

***Actual Construction Cost***

*(as listed at Item A1.)*

Off-Site Work:

Other:

***General Development Costs***

*(as listed at Item A2.)*

Impact Fees:

Other:

***Financial Costs***

*(as listed at Item A3.)*

Other:

***Acquisition Cost of Existing Developments***

*(as listed at Item B2. )*

Other:

NOTES: Neither brokerage fees nor syndication fees can be included in eligible basis. Consulting fees, if any, and any financial or other guarantees required for the financing must be paid out of the Developer fee. Consulting fees include, but are not limited to, payments for Application consultants, construction management or supervision consultants, or local government consultants.

**CONSTRUCTION/REHAB ANALYSIS**

	AMOUNT	LENDER/TYPE OF FUNDS
<b>A. Total Development Costs</b>	\$ _____	
<b>B. Construction Funding Sources:</b>		
1. First Mortgage Financing	\$ _____	<select from menu>
2. Second Mortgage Financing	\$ _____	<select from menu>
3. Third Mortgage Financing	\$ _____	<select from menu>
4. Fourth Mortgage Financing	\$ _____	<select from menu>
5. Fifth Mortgage Financing	\$ _____	<select from menu>
6. Sixth Mortgage Financing	\$ _____	<select from menu>
7. Seventh Mortgage Financing	\$ _____	<select from menu>
8. Eighth Mortgage Financing	\$ _____	<select from menu>
9. Ninth Mortgage Financing	\$ _____	<select from menu>
10. Tenth Mortgage Financing	\$ _____	<select from menu>
11. HC Equity Proceeds Paid Prior to Completion of Construction which is Prior to Receipt of Final Certificate of Occupancy or in the case of Rehabilitation, prior to placed-in service date as determined by the Applicant.	\$ _____	
12. Other: _____	\$ _____	
13. Other: _____	\$ _____	
14. Deferred Developer Fee	\$ _____	
<b>15. Total Construction Sources</b>	<b>\$ _____</b>	
<b>C. Construction Funding Surplus</b> (B.15. Total Construction Sources, less A. Total Development Costs):	<b>\$ _____</b>	(A negative number here represents a funding shortfall.)

**Each Attachment must be listed behind its own Tab. DO NOT INCLUDE ALL ATTACHMENTS BEHIND ONE TAB.**

**PERMANENT ANALYSIS**

	<b>AMOUNT</b>	<b>LENDER/TYPE OF FUNDS</b>
<b>A. Total Development Costs</b>	\$ _____	
<b>B. Permanent Funding Sources:</b>		
1. First Mortgage Financing	\$ _____	<select from menu> _____
2. Second Mortgage Financing	\$ _____	<select from menu> _____
3. Third Mortgage Financing	\$ _____	<select from menu> _____
4. Fourth Mortgage Financing	\$ _____	<select from menu> _____
5. Fifth Mortgage Financing	\$ _____	<select from menu> _____
6. Sixth Mortgage Financing	\$ _____	<select from menu> _____
7. Seventh Mortgage Financing	\$ _____	<select from menu> _____
8. Eighth Mortgage Financing	\$ _____	<select from menu> _____
9. Ninth Mortgage Financing	\$ _____	<select from menu> _____
10. Tenth Mortgage Financing	\$ _____	<select from menu> _____
11. HC Syndication/HC Equity Proceeds	\$ _____	
12. Other: _____	\$ _____	
13. Other: _____	\$ _____	
14. Deferred Developer Fee	\$ _____	
<b>15. Total Permanent Funding Sources</b>	\$ <u>_____</u>	
<b>C. Permanent Funding Surplus</b>		
(B.15. Total Permanent Funding Sources, less A. Total Development Costs):	\$ <u>_____</u>	(A negative number here represents a funding shortfall.)

**Each Attachment must be listed behind its own Tab. DO NOT INCLUDE ALL ATTACHMENTS BEHIND ONE TAB.**

The intent of this page is to assist the Applicant in determining a TDC PU Limitation for the proposed Development and comparing it to the appropriate RFA's TDC PU Limitation. The accuracy of the comparison is dependent upon the accuracy of the inputs and Florida Housing takes no responsibility in any programing errors. FHFC will not use this page to score TDC PU Limitation criteria. If FHFC makes any adjustments to the Applicant's data or assumptions, FHFC's TDC PU for Limitation purposes of the proposed Development or the TDC PU Limitation determined by FHFC may be different than the amounts provided below. Please read the RFA for qualifying responses and definition of terms. This table is optional and its use is at the sole discretion of the Applicant. Applicant is responsible to verify and be in compliance with all aspects of the Application to meet RFA criteria.

**TDC PU LIMITATION ANALYSIS**

In which county is the proposed Development to be located? <select from menu>

You have indicated above on row 32 that the Development Category of the Proposed Development is..... New Construction (w/ or w/o Acquisition)

What is the proposed Development's Development Type? <select from menu>

Does the proposed Development qualify as Enhanced Structural Systems Construction (ESSC)? <select from menu>

The TDC PU Base Limitation for the above defined Development is..... Need County

Does the proposed Development qualify for any of the following TDC PU Add-Ons or Multipliers? Choose all that apply.

- 1. (a) PHA is a Principal/Affiliate Add-On..... <select from menu> (Select one or no option, as applicable)
  - (b) Requesting HOME funds from FHFC Add-On..... [shaded]
  - (c) Requesting CDBG-DR funds from FHFC Add-On..... [shaded]
  - 2. Tax-Exempt Bond Add-On..... <select from menu> (Select if applicable)
  - 3. (a) North Florida Keys Area Multiplier..... [shaded] (Select one option if applicable)
  - (b) South Florida Keys Area Multiplier..... [shaded]
  - 4. (a) Persons with Developmental Disabilities Multiplier..... [shaded]
  - (b) Persons with a Disabling Condition Multiplier..... [shaded] (Select one or no option, as applicable)
  - (c) Persons with Special Needs Multiplier..... [shaded]
  - (d) Homeless Demographic Multiplier..... [shaded]
  - 5. Elderly ALF Multiplier..... [shaded] (Select if applicable)
  - 6. (a) Less than 51 units Multiplier\*..... [shaded] (Select one option if applicable)
  - (b) More than 50 units, but less than 81 units Multiplier\*..... [shaded]
- \*For 9% HC Permanent Supportive Housing RFAs only. The proposed Development must be new construction to qualify as well as not being located in Monroe County.*

The final overall TDC PU Limitation for the above defined Development is.. \_\_\_\_\_

**Derivation of the TDC PU of the proposed Development for Limitation purposes:**

Total Development Costs (Line G., column 3)	<u>\$0.00</u>	
Less Land Costs (Line F., column 3)	<u>\$0.00</u>	
Less Operating Deficit Reserves (Line E., column 3)	<u>\$0.00</u>	
Less Demolition and Relocation Costs, if applicable	<u>\$0.00</u>	
TDC of the proposed Development for Limitation Purposes:	<u>\$0.00</u>	
TDC PU of the proposed Development for Limitation Purposes:	<u>\$0.00</u>	(Need Units)
Is the proposed Development's TDC PU for Limitation purposes equal to or less than the TDC PU Limitation provided in the RFA?.....	<u>TBD</u>	

The intent of this page is to assist the Applicant in determining the overall Average Median Income for the proposed Development when the Development is located in Bay or Leon County and the Applicant desires to select the Average Income Test for the minimum set-aside commitment for Section 42 of the IRC. This portion of the Development Cost Pro Forma is to assist the Applicant in understanding some of the variables involved when selecting Average Income test as the minimum housing credit set-aside offered in the RFA. The data entered below will not be used to score the Application. The entries below will not be used to establish the Applicant's set-aside commitment for Application purposes. This is to be used as a tool to assist the Applicant in selecting appropriate set-aside commitments in the Application. The accuracy of the table is dependent upon the accuracy of the inputs and Florida Housing takes no responsibility in any programming errors. This table is optional and its use is at the sole discretion of the Applicant. Applicant is responsible to verify and be in compliance with all aspects of the Application to meet RFA criteria. **THE SHADING BELOW WILL BE REMOVED WHEN A DEVELOPER FEE OF 18.00% IS SELECTED IN CELL Q182 ABOVE.**

**INCOME AVERAGING WORKSHEET**

	AMI Set-Aside	# of Units	% of Units
	20%		0.00%
<i>(ELI Designation)</i>	30%		0.00%
	40%		0.00%
	50%		0.00%
	60%		0.00%
	70%		0.00%
	80%		0.00%
Total Qualifying Housing Credit Units		0	0.00%
Market Rate Units			0.00%
Total Units		0	0.00%
Average AMI of the Qualifying Housing Credit Units		0.00%	

(This should match the HC Set-Aside Commitment in the Application)

**Exhibit A to RFA 2019-111- Rental Recovery Loan Program (RRLP) Financing to be Used for Rental Developments in Hurricane Michael Impacted Counties**

**1. Applicant Certification and Acknowledgement form**

Provide the Applicant Certification and Acknowledgement, executed by the Authorized Principal Representative, as **Attachment 1**.

**2. Demographic Commitment**

Select one (1) of the following Demographic Commitments:

[Choose an item.](#)

**3. Applicant, Developer, Management Company, and Contact Person**

a. Applicant

(1) Name of Applicant

[Click here to enter text.](#)

(2) Provide the required documentation to demonstrate that the Applicant is a legally formed entity qualified to do business in the state of Florida as of the Application Deadline as **Attachment 2**.

(3) Non-Profit Applicant qualifications

Does the Applicant or the General Partner or managing member of the Applicant meet the definition of Non-Profit as set forth in Exhibit B of the RFA?

[Choose an item.](#)

If "Yes", provide the required information for the Non-Profit entity as **Attachment 3**.

b. General Developer Information

(1) Name of each Developer (including all co-Developers)

[Click here to enter text.](#)

[Click here to enter text.](#)

[Click here to enter text.](#)

(2) For each Developer entity listed in question (1) above (that is not a natural person), provide, as **Attachment 4**, the required documentation demonstrating

that the Developer is a legally formed entity qualified to do business in the state of Florida as of the Application Deadline.

(3) General Development Experience

To be eligible for funding, for each experienced Developer entity provide, as **Attachment 4**, the required prior experience chart for at least one (1) experienced natural person Principal of that entity.

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

(1) Submission and Eligibility Requirements

To meet the submission requirements, the Applicant must upload the Principals of the Applicant and Developer(s) Disclosure Form (Form Rev. 05-2019) ("Principals Disclosure Form") with the Application and Development Cost Pro Forma, as outlined in Section Three of the RFA.

To meet eligibility requirements, the Principals Disclosure Form must identify, pursuant to Exhibit B and Section C of Exhibit G of the RFA, the Principals of the Applicant and Developer(s) as of the Application Deadline. For Housing Credits, the investor limited partner of an Applicant limited partnership or the investor member of an Applicant limited liability company must be identified.

(2) Point Item

Applicants will receive 5 points if the uploaded Principal Disclosure Form was stamped "Approved" during the Advance Review Process.

d. General Management Company Information

(1) Name of the Management Company

[Click here to enter text.](#)

(2) Provide, as **Attachment 5**, the required prior experience chart for the Management Company or a principal of the Management Company reflecting the required information.

e. Contact Person

(1) Authorized Principal Representative contact information (required)

Name: [Click here to enter text.](#)

Organization: [Click here to enter text.](#)

Street Address: [Click here to enter text.](#)

City: [Click here to enter text.](#)

State: [Click here to enter text.](#)

Zip: [Click here to enter text.](#)  
Telephone: [Click here to enter text.](#)  
E-Mail Address: [Click here to enter text.](#)

(2) Operational Contact Person information (optional)

Name: [Click here to enter text.](#)  
Organization: [Click here to enter text.](#)  
Street Address: [Click here to enter text.](#)  
City: [Click here to enter text.](#)  
State: [Click here to enter text.](#)  
Zip: [Click here to enter text.](#)  
Telephone: [Click here to enter text.](#)  
E-Mail Address: [Click here to enter text.](#)

**4. General Proposed Development Information**

a. Name of the proposed Development

[Click here to enter text.](#)

b. Development Category

The funding offered under this RFA is for proposed new construction Developments where 100 percent of the units are new construction.

c. Select the Development Type

[Choose an item.](#)

For purposes of the Leveraging Classification calculation, if the Development Type of Mid-Rise, 4 stories is selected, are at least 90 percent of the total units in these Mid-Rise building(s)?

[Choose an item.](#)

d. Enhanced Structural Systems (“ESS”) Construction Qualifications

Does the proposed Development meet the requirements to be considered ESS Construction as outlined in Section Four A.4.d. of the RFA?

[Choose an item.](#)

**5. Location of proposed Development**

a. County: [Choose a county.](#)

b. Location of Development Site



[Click here to enter text.](#)

- c. Does the proposed Development consist of Scattered Sites?

[Choose an item.](#)

- d. Latitude and Longitude Coordinates

- (1) Development Location Point

Latitude in decimal degrees, rounded to at least the sixth decimal place

[Click here to enter text.](#)

Longitude in decimal degrees, rounded to at least the sixth decimal place

[Click here to enter text.](#)

- (2) If the proposed Development consists of Scattered Sites, for each Scattered Site that is in addition to the Development Location Point information provided in (1) above, identify the latitude and longitude coordinate, rounded to at least the sixth decimal place:

[Click here to enter text.](#)

**6. Number of Building and Units**

- a. Total number of units in the proposed Development: [Click here to enter text.](#)

- b. Set-Aside Commitments

- (1) Select one (1) of the following minimum set-aside commitments (for Applicants utilizing Tax-Exempt Bonds financing and Non-Competitive Housing Credits):

[Choose an item.](#)

- (2) Total Set-Aside Breakdown Chart

ALL Applicants must complete the chart at either (a), (b), or (c) below.

- (a) All Applicants requesting ONLY RRLP funding must complete the following chart:

Total Set-Aside Breakdown Chart	
Percentage of Residential Units	AMI Level
<a href="#">Enter Number</a> %	At or Below 25%
<a href="#">Enter Number</a> %	At or Below 28%
<a href="#">Enter Number</a> %	At or Below 30%
<a href="#">Enter Number</a> %	At or Below 33%
<a href="#">Enter Number</a> %	At or Below 35%

<u>Enter Number</u> %	At or Below 40%
<u>Enter Number</u> %	At or Below 45%
<u>Enter Number</u> %	At or Below 50%
<u>Enter Number</u> %	At or Below 60%
<u>Enter Number</u> %	<b>Total Set-Aside Percentage</b>

(b) Applicants in Bay or Leon County that utilize Tax-Exempt Bond Financing and Non-Competitive Housing Credits that do NOT commit to the Average Income Test complete the following chart:

Total Set-Aside Breakdown Chart - Percentage of Residential Units			
RRLP	MMRB (if requesting Corporation-Issued MMRB)	Non-Competitive HC	AMI Level
<u>Enter Number</u> %	<u>Enter Number</u> %	<u>Enter Number</u> %	At or Below 25%
<u>Enter Number</u> %	<u>Enter Number</u> %	<u>Enter Number</u> %	At or Below 28%
<u>Enter Number</u> %	<u>Enter Number</u> %	<u>Enter Number</u> %	At or Below 30%
<u>Enter Number</u> %	<u>Enter Number</u> %	<u>Enter Number</u> %	At or Below 33%
<u>Enter Number</u> %	<u>Enter Number</u> %	<u>Enter Number</u> %	At or Below 35%
<u>Enter Number</u> %	<u>Enter Number</u> %	<u>Enter Number</u> %	At or Below 40%
<u>Enter Number</u> %	<u>Enter Number</u> %	<u>Enter Number</u> %	At or Below 45%
<u>Enter Number</u> %	<u>Enter Number</u> %	<u>Enter Number</u> %	At or Below 50%
<u>Enter Number</u> %	<u>Enter Number</u> %	<u>Enter Number</u> %	At or Below 60%
Total Set-Aside Percentage	<u>Enter Number</u> %	<u>Enter Number</u> %	

Note: In order for the ELI Set-Aside Units to convert to serve residents at or below 60 percent AMI after 15 years, the ELI Set-Aside Units must only be a RRLP commitment and only be stated in the RRLP column of the Total Set-Aside Breakdown Chart. Applicants that restate the ELI commitment in the Housing Credit or MMRB column are committing to set-aside that percentage of the total units for ELI Households for the entire 50 Compliance Period.

(c) Applicants in Bay or Leon County that utilize Tax-Exempt Bond Financing and Non-Competitive Housing Credits that are committing to the Average Income Test must complete this chart:

Total Set-Aside Breakdown Chart	
Number of Residential Units for 50 year commitment	AMI Level
<u>Enter Number</u>	At or Below 20%
<u>Enter Number</u>	At or Below 30%
<u>Enter Number</u>	At or Below 40%
<u>Enter Number</u>	At or Below 50%
<u>Enter Number</u>	At or Below 60%
<u>Enter Number</u>	At or Below 70%
<u>Enter Number</u>	At or Below 80%
<u>Enter Number</u>	Market Rate Units

<p><b>Enter Number %</b>  <b>(Total Set-Aside Percentage)</b></p>	
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If the Applicant commits to the Average Income Test, the ELI Set-Aside Units must remain at 30% AMI or less throughout the entire 50 year Compliance Period.

Note: The Development Cost Pro Forma includes an Average Income Test worksheet to assist Applicants in this calculation. If the Total Set-Aside Breakdown Chart reflects that the Average AMI of all Set-Aside Units exceeds 60 percent, and/or if the number of Set-Aside Units set aside at 30 percent AMI or less, is not equal to or greater than the required ELI commitment, and/or the overall Set-Aside Commitment requirement is not met, the Application will not be eligible for funding.

c. Unit Mix Chart

(1) Complete the chart below:

Number of Bedrooms/Bathrooms per Unit	Number of Units per Bedroom Type	Number of Units that are ELI Set-Aside Units
<u>Choose an item.</u>	<u>Enter Number</u>	<u>Enter Number</u>
<u>Choose an item.</u>	<u>Enter Number</u>	<u>Enter Number</u>
<u>Choose an item.</u>	<u>Enter Number</u>	<u>Enter Number</u>
<u>Choose an item.</u>	<u>Enter Number</u>	<u>Enter Number</u>
<u>Choose an item.</u>	<u>Enter Number</u>	<u>Enter Number</u>
<u>Choose an item.</u>	<u>Enter Number</u>	<u>Enter Number</u>

(2) Answer the following questions:

(a) How many Zero Bedroom Units are described in the unit mix chart?

Enter Number

(b) How many one-bedroom units are described in the unit mix chart?

Enter Number

(c) How many two-bedroom units are described in the unit mix chart?

Enter Number

(d) How many three-bedroom units are described in the unit mix chart?

Enter Number

- (e) How many four-bedroom units are described in the unit mix chart?

Enter Number

- d. Number of Buildings

Number of anticipated residential buildings: Enter Number

**7. Readiness to Proceed**

- a. Site Control

The properly completed and executed Florida Housing Finance Corporation Site Control Certification form (Form Rev. 08-18) and attachments must be provided as **Attachment 8** to demonstrate site control as of Application Deadline.

- b. Ability to Proceed documents

- (1) Provide the required documentation to demonstrate zoning as **Attachment 9**.
- (2) Provide the required documentation to demonstrate availability of electricity as **Attachment 10**.
- (3) Provide the required documentation to demonstrate availability of water as **Attachment 11**.
- (4) Provide the required documentation to demonstrate availability of sewer as **Attachment 12**.
- (5) Provide the required documentation to demonstrate availability of roads as **Attachment 13**.

**8. Construction Features**

- a. Federal requirements and State Building Code requirements for all Developments are outlined in Section Four.
- b. General feature requirements for all Developments are outlined in Section Four.
- c. Accessibility feature requirements for all Developments are outlined in Section Four.
- d. Green Building Features:
  - (1) Green Building feature requirements for all Developments are outlined in Section Four.
  - (2) Applicants must commit to achieve one of the Green Building Certification programs described in Section Four during credit underwriting.

**9. Resident Programs:**

- a. Applicants that select the Family Demographic must commit to provide at least three (3) of the following resident programs:
- After School Program for Children
  - Adult Literacy
  - Employment Assistance Program
  - Family Support Coordinator
  - Financial Management Program
  - Homeownership Opportunity Program
- b. Developments serving the Elderly Non-ALF Demographic:
- (1) Required Resident Program for all Applicants that select the Elderly Demographic are outlined in Section Four.
- (2) Applicants that select the Elderly Demographic must commit to at least three (3) of the following resident programs, in addition to the required resident programs stated in Section Four:
- Adult Literacy
  - Computer Training
  - Daily Activities
  - Assistance with Light Housekeeping, Grocery Shopping and/or Laundry
  - Resident Assurance Check-In Program

**10. Funding**

- a. Corporation Funding
- (1) RRLP Base Loan Request Amount: \$ [Click here to enter text.](#)
- (2) ELI Loan Request Amount: \$ [Click here to enter text.](#)
- (3) Corporation-Issued MMRB Request Amount (if applicable): \$ [Click here to enter text.](#)
- \*If the Applicant intends to use Non-Corporation issued Tax-Exempt Bonds, provide the required information as **Attachment 14**.
- (4) Non-Competitive Housing Credits (if applicable)
- (a) Housing Credit Request Amount (annual amount): \$ [Click here to enter text.](#)

(b) Is the proposed Development the first phase of a multiphase Development?

[Choose an item.](#)

(c) Basis Boost Qualifications

(i) Is the proposed Development a subsequent phase of a multiphase Development and eligible for the basis boost?

[Choose an item.](#)

If “Yes”, state the Corporation-assigned Application Number for the Development where the first phase was declared: [Click here to enter text.](#)

(ii) Are any buildings in the proposed Development located in a SADDA?

[Choose an item.](#)

If “Yes”, provide the SADDA ZCTA Number(s): [Click here to enter text.](#)

(The Applicant should separate multiple SADDA ZCTA Numbers by a comma.)

(iii) Is the proposed Development located in a non-metropolitan DDA?

[Choose an item.](#)

(iv) Is the proposed Development located in a QCT?

[Choose an item.](#)

If “Yes”, indicate the HUD-designated QCT census tract number: [Click here to enter text.](#)

(d) The HC equity proposal must be provided as **Attachment 15**.

(5) Other Corporation Funding

(a) If a PLP loan has been awarded for this Development, provide the following information:

Corporation File #
<a href="#">Click here to enter text</a>

Amount of Funding
\$ <a href="#">Click here to enter text</a>

- (b) If any other Corporation funds will be incorporated as a source of financing for the proposed Development, provide the information in the chart below:

Corporation Program	Corporation File No.	Amount of Funding
SAIL	<a href="#">Enter file No.</a>	\$ <a href="#">Enter file No.</a>
HOME-Rental	<a href="#">Enter file No.</a>	\$ <a href="#">Enter file No.</a>
MMRB	<a href="#">Enter file No.</a>	\$ <a href="#">Enter file No.</a>
EHCL	<a href="#">Enter file No.</a>	\$ <a href="#">Enter file No.</a>

b. Non-Corporation Funding

- (1) If the proposed Development is assisted with funding under the United States Department of Agriculture RD 515 Program and/or the RD 538 Program, indicate the applicable program(s) below and provide the required documentation as **Attachment 16** to Exhibit A.

RD 515       RD 538

- (2) Non-Corporation Funding Proposals

Attach all funding proposals executed by the lender(s) or by any other source as **Attachment 17**.

c. Development Cost Pro Forma

To meet the submission requirements, upload the Development Cost Pro Forma with the Application and Principals of the Applicant and Developer(s) Disclosure Form (Form Rev. 05-2019) (“Principals Disclosure Form”), as outlined in Section Three of the RFA.

d. Public Housing Authority as a Principal of the Applicant Entity

Is a Principal of the Applicant Entity a Public Housing Authority or an instrumentality of a Public Housing Authority?

[Choose an item.](#)

If the Principal of the Applicant Entity is an instrumentality of a Public Housing Authority, state the name of the Public Housing Authority:

[Click here to enter text.](#)

\*\*\*\*\*

**B. Addenda**

Use the space below to provide any additional information or explanatory addendum for items in the Application. Please specify the particular item to which the additional information or explanatory addendum applies.

[Click here to enter text.](#)



**Exhibit B – Definitions**

“ACC” or “Annual Contributions Contract”	A contract between HUD and a Public Housing Authority containing the terms and conditions under which HUD assists in providing for development of housing units, modernization of housing units, operation of housing units, or a combination of the foregoing.
“Address”	The address number, street name and city or, at a minimum, the street name, closest designated intersection, and whether or not the Development is located within a city or in the unincorporated area of the county. If located within a city, include the name of the city.
“Affiliate”	Any person that: (a) Directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with the Applicant or Developer; (b) Serves as an officer or director of the Applicant or Developer or of any Affiliate of the Applicant or Developer; (c) Directly or indirectly receives or will receive a financial benefit from a Development except as further described in section C of Exhibit G of the RFA, or (d) Is the spouse, parent, child, sibling, or relative by marriage of a person described in paragraph (a), (b) or (c), above.
“Applicant”	Any person or legal entity of the type and with the management and ownership structure described herein that is seeking a loan or funding from the Corporation by submitting an Application or responding to a competitive solicitation pursuant to rule chapter 67-60, F.A.C., for one or more of the Corporation’s programs. For purposes of sections E and F of Exhibit G of the RFA, Applicant also includes any assigns or successors in interest of the Applicant. A ‘legal entity’ means a legally formed corporation, limited partnership or limited liability company.
“Application”	The sealed response submitted to participate in a competitive solicitation for funding pursuant to rule chapter 67-60, F.A.C.
“Board of Directors” or “Board”	The Board of Directors of the Corporation.
“Calendar Days”	The seven (7) days of the week.
“Compliance Period”	A period of time that the Development shall conform to all set-aside requirements as described further in Exhibit G of the RFA and agreed to by the Applicant in the Application.
“Contact Person”	The independent contractor under contract with the Corporation having the responsibility for providing stated credit underwriting services.
“Credit Underwriter”	The independent contractor under contract with the Corporation having the responsibility for providing stated credit underwriting services.
“Developer”	Any individual, association, corporation, joint venturer, or partnership which possesses the requisite skill, experience, and credit worthiness to successfully produce affordable housing as required in the Application.
“Developer Fee”	The fee earned by the Developer.
“Development”	Project as defined in section 420.503, F.S.
“Development Cash Flow”	With respect to RRLP Developments, cash transactions of the Development as calculated in the statement of cash flows prepared in accordance with generally accepted accounting principles (“GAAP”), as adjusted for any cash transactions that are subordinate to the RRLP loan interest payment including any distribution or payment to the Applicant or Developer, Principal(s) of the Applicant or Developer or any Affiliate of the Principal(s) of the Applicant or Developer, or to the Developer or any Affiliate of the Developer, whether paid directly or indirectly, which was not expressly disclosed in determining the annual debt service coverage in the Board approved final credit underwriting report.
“Development Cost”	The total of all costs incurred in the completion of a Development excluding Developer Fee, operating deficit reserves, and total land cost as typically shown in the Development Cost line item on the development cost pro forma.

“Development Expenses”	With respect to RRLP Developments, usual and customary operating and financial costs, such as the compliance monitoring fee, the financial monitoring fee, replacement reserves, the servicing fee and the debt service reserves. As it relates to RRLP Developments and to the application of Development Cash Flow described in section D, items (6) and (7) of Exhibit G, as it relates to RRLP Developments, the term includes only those expenses disclosed in the operating pro forma on an annual basis included in the final credit underwriting report, as approved by the Board, and maximum of 20 percent Developer Fee per year.
“Development Location Point”	A single point selected by the Applicant on the proposed Development site that is located within 100 feet of a residential building existing or to be constructed as part of the proposed Development. For a Development which consists of Scattered Sites, this means a single point on the site with the most units that is located within 100 feet of a residential building existing or to be constructed as part of the proposed Development.
“Draw”	The disbursement of funds to a Development.
“Elderly”	Elderly as defined in section 420.503, F.S.
“ELI Household” or “Extremely Low Income Household”	A household of one or more persons wherein the annual adjusted gross income for the Family is equal to or below the percentage of area median income for ELI Persons.
“ELI Loan”	The loan made by the Corporation for the Applicant’s ELI Set-Aside commitment, based on terms and conditions outlined in Exhibit H of the RFA.
“ELI Persons” or “Extremely Low Income Persons”	Extremely low income persons as defined in section 420.0004(9), F.S., or in the RFA.
“ELI Set-Aside” or “Extremely Low Income Set-Aside”	The number of units designated to serve ELI Households.
“Eligible Persons”	One or more natural persons or a family, irrespective of race, creed, national origin, or sex, determined by the Corporation to be of Low Income or Very Low Income, as further described in section C of Exhibit G of the RFA.
“Family”	Means a household composed of one or more persons.
“Financial Beneficiary”	Any Principal of the Developer or Applicant entity who receives or will receive any direct or indirect financial benefit from a Development except as further described in Section C of Exhibit G of the RFA.
“Financial Institution”	Lending institution as defined in section 420.503, F.S.
“General Contractor”	A person or entity duly licensed in the state of Florida with the requisite skills, experience and credit worthiness to successfully provide the units required in the Application, and which meets the criteria described in Section B of Exhibit G of the RFA.
“HUD”	The United States Department of Housing and Urban Development.
“IRC”	26 CFR Section 42 and subsections 501(c)(3) and 501(c)(4) of the Internal Revenue Code of 1986, together with corresponding and applicable final, temporary or proposed regulations, notices, and revenue rulings issued with respect thereto by the Treasury or the Internal Revenue Service of the United States.
“Local Government”	Local government as defined in section 420.503, F.S.
“Low Income”	The Adjusted Income for a Family which does not exceed 80 percent of the area median income.
“LURA” or “Land Use Restriction Agreement”	An agreement which sets forth the set-aside requirements and other Development requirements under a Corporation program.
“Mortgage”	Mortgage as defined in section 420.503, F.S.
“Non-Competitive Housing Credits”	The Housing Credits which qualify to be used with Tax-Exempt Bond-Financed Developments and do not come from the Corporation’s annual Allocation Authority.
“Non-Profit”	A qualified non-profit entity as defined in Section 42(h)(5)(C), subsection 501(c)(3) or 501(c)(4) of the IRC and organized under chapter 617, F.S., if a Florida Corporation, or

	organized under similar state law if organized in a jurisdiction other than Florida, to provide housing and other services on a not-for-profit basis, which owns at least 51 percent of the ownership interest in the Development held by the general partner or managing member entity, which shall receive at least 25 percent of the Developer Fee, and which entity is acceptable to federal and state agencies and financial institutions as a Sponsor for affordable housing, as further described in section C of Exhibit G of the RFA.
“Note”	A unilateral agreement containing an express and absolute promise to pay to the Corporation a principal sum of money on a specified date, which provides the interest rate and is secured by a Mortgage.
“PBRA” or “Project-Based Rental Assistance”	A rental subsidy through a contract with HUD or RD for a property.
“Persons with Special Needs”	Persons with Special Needs as defined in Section 420.0004(13), F.S.
“PHA” or “Public Housing Authority”	A housing authority under chapter 421, F.S.
“Principal”	(a) For a corporation, each officer, director, executive director, and shareholder of the corporation. (b) For a limited partnership, each general partner and each limited partner of the limited partnership. (c) For a limited liability company, each manager and each member of the limited liability company. (d) For a trust, each trustee of the trust and all beneficiaries of majority age (i.e.; 18 years of age) as of Application deadline. (e) For a Public Housing Authority, each officer, director, commissioner, and executive director of the Authority.
“Project” or “Property”	Project as defined in section 420.503, F.S.
“RD” or “Rural Development”	The Rural Development (RD), Rural Housing Service (RHS) agency, within the United States Department of Agriculture (USDA), or any successor agency, department, entity or instrumentality designated by law to administer the programs or exercise the powers of the USDA RD RHS.
“Regulated Mortgage Lender”	(a) A state or federally chartered entity authorized to transact business in this state that regularly engages in the business of making mortgage loans secured by real property in this state, whose mortgage lending activities subject it to the jurisdiction of the State of Florida Office of Financial Regulation, the Board of Governors of the Federal Reserve, Office of the Comptroller of the Currency, the National Credit Union Administration, or the Federal Deposit Insurance Corporation; (b) A Fannie Mae-approved lender whose name appears on the Fannie Mae list of Delegated Underwriting and Servicing (DUS®) Lenders*; (c) A HUD-approved lender whose name appears on the U.S. Department of Housing and Urban Development (HUD) list of Multifamily Accelerated Processing (MAP) Approved Lenders*; (d) A RD-approved lender whose name appears on the U.S. Department of Agriculture, Rural Development (RD), list of Section 538 Guaranteed Rural Rental Housing approved lenders*; or (e) A Freddie Mac-approved multifamily lender whose name appears on Freddie Mac’s lists of Program Plus (Florida region) lenders, Targeted Affordable Housing lenders or Seniors Housing lenders*; or (f) a mortgage lender that is a certified Community Development Financial Institution (CDFI) in the State of Florida that has been awarded funding from the CDFI Fund in a cumulative amount of at least \$5,000,000, exclusive of New Market Tax Credit (NMTC) awards, whose name and CDFI awards can be confirmed on the CDFI Fund’s web site (Qualified CDFI, and the affiliate(s) of such Qualified CDFI. As used herein, the affiliate(s) of a Qualified CDFI means the parent, subsidiary or successor of the Qualified CDFI, or an entity that shares common ownership or management with the

	<p>Qualified CDFI. If the lender is an affiliate of the Qualified CDFI, the funding letter(s) being considered by the Corporation must include the name of the Qualified CDFI and a statement that the lender is an affiliate of the Qualified CDFI. *These documents are available on the RFA Website.</p>
“Review Committee” or “Committee”	A committee established pursuant to rule chapter 67-60, F.A.C.
“RRLP Development”	A residential Development comprised of one (1) or more residential buildings proposed to be constructed with RRLP funds for Eligible Persons.
“RRLP Minimum Set-Aside Requirement”	The least number of set-aside units in a RRLP Development which must be held for Very Low-Income persons or households pursuant to the category (i.e., Family, Elderly) under which the Application has been made, as further described in Section D of Exhibit G of the RFA.
“RRLP Rent-Restricted Unit”	With respect to a RRLP Development, a unit for which the gross monthly rent shall not exceed 30 percent of the imputed income limitation applicable to such unit as committed to by the Applicant in its Application and shall be determined in a manner consistent with Section 42(g)(2) of the IRC.
“Scattered Sites,”	As applied to a single Development, means a Development site that, when taken as a whole, is comprised of real property that is not contiguous (each such non-contiguous site within a Scattered Site Development, is considered to be a “Scattered Site”). For purposes of this definition “contiguous” means touching at a point or along a boundary. Real property is contiguous if the only intervening real property interest is an easement, provided the easement is not a roadway or street. All of the Scattered Sites must be located in the same county.
“Set-Aside Units”	<p>When not committing to the Average Income Test, Set-Aside Units are Units set aside at or below 60 percent of the Area Median Income (AMI) for the county in which the Development is located. For purposes of the Average Income Test, units may be set-aside at or below 80 percent of the AMI in the county in which the Development is located, but the average AMI shall not exceed 60 percent. The total number of Set-Aside Units is calculated as follows:</p> <p>The total number of units within the proposed Development multiplied by the highest Total Set-Aside Percentage the Applicant committed to as stated in the last row of the set-aside breakdown chart in the Set-Aside Commitment section of the Application. Results that are not a whole number will be rounded up to the next whole number.</p>
“Special Needs Household”	A household consisting of a Family that is considered to be Homeless, a survivor of Domestic Violence, a Person with a Disability, or Youth Aging Out of Foster Care. These households require initial, intermittent or on-going supportive services from one or more community based service providers to obtain and retain stable, adequate and safe housing in their communities.
“Special Needs Household Referral Agency”	An organization that is designated and authorized by legislative mandate or the responsible federal or state agency to plan, coordinate and administer the provision of federal or state supportive services or long-term care programs for at least one Special Needs Household population.
“Tax-Exempt Bond-Financed Development”	A Development which has been financed by the issuance of tax-exempt bonds subject to applicable volume cap pursuant to Section 42(h)(4) of the IRC.
“Total Development Cost”	The total of all costs incurred in the completion of a Development, all of which shall be subject to the review and approval by the Credit Underwriter and the Corporation pursuant to this RFA, and as further described in section C of Exhibit G of the RFA.
“Very Low-Income”	(a) With respect to the RRLP Program,

	<ol style="list-style-type: none"> <li>1. If using tax-exempt bond financing for the first mortgage, income which meets the income eligibility requirements of Section 8 of the United States Housing Act of 1937, as in effect as of the Application Deadline for this RFA, or</li> <li>2. If using taxable financing for the first mortgage, total annual gross household income which does not exceed 50 percent of the median income adjusted for family size, or 50 percent of the median income adjusted for family size for households within the metropolitan statistical area (MSA), within the county in which the Family resides, or within the state of Florida, whichever is greater, or</li> <li>3. If used in a Development using Housing Credits, income which meets the income eligibility requirements of Section 42 of the IRC.</li> </ol>
<p>“Website”</p>	<p>The Florida Housing Finance Corporation’s website, the Universal Resource Locator (URL) for which is <a href="http://www.floridahousing.org">www.floridahousing.org</a>.</p>
<p>“Zero Bedroom Unit”</p>	<p>A single person occupancy unit of at least 350 square feet that includes a private full bathroom and a vertical closet for clothing. The unit shall include a kitchen with a refrigerator, stove and sink.</p>

**Exhibit C – Additional Information**

**1. Total Development Cost Per Unit Limitation**

- a. The Total Development Cost Per Unit Limitation was reviewed during the scoring process as outlined in Section Five, A. During credit underwriting and final cost certification, the Total Development Cost Per Unit Limitation will be reviewed again using the values in the chart below.

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

Measure	New Construction Units			
	Garden Wood*	Garden ESS*	Mid-Rise-Wood*	Mid-Rise-ESS*
Maximum TDC Per Unit Limitation ** for all counties except Broward and Miami-Dade	\$212,200	\$255,400	\$255,400	\$282,200
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 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	
TDC Add-On for Applicants utilizing tax-exempt bond funding due to known expenses related to bond transactions			\$5,000 of additional per unit costs will be added to the above Maximum TDC Per Unit Limitation	

\* Garden includes all Development Types other than Mid-Rise; Non-Garden includes Development Type of Mid-Rise with elevator (4 stories); Mid-Rise includes Development Types of Mid-Rise with elevator (4 stories). ESS means Enhanced Structural Systems Construction.

\*\* Exclusive of land costs and exclusive of any approved operating deficit reserves that are part of the permanent phase (i.e., non-construction) financing for the Development which have not been included within the Developer fee. When the term of operating deficit reserves (ODR) is mentioned in this TDC Per Unit Limitation section, the term shall refer to these particular operating deficit reserves. Examples of reserves which can be considered part of the operating deficit reserve for this calculation are provided in the Operating Deficit Reserve portion of the Funding section in the RFA. For purposes of property acquisition valuation (land with or without building improvements), the Corporation uses the lesser of the appraised value, or the actual cost of acquisition. The appraised value will be determined during credit underwriting. When land costs are referenced in this TDC Per Unit Limitation section, the reference shall be limited to the amount of the land cost approved by the Corporation to be provided in the final cost certification under the land owned cost line item. For Applicants that have a public housing authority/instrumentality of a public housing authority listed as a Principal on the Applicant’s Principal Disclosure Form may also exclude demolition costs and tenant relocation costs from TDC PU Limitation calculations. The total amount of costs that are to be excluded from the TDC Per Unit Limitation process are the applicable land costs, operating deficit reserves and certain PHA costs described herein are referred to in Exhibit C in the congregate as applicable qualifying costs.

- b. Any Applicant that has the Credit Underwriter present a credit underwriting report with an amount that exceeds these limitations by more than 5 percent, after taking into consideration an escalation factor for development costs rising after the Application Deadline of 3.0 percent for any Development with the Development Category of New Construction, Redevelopment, or Acquisition and Redevelopment, and incorporating any applicable TDC reduction and adjustments processes provided below will receive a negative recommendation by the Credit Underwriter.

Any Applicant that has the Credit Underwriter present a credit underwriting report with an amount that exceeds these limitations will require staff to review the credit underwriting report for compliance to the TDC reduction and adjustment procedure provided below:

- (1) A TDC Per Unit Limitation is the maximum allowable and is determined by adding the applicable TDC Per Unit Base Limitation from the table above with respect to the Development as provided in this RFA to any applicable TDC add-on and multiplying that sum by the appropriate escalation rate, and then dividing by any applicable TDC multiplier and finally taking the resulting amount and multiplying it by the number of total units in the Development. If there are multiple unit types, this process is done for each unique unit type and then they are all added together.

The Developer fee will be limited to the maximum allowable within the TDC Per Unit Limitation, in all instances. A Developer fee can be earned on Development Cost as defined by this RFA, up to the maximum allowed within the TDC Per Unit Limitation, but it cannot be earned on costs in excess of said limitation. If the Development costs exceed the amount allowed by the TDC Per Unit Limitation, then the maximum allowable Developer fee will be adjusted as outlined below. The maximum allowable Developer fee limit can be determined by taking the TDC Per Unit Limitation amount and dividing by 1.16\* and then multiply the result by 16 percent\*. This will yield the maximum allowable Developer fee within the TDC Per Unit Limitation.

Prior to determining any necessary adjustment, if the Developer fee initially stated by the Applicant or Credit Underwriter is in excess of the maximum allowable Developer fee as provided in 1.b.(1) above, the stated Developer fee will be reduced to said maximum allowable Developer fee, and the TDC will be equally reduced to incorporate the cost reduction.

- (2) Subsequent to reducing the stated Developer fee to the maximum allowable amount provided above, additional adjustments may be necessary if the TDC Per Unit Limitation remains exceeded. An adjustment to the maximum allowable Developer fee limit shall be determined by reducing the maximum allowable Developer fee, as determined in 1.b.(1) above, dollar-for-dollar, for any costs in excess of the amount allowed by the TDC Per Unit Limitation, up to the lesser of (a) the actual amount of costs in excess of the amount allowed by the TDC Per Unit Limitation, (b) \$500,000, or (c) 25 percent of the initial maximum allowable Developer fee limit. If the stated Developer fee, inclusive of any necessary adjustments incorporated above, exceeds the maximum allowable Developer fee limit as adjusted herein, the stated Developer fee, inclusive of any necessary adjustments incorporated above shall be further adjusted to not exceed the new maximum allowable Developer fee limit, and the Applicant's TDC will be equally reduced to incorporate the cost reduction. If after following this Developer fee limitation process, the Applicant's TDC exclusive of the applicable qualifying costs is reduced to be within the amount allowed by the TDC Per Unit Limitation, then the Developer fee adjustment calculation is complete. If the Applicant's TDC exclusive of the applicable

qualifying costs remains above the amount allowed by the TDC Per Unit Limitation, then there is an additional Developer fee adjustment process, as outlined in (3) below.

- (3) An additional Developer fee limitation adjustment will be initiated to further reduce the allowable maximum Developer fee limit in the event the Applicant's TDC exclusive of the applicable qualifying costs (as adjusted above) exceeds the TDC Per Unit Limitation. The reduction will be determined by deriving a percentage amount that the Applicant's TDC exclusive of the applicable qualifying costs (as adjusted above) exceeds the TDC Per Unit Limitation, and multiplying this excess percentage by the amount of the adjusted Developer fee, resulting in a product that is the additional adjustment to the Developer fee. For instance, if the Applicant's adjusted TDC exclusive of the applicable qualifying costs exceeds the limitation by 4 percent, then the maximum allowable Developer fee limit is further reduced by 4 percent. If the stated Developer fee is greater than this limit, it must be reduced to be equal to the new limit. Once this step is complete, there is no further Developer fee adjustment or corresponding cost savings mandated to be incorporated into the Applicant's TDC for this process.

It is at this point that the Applicant's adjusted TDC exclusive of the applicable qualifying costs are compared to the TDC Per Unit Limitation, and if the TDC Per Unit Limitation is exceeded by more than 5 percent (as presented in the opening paragraph of 1.b above), the credit underwriting report shall be presented with a negative recommendation by the Credit Underwriter.

As a note, if the Developer fee in the credit underwriting report is already at or below the maximum allowable Developer fee limit, then there is no additional adjustment mandated to be incorporated into the Developer fee. This also means there are no corresponding cost savings to reduce the Applicant's TDC since all TDC cost reductions stemming from this process are coming from reducing the Developer fee. If the Developer fee in the credit underwriting report needs to be reduced to incorporate any adjustment as provided above, then as the Developer fee is reduced, so is the Applicant's TDC in order to incorporate the reduced Developer fee cost.

For example:

A 45-unit Development located in Bay County with a Development Category of new construction and a Development Type of Garden-ESS (NC) with 45 units. The credit underwriter initially reports the Applicant's TDC of \$12,730,000, inclusive of the Applicant's stated Developer Fee of \$1,940,000, but exclusive of applicable qualifying costs at time of credit underwriting, and also prior to any adjustment. The Applicant does qualify for a TDC Add-On of \$5,000 for utilizing tax-exempt bond financing.

**Calculate TDC Limitation for the Development and Maximum Allowable Developer Fee**

- 1.(a) TDC Per Unit Base Limitation, inclusive of any applicable TDC Add-On (\$5,000), any applicable TDC Multiplier (100%), and the credit underwriting escalation rate (3.0%):  $[(\$255,400.00 \text{ Per Unit} + \$5,000 \text{ TDC Add-On}) \times 45 \text{ Garden-ESSC (NC) Units}] \times (1 + 3.0\%) / 100\% \text{ TDC Multiplier} = \$12,069,540$ . (To determine



the final TDC PU Limitation, divide by total units:  $\$12,069,540 / 45 \text{ Total Units} = \$268,212.00 \text{ Per Unit.}$ )

- 1.(b) Implied maximum Development Cost per the limitation:  $\$12,069,540 \div 1.18 = \$10,228,424.$
- 1.(c) Determine maximum allowable Developer Fee limit within the TDC limitation (prior to any applicable Developer Fee adjustment):  $\$10,228,424 \times 18\% = \$1,841,116.$
- 1.(d) This maximum Developer Fee is  $\$1,841,116.$

*(Note: The calculations in both 1.(b) and 1.(c) incorporates the requirement to round down the Developer Fee to the next lower whole dollar.)*

**First Developer Fee/TDC adjustment Calculation Methodology (If necessary)**

- 2.(a)(i) Is the Applicant's initial Developer Fee ( $\$1,940,000$ ) greater than the maximum allowable of  $\$1,841,116$ ?  $\$1,940,000 > \$1,841,116$ ; Yes.
- 2.(a)(ii) If the response to 2.(a)(i) is "Yes", then determine the excess:  $\$1,940,000 - \$1,841,116 = \$98,884$  (initial excess Developer Fee).
- 2.(b) Reduce the Applicant's initial Developer Fee to the lesser of either the maximum allowable ( $\$1,841,116$ ) or the Applicant's initial fee ( $\$1,940,000$ ) and reduce the Applicant's initial TDC by an equal amount:  $\$1,940,000 - \$98,884 = \$1,841,116$  (Applicant's initial adjusted fee);  $\$12,730,000 - \$98,884 = \$12,631,116$  (Applicant's initial adjusted TDC).
- 2.(c) If the response to 2.(a)(i) is "No" or once the adjustment of 2.(b) has been completed, then determine if the Applicant's (adjusted) TDC remains in excess of the limitation and if so, the amount of the excess:  $\$12,631,116$  (initial adjusted TDC)  $> \$12,069,540$  (TDC limitation);  $\$12,631,116 - \$12,069,540 = \$561,576$  (excess).
- 2.(d) Determine the components used to calculate an adjusted maximum allowable Developer Fee. Any adjustment will be the lesser of either (i) 100% of the excess TDC ( $\$561,576$ ), (ii)  $\$500,000$ , or (iii) 25 percent of the maximum allowable Developer Fee limit ( $25\% \times \$1,841,116 = \$460,279$ ):  $\$460,279 < \$500,000 < \$561,576.$
- 2.(e) Apply the least amount of the three components in 2(d) above ( $\$460,279$ ) to determine the maximum allowable Developer Fee limit, subject to this adjustment:  $\$1,841,116 - \$460,279 = \$1,380,837$  (maximum fee limit at this stage).
- 2.(f) Determine if the Applicant's initial adjusted Developer Fee (as provided in 2.(b) above) is greater than the new maximum allowable Developer Fee limit (from 2.(e) above) and, if so, reduce the Applicant's initial adjusted fee appropriately:  $\$1,841,116$  (Applicant's initial adjusted fee)  $> \$1,380,837$  (maximum fee limit at

this stage); Adjust the fee appropriately: Applicant's interim adjusted fee = \$1,380,837.

- 2.(g) Determine the Applicant's TDC reduction due to the Developer Fee adjustment in 2.(f) above and apply the adjustment accordingly: \$1,841,116 (Applicant's initial adjusted fee) - \$1,380,837 = \$460,279 (Applicant's TDC reduction); \$12,631,116 - \$460,279 = \$12,170,837 (Applicant's interim adjusted TDC).

(As a note, this TDC is still greater than the TDC Per Unit Limitation so an additional adjustment to the maximum allowable Developer Fee will need to be calculated.)

**Second Developer Fee/TDC adjustment Calculation Methodology (If necessary)**

- 3.(a) Determine the percentage the Applicant's (adjusted) TDC without the applicable qualifying costs (as adjusted above in 2.(g)) that exceeds the amount allowed by the TDC Per Unit Limitation: Amount of excess TDC: \$12,170,837 (Applicant's interim adjusted TDC) - \$12,069,540 (TDC limitation) = \$101,297 (excess TDC); Excess TDC as a percentage of TDC Limitation:  $\$101,297 \div \$12,069,540 = 0.84\%$ . (Note: This number is only rounded here for illustrative purposes. The actual calculation will not be rounded.)
- 3.(b) Determine the final maximum Developer Fee limit:  $0.84\% \times \$1,380,837$  (maximum fee limit from 2.(e) above) = \$11,589;  $\$1,380,837 - \$11,589 = \$1,369,248$  (final maximum allowable Developer Fee limit).
- 3.(c) Determine if the Applicant's interim adjusted Developer Fee (from 2.(f) above) is greater than the final maximum allowable Developer Fee limit (from 3.(b) above) and, if so, reduce the Applicant's interim adjusted Developer Fee appropriately:  $\$1,380,837$  (Applicant's interim adjusted fee) > \$1,369,248 (final fee limitation);  $\$1,380,837 - \$11,589 = \$1,369,248$  (Applicant's final adjusted Developer Fee).
- 3.(d) Determine the Applicant's final adjusted TDC at time of credit underwriting by taking the Applicant's interim adjusted TDC (as provided in 2.(g) above) and subtracting any adjustment to the Applicant's final adjusted Developer Fee (from 3.(c) above):  $\$12,170,837 - \$11,589 = \$12,159,248$  (Applicant's final adjusted TDC).
- 3.(e) Verify the status of the 5% variance test:  $(\$12,159,248 - \$12,069,540) / \$12,069,540 = 0.74\%$ , which falls within the criteria of being less than or equal to 5% above of the amount allowed by the TDC Per Unit Limitation.

- c. Any Applicant that presents a Final Cost Certification Application Package (FCCAP) **that has applicable TDC amounts that exceed the TDC Per Unit Limitation** will require staff to review the FCCAP for compliance to the procedure provided in (1), (2) and (3) below **if the Applicant did not have its Developer Fee adjusted at credit underwriting as provided in 1.b. above**, either voluntarily or by the credit underwriter in order to get the Applicant's TDC exclusive of the applicable qualifying costs to be in compliance with the TDC Per Unit Limitation requirements.

- (1) A TDC Per Unit Limitation is the maximum allowable and is determined by adding the applicable TDC Per Unit Base Limitation from the table above with

respect to the Development as provided in this RFA to any applicable TDC add-on and multiplying that sum by the appropriate escalation rate, and then dividing by any applicable TDC multiplier and finally taking the resulting amount and multiplying it by the number of total units in the Development. If there are multiple unit types, this process is done for each unique unit type and then they are all added together.

The Developer Fee will be limited to the maximum allowable within the TDC Per Unit Limitation, in all instances. A Developer Fee can be earned on Development Cost as defined by Exhibit B of the RFA and, if applicable, Rule Chapter 67-21, F.A.C., up to the maximum allowed within the TDC Per Unit Limitation, but it cannot be earned on costs in excess of said limitation. If the Development costs exceed the amount allowed by the TDC Per Unit Limitation, then the maximum allowable Developer Fee will be adjusted as outlined below. The maximum allowable Developer Fee limit can be determined by taking the TDC Per Unit Limitation amount and dividing by 1.16\* and then multiply the result by 16 percent\*. This will yield the maximum allowable Developer Fee within the TDC Per Unit Limitation.

Prior to determining any necessary adjustment, if the Developer Fee initially stated by the FCCAP is in excess of the maximum allowable Developer Fee as provided in 1.c.(1) above, the Developer Fee will be reduced to said maximum allowable Developer Fee, and the Applicant's TDC will be equally reduced to incorporate the cost reduction.

- (2) Subsequent to reducing the Developer Fee to the maximum allowable amount, additional adjustments may be necessary if the TDC Per Unit Limitation remains exceeded. An adjustment to the maximum allowable Developer Fee limit shall be determined by reducing the maximum allowable Developer Fee limit as determined in 1.c.(1) above, dollar-for-dollar, for any costs in excess of the amount allowed by the TDC Per Unit Limitation, up to the lesser of (a) the actual amount of costs in excess of the amount allowed by the TDC Per Unit Limitation, (b) \$250,000, or (c) 10 percent of the initial maximum allowable Developer Fee limit. If the stated Developer Fee, inclusive of any necessary adjustments incorporated above, exceeds the maximum allowable Developer Fee limit as adjusted herein, the stated Developer Fee, inclusive of any necessary adjustments incorporated above, shall be further adjusted to not exceed the new maximum allowable Developer Fee limit, and the Applicant's TDC will be equally reduced to incorporate the cost reduction. If, after following this Developer Fee limitation process, the Applicant's TDC exclusive of the applicable qualifying costs is reduced to be within the amount allowed by the TDC Per Unit Limitation, then the Developer Fee adjustment calculation is complete. If the Applicant's TDC exclusive of the applicable qualifying costs remains above the amount allowed by the TDC Per Unit Limitation, then there is an additional Developer Fee adjustment process, as outlined in (3) below.
- (3) An additional Developer Fee limitation adjustment will be initiated to further reduce the maximum allowable Developer Fee limit in the event the Applicant's TDC exclusive of the applicable qualifying costs (as adjusted above) exceeds the TDC Per Unit Limitation. The reduction will be determined by deriving a percentage amount that the Applicant's TDC exclusive of the

applicable qualifying costs (as adjusted above) exceeds the amount allowed by the TDC Per Unit Limitation, and multiplying this excess percentage by the amount of the adjusted Developer Fee, resulting in a product that is the additional adjustment to the Developer Fee. For instance, if the Applicant's adjusted TDC exclusive of the applicable qualifying costs exceeds the limitation, by 4 percent, then the maximum allowable Developer Fee limit is further reduced by 4 percent. If the stated Developer Fee is greater than this limit, it must be reduced to be equal the new limit. Once this step is complete, there is no further Developer Fee adjustment or corresponding cost savings to be incorporated into the Applicant's TDC as a result of this process.

**If the Applicant already had its Developer Fee adjusted at credit underwriting as provided in 1.b. above**, either voluntarily or by the credit underwriter in order to get the Applicant's TDC exclusive of the applicable qualifying costs to be in compliance with the TDC Per Unit Limitation requirements, **but the Applicant's TDC without the applicable qualifying costs in the FCCAP is now less than the Applicant's TDC without the applicable qualifying costs provided in the credit underwriting report**, then the Developer Fee will be re-evaluated based on the procedure provided in 1.b. above, just as if it were going through the credit underwriting report process again.

**If the Applicant already had its Developer Fee adjusted at credit underwriting as provided in 1.b. above**, either voluntarily or by the credit underwriter in order to get the Applicant's TDC exclusive of the applicable qualifying costs to be in compliance with the TDC Per Unit Limitation requirements, **and the Applicant's TDC the applicable qualifying costs in the FCCAP exceeds the Applicant's TDC without the applicable qualifying costs provided in the credit underwriting report**, then the Developer Fee will have an additional adjustment to be incorporated as provided in (4) below. For the adjustment process below, the maximum initial Developer Fee (i.e., prior to any adjustments provided in (4) below) cannot exceed the final Developer's fee as stated in the credit underwriting report.

- (4) For an Applicant that already had its Developer Fee adjusted at credit underwriting as provided in 1.b. above and whose TDC without the applicable qualifying costs in the FCCAP exceeds the Applicant's TDC without the applicable qualifying costs provided in the credit underwriting report, the maximum allowable Developer Fee limit will incorporate an additional adjustment. This additional Developer Fee adjustment will be the lesser of (a) the difference between the amount of the Applicant's TDC exclusive of the applicable qualifying costs as reported in the FCCAP that is in excess of the Applicant's TDC exclusive of the applicable qualifying costs provided in the credit underwriting report, (b) \$250,000, or (c) 10 percent of the allowable Developer Fee reported in the credit underwriting report. If the Developer Fee in the FCCAP is already equal to or less than the maximum allowable Developer Fee limit as determined with the incorporation of this additional Developer Fee adjustment, then neither the Developer Fee nor the Applicant's TDC is further reduced.

For example:

Assuming the Development in the example provided in 1.b. above provides an FCCAP with the Applicant's TDC, exclusive of the applicable qualifying costs, which is \$265,000

higher than the Applicant's TDC, exclusive of applicable qualifying costs, provided in the credit underwriting report, but the Developer Fee is the same as provided in the credit underwriting report of \$1,369,248. The additional Developer Fee adjustment will be the lesser of (a) \$265,000 (the new excess costs), (b) \$250,000 (the maximum dollar limit of this additional Developer Fee adjustment), or (c) \$136,925 (10% of the allowable Developer Fee reported in the credit underwriting report).

Since option (c) is the least amount of the three options, the allowable Developer Fee will be lowered by \$136,925. Since the Applicant's Developer Fee initially reported in the FCCAP is equal to the allowable Developer Fee reported in the credit underwriting report, the Applicant's Developer Fee will be adjusted in the same manner as the allowable Developer Fee. The allowable Developer Fee and the Applicant's Developer Fee will be \$1,232,323 (the allowable Developer Fee reported in the credit underwriting report of \$1,369,248, less the adjustment of \$136,925, comprised of a 5% ODR portion of \$0 and a 16% portion of \$1,232,323). The Applicant's TDC, exclusive of applicable qualifying costs, in the FCCAP would be adjusted to \$12,287,323 (\$12,159,248 from the credit underwriting report plus \$265,000 of new additional costs less \$136,925 for the reduction in allowable Developer Fee).

\* These figures represent the applicable Developer Fee percentage for the Development of 16% and one plus the applicable Developer Fee percentage for the Development (1+16%). If tax-exempt bonds are being utilized, the applicable Developer Fee percentage for the Development is 18% and the one plus the applicable Developer Fee percentage for the Development is (1+18%).

## 2. Leveraging Classification

Each eligible Application will be assigned a Leveraging Level 1 – 5, with 1 being the best score, based on the total Corporation RRLP Funding amount relative to all other eligible Application's total Corporation RRLP Funding amount.

The total Corporation RRLP Funding amount is calculated only using the Applicant's Eligible RRLP Request. ELI Loan funding, MMRB, and Non-Competitive Housing Credit funding, if applicable, will all be excluded from the following leveraging calculation.

- a. The total Corporation RRLP funding amount will be calculated using the methodology described in (1) through (5) below:
  - (1) If the Development qualifies the HC basis boost, the Eligible RRLP Request Amount will be multiplied by 1.10; and
  - (2) If the Applicant has a PHA as a Principal (disclosed in the Principal Disclosure form), a multiplier of 0.92 will be applied.
  - (3) If the proposed Development met the requirements to be considered ESS Construction, a multiplier of 0.88 will be applied.
  - (4) If the proposed Development does not meet the requirements to be considered ESS Construction, a multiplier of 0.98 will be applied.

Note: More than one of the above may apply. For instance, if (1) and (2) and (3) apply, the Eligible RRLP Request will be multiplied by 1.10 and then by 0.92 and then by 0.88. A proposed Development will qualify for either (3) or (4), above, but not both.

(5) The total Corporation RRLP funding amount will be adjusted further as follows:

If the proposed Development meets all of the following requirements, the total Corporation funding amount will be multiplied by 0.90:

- Applicant selected the Mid-Rise with Elevator (a building comprised of 4 stories) Development Type and at least 90 percent of the total units are in these Mid-Rise building(s), and
- Applicant selected the Development Category of New Construction.

- b. The total Corporation RRLP funding amount will then be divided by the number of Set-Aside Units, resulting in the total Corporation RRLP funding per Set-Aside unit.
- c. The Applications will be listed in ascending order beginning with the Application that has the lowest amount of total Corporation RRLP funding per Set-Aside Unit and ending with the Application that has the highest amount.

The total number of Applications on the list will be multiplied by 20 percent and the resulting figure will be rounded up to the next whole number (the resulting figure after rounding will be referred to as the "First Quintile Cut-Off"). A line will be drawn below the Application whose place on the list is equal to the First Quintile Cut-Off. If any Application(s) below the line has the same total Corporation SAIL funding per Set-Aside Unit as the Application immediately above the line, the line will be moved to a place immediately below that Application(s).

Applications above the First Quintile Cut-Off will be classified as Leveraging Level 1 and Applications below the First Quintile Cut-Off will continue with this same process until all eligible Applications have been assigned to one of five quintile leveraging levels (Leveraging Level 1 representing the top 20 percent, Leveraging Level 2 representing the top 40 percent that are not Leveraging Level 1; Leveraging Levels 3 and 4 representing the next sequential quintiles; and Leveraging Level 5 remaining Applications).

### **3. 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 RRLP funding. 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 10.0.

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

- The number of new construction units committed to by the Applicant (as stated by the Applicant in Exhibit A);
- The applicable Florida job creation rate for the type of units:
  - Rate of 3.974 Florida Jobs per unit for proposed new construction units;
- The Eligible RRLP Request Amount.

The score for the Florida Rate of Job Creation per \$1 million of implied eligible RRLP funding will be measured using one of the following calculations:

Number of new construction units x 3.974 Florida Jobs per unit x 1,000,000 / (the Eligible RRLP Request Amount) = Florida Jobs per \$1 million of RRLP Allocation.

For example:

Application A consists of 30 new construction units and has an Eligible RRLP Request Amount of \$5,000,000.

$30 \times 3.974 \times 1,000,000 / (5,000,000 = \text{Florida Job Creation score of } 23.84.$

In above example, all Applications will qualify for the Job Creation Funding Preference because each has a Florida Job Creation score that is at least 10.

**4. Fees**

The Corporation and, if applicable, the Credit Underwriter shall collect via check or money order from the Applicant the following fees and charges in conjunction with this RFA. Failure to pay any fee shall cause the funding awarded to be withdrawn as outlined in the credit underwriting and program requirements outlined in Exhibits G and H of the RFA and, if applicable, Rule Chapter 67-21, F.A.C.

a. Application Fee

All Applicants requesting funding in this RFA shall submit to the Corporation as a part of the Application submission a non-refundable Application fee of \$3,000.

b. Credit Underwriting Fees

The following fees are not the fees that will be charged but are listed below for estimation purposes of completing the Development Cost Pro-Forma in the Application. The actual fees will be determined based on the current contract, including any addendum, for services between the Corporation and the Credit Underwriter(s) in effect at the time underwriting begins.

<b>Funding Requested</b>	<b>Primary Program Fee</b>		<b>Multiple Program Fees</b>	<b>Total</b>
RRLP and ELI loan funding	\$14,082	+	\$0	\$14,082
RRLP and ELI loan funding with MMRB and 4% HC	\$15,117 – MMRB funding	+	\$4,717 – RRLP and ELI loan funding \$4,717 – HC funding	\$23,516

- (1) Re-underwriting fee: \$181 per hour, not to exceed \$7,990.

If a Housing Credit Development involves Scattered Sites of units within a single market area, a single credit underwriting fee shall be charged. Any Housing Credit Development requiring further analysis by the Credit Underwriter pursuant to Section 42(m)(2) of the IRC will be subject to an hourly fee of \$181. All credit underwriting fees shall be paid by the Applicant prior to the performance of the analysis by the Credit Underwriter.

Any RRLP Development requiring further analysis by the Credit Underwriter will be subject to a fee based on an hourly rate determined pursuant to contract between the Corporation and the Credit Underwriter. All credit underwriting fees shall be paid by the Applicant prior to the performance of the analysis by the Credit Underwriter. If the Development involves Scattered Sites of units within a single market area, a single credit underwriting fee shall be charged.

- (2) Extraordinary Services fee (which includes the Capital Needs Assessment Review, if applicable): \$181 per hour.

- (3) MMRB Funding Subsidy Layering Review:

- (a) If previously underwritten \$2,432
- (b) If not previously underwritten \$4,272

- (4) Credit Underwriting Extension Fees

Credit underwriting extension fees are outlined in Exhibit G of the RFA.

c. Administrative Fees

With respect to the HC Program, each for-profit Applicant shall submit to the Corporation a non-refundable administrative fee in the amount of 9 percent of the annual Housing Credit Allocation amount stated in the Preliminary Allocation. The administrative fee shall be 5.5 percent of the stated annual Housing Credit Allocation for Non-Profit Applicants. The administrative fee must be received by the Corporation as stated in the Preliminary Allocation. In the event the Final Housing Credit Allocation amount exceeds the annual Housing Credit Allocation amount stated in the Preliminary Determination, the Applicant is responsible for paying the applicable administrative fee on the excess amount before IRS Forms 8609 are issued for the Development.

d. Compliance Monitoring Fees

The following fees are not the fees that will be charged, but are listed below for estimation purposes of completing the Development Cost Pro-Forma in the Application. The actual fees and percentage increases will be determined based on the current



contract, including any addendum, for services between the Corporation and the Compliance Monitor(s).

Programs	Primary Program Fee		Multiple Program Fees
Corporation-issued MMRB/Non-Competitive HC, RRLP, and ELI Loan funding	MMRB and Non-Competitive HC:  A total annual fee comprised of a base fee of \$168 per month + an additional fee per set-aside unit of \$10.30 per year, subject to a minimum of \$263 per month, and subject to an automatic annual increase of 3 percent of the prior year's fee. Where a difference exists between set-aside requirements for MMRB and HC, the fees collected will be based upon the higher number of set-aside units.	+	\$938 – RRLP + \$938 – ELI Loan funding
RRLP and ELI loan funding	A total annual fee comprised of a base fee of \$168 per month + an additional fee per set-aside unit of \$10.30 per year, subject to a minimum of \$263 per month, and subject to an automatic annual increase of 3 percent of the prior year's fee.	+	\$899 – ELI Loan funding

(1) Follow-up Reviews/Extraordinary Services fee: \$181 per hour

(2) Follow-up Review - \$181 per hour.

e. Commitment Fees

With respect to the RRLP Program and ELI Loan funding, each Applicant to which a firm commitment is granted shall submit to the Corporation a non-refundable commitment fee of 1 percent of the RRLP loan amount and the ELI 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.

e. Construction Inspection Fees

The following fees are not the fees that will be charged, but are listed below for estimation purposes of completing the Development Cost Pro Forma in the Application. The actual fees will be based on the current contract, including any addendum, for services between the Corporation and the Servicer(s).

On-site construction inspection - \$181 per hour, not to exceed \$1,793 per inspection.

f. Additional HC Fees

HC Applicants shall be responsible for all processing fees related to the HC Program.

g. Credit Underwriting and Loan Closing Extension Fees

In the event the RRLP loan does not close within the timeframes outlined in Exhibit G of the RFA, extension fees will be assessed.

h. Loan Servicing Fees

The following fees are not the fees that will be charged but are listed below for estimation purposes of completing the Development Cost Pro Forma in the Application. The actual fees will be based on the current contract, including any addendum, for services between the Corporation and the Servicer(s).

(1) Construction Loan Servicing Fees

The RRLP loan, the ELI Loan and, if applicable, the MMRB Loan, each have a Construction Loan Servicing Fee to be paid as indicated. The following fees are listed for estimation purposes only; the actual fees will be determined based on the current contract, including any addendum, for services between the Corporation and Servicer(s) in effect at the time of loan closing.

- \$181 per hour for an in-house review of a draw request
- \$181 per hour for on-site inspection fees, up to a maximum of \$1,793 per draw
- \$181 per hour for extraordinary services

(2) Permanent Loan Servicing Fees

(a) The RRLP loan and the ELI Loan each have a Permanent Loan Servicing Fee to be paid annually. The following fee is listed for estimation purposes only; the actual fees will be determined based on the current contract, including any addendum, for services between the Corporation and Servicer(s) in effect at the time of loan closing.

- Annual fee of 25 bps of the outstanding loan amount, with a minimum monthly fee of \$216 and a maximum monthly fee of \$859, and an hourly fee of \$181 for extraordinary services.

(b) MMRB loans have a Permanent Loan Servicing Fee to be paid annually. The following fee is listed for estimation purposes only; the actual fees will be determined based on the current contract, including any addendum, for services between the Corporation and Servicer(s) in effect at the time of loan closing.

- 2.3 bps of the outstanding bond balance annually, subject to a minimum monthly fee of \$216, and an hourly fee of \$181 for extraordinary services.

Additional legal, cost of issuance, bond underwriting, credit enhancement, liquidity facility and servicing fees associated with the financing shall also be paid by the Applicant.

i. Additional RRLP Loan Fees

RRLP Applicants will be responsible for all fees associated with the Corporation's legal counsel related to the RRLP Program based on the current contract for services between the Corporation and the legal counsel.

j. Additional ELI Loan Fees

Applicants receiving ELI Loan funding will be responsible for all fees associated with the Corporation's legal counsel related to the ELI Loan.

k. Corporation-issued MMRB Fees

(1) Refundable Good Faith Deposit and Cost of Issuance Fees

(a) Good Faith Deposit: Good faith deposit means a total deposit equal to one percent of the loan amount reflected in the loan commitment paid by the Applicant to the Corporation. The Applicant shall pay a total deposit equal to one percent of the aggregate principal amount of proposed Taxable and Tax-exempt Bonds, or \$75,000, whichever is greater, to the Corporation, which deposit may be applied toward the Cost of Issuance Fee. The maximum good faith deposit required is \$175,000. The good faith deposit is payable in one installment and is due within 14 Calendar Days of the date the Board of Directors approves the Credit Underwriting Report. If the good faith deposit is exhausted, the Applicant shall be required to pay, within three business days of notice, an additional deposit to ensure payment of the expenses associated with the processing of the Application, the sale of the Bonds, including document production and the securitization of the loan. The good faith deposit shall be remitted by certified check or wire transfer. In the event the MMRB Loan does not close, the unused portion of the good faith deposit shall be refunded to the Applicant. Notwithstanding the foregoing, the Applicant is responsible for all expenses incurred in preparation for loan closing. Any and all costs of the Corporation will be deducted from the good faith deposit prior to refunding any unused funds to the Applicant. In the event that additional invoices are received by the Corporation subsequent to a determination that the MMRB Loan will not close and refunding any unused funds to the Applicant, which invoices related to costs incurred prior to such determination and refunding, Applicant shall be responsible for payment of the balance due as invoiced.

(b) Cost of Issuance Fee: the Corporation shall require Applicants or participating Qualified Lending Institutions selected for participation in the program, to deliver to the Corporation, or, at the request of the

Corporation, directly to the Trustee, before the date of delivery of the Bonds, a Cost of Issuance Fee in an amount determined by the Corporation to be sufficient to pay the costs and expenses relating to issuance of the Bonds, which amount shall be deposited into an account to be held by the Trustee. The Corporation shall provide the Applicant with a good faith estimate of the Cost of Issuance Fee prior to closing. The Applicant shall pay all costs and expenses incurred by the Corporation in connection with the issuance of the Bonds, the expenditure of the MMRB Loan proceeds, and provision of Credit Enhancement, if any, even if such costs and expenses exceed the Cost of Issuance Fee. Any amounts remaining in this account at the time the balance is transferred and the account closed pursuant to the trust indenture shall be returned to the Applicant.

(2) Non-refundable TEFRA, HUD Risk Sharing and Appraisal fees

- (a) TEFRA Fee: Applicants shall submit a non-refundable TEFRA fee to the Corporation in the amount of \$1,000 within seven Calendar Days of the date of the invitation to enter Credit Underwriting. This fee shall be applied to the actual cost of publishing required newspaper advertisements and Florida Administrative Register notices of TEFRA Hearings. If the actual cost of the required publishing exceeds \$1,000, Applicant shall be invoiced for the difference. If a Local Public Fact Finding Hearing is requested, the Applicant shall be responsible for payment of any fees incurred by the Corporation. If the first TEFRA approval period has expired and a second TEFRA notice and hearing are required, Applicant is responsible for all costs associated with the additional TEFRA process.
- (b) Appraisal Fee: Applicants shall submit the required appraisal fee within seven Calendar Days of being invoiced by the Credit Underwriter.
- (c) HUD Risk Sharing Fees: Applicants also using the HUD Risk Sharing Program for the Development shall be responsible for associated fees, as follows:
  - (i) Format II environmental review fee – The fee the Applicant shall pay will be determined by contract between the Corporation and the environmental professional.
  - (ii) Subsidy layering review fee – The fee the Applicant shall pay will be determined by the contract between the Corporation and the Credit Underwriter.

(3) Short-Term Bond Redemption and Ongoing Fees

The following fees may not be the fees that will be charged, but are listed below for estimation purposes of completing the Development Cost Pro Forma in the Application. The actual fees will be based on the current contracts, including

any addendum, for services between Florida Housing Finance Corporation and the professionals involved, as well as on the loan commitment signed by the Applicant and the Corporation.

(a) Short-Term Bond Redemption Fees

Bond Amount	≤ 18-Month	18+ to 24-Month	24+ to 36-Month
Up to \$15 million	33 bps	25 bps	18 bps
Above \$15 million, up to \$20 million	32 bps	24 bps	17 bps
Above \$20 million, up to \$25 million	31 bps	23 bps	16 bps
Above \$25 million, up to \$30 million	30 bps	22 bps	15 bps
Above \$30 million, up to \$40 million	29 bps	21 bps	14 bps
Above \$40 million	28 bps	20 bps	13 bps

Note: The minimum Short-Term Bond Redemption Fee is \$25,000.

(b) Ongoing Fees

Program Administration Fee will be an annual fee of 24 basis points based on the amount of bonds outstanding, but not less than \$10,000 per annum.

Note: The ongoing Program Administration Fee does not include compliance monitoring fees, loan servicing fees, and trustee fees.

I. Construction Inspection Fees

The following fees are not the fees that will be charged but are listed below for estimation purposes of completing the Development Cost Pro Forma in the Application. The actual fees will be based on the current contract, including any addendum, for services between the Corporation and the Servicer(s).

On-site construction inspection - \$181 per hour, not to exceed \$1,793 per inspection.

m. Assumption/Renegotiation Fees

For all loans, excluding MMRB, where the Applicant is requesting a sale and/or transfer and assumption of the loan, the borrower or purchaser shall submit to the Corporation a non-refundable assumption fee of one-tenth of one percent of the loan amount.

For all loans, excluding MMRB, where the Applicant is requesting a renegotiation of the loan, the borrower shall submit to the Corporation a non-refundable renegotiation fee of one-half of one percent of the loan amount.

For all loans, excluding MMRB, where the Applicant is requesting an extension of the loan term, the borrower shall submit to the Corporation a non-refundable extension fee of one-tenth of one percent of the loan amount. If the extension is associated with a renegotiation of the loan, then only the renegotiation fee will be charged.

## 5. Additional Requirements

By submitting its Application, the Applicant acknowledges and agrees that it will conform to the following requirements:

a. Eligible Reserve for Replacement Items

The replacement reserve funds required by section B of Exhibit G of the RFA and, if applicable, Rule Chapters 67-21.026(11) and 67-21-014(2), F.A.C., are not to be used by the Applicant for normal maintenance and repairs, but shall be used for structural building repairs, major building systems replacements and other items included on the Eligible Reserve for Replacement Items list, effective October 15, 2010.

The list is available on the RFA Website.

b. Final Cost Certification Application Package (Form FCCAP) – for Non-Competitive Housing Credits

In accordance with Rule 67-21.027(6), F.A.C., the Final Cost Certification Application Package (Form FCCAP), Rev. April 2019, shall be used by an Applicant to itemize all expenses incurred in association with construction or Rehabilitation of a Housing Credit Development, including Developer and General Contractor fees as described in Rule 67-21.026, F.A.C., and shall be submitted to the Corporation by the earlier of the following two dates:

- (1) The date that is 90 Calendar Days after all the buildings in the Development have been placed in service, or
- (2) The date that is 30 Calendar Days before the end of the calendar year for which the Final Housing Credit Allocation is requested.

The Corporation may grant extensions for good cause upon written request.

The FCCAP shall be completed, executed and submitted to the Corporation in both hard copy format and electronic files of the Microsoft Excel spreadsheets for the HC Development Final Cost Certification (DFCC) and the General Contractor Cost Certification (GCCC) included in the form package, along with the executed Extended Use Agreement and appropriate recording fees, IRS Tax Information Authorization Form 8821 for all Financial Beneficiaries (if requested by the Corporation), , a copy of the syndication agreement disclosing the rate and all terms, the required certified public

accountant opinion letter for both the DFCC and GCCC, an unqualified audit report prepared by an independent certified public accountant for both the DFCC and GCCC, photographs of the completed Development, the monitoring fee, and documentation of the placed-in-service date as specified in the Form FCCAP instructions. The Final Housing Credit Allocation will not be issued until such time as all required items are received and processed by the Corporation.

Form FCCAP, Rev. April 2019, is available on the RFA Website.

c. Financial Reporting Form SR-1

Following the end of the RRLP loan term, within 151 Calendar Days following the Applicant's fiscal year end the Applicant shall continue to provide the Corporation with an audited financial statement and a fully completed and executed Financial Reporting Form SR-1, Rev. 05-14 pursuant to section D of Exhibit G of the RFA and, if applicable, subsection 67-21. 027(8), F.A.C., with regard to the Non-Competitive Housing Credits, and, if applicable with regard to MMRB. The audited financial statement and a copy of the signed Form SR-1, with Parts 1, 2, and 5 completed, shall be submitted in both PDF format and in electronic form as a Microsoft Excel spreadsheet to the Corporation at the following web address: [financial.reporting@floridahousing.org](mailto:financial.reporting@floridahousing.org).

The Financial Reporting Form SR-1 is available on the Corporation's Website <http://www.floridahousing.org/owners-and-managers/compliance/forms> (also accessible by clicking [here](#)).

d. Part IIIA, Sections 401 through 408 and 410, of the Fannie Mae Multifamily Selling and Servicing Guide, in effect as of June 10, 2015

The financial statements and information provided for review (pursuant to Exhibit G of the RFA for RRLP, and, if applicable, sub-paragraph 67-21.014(2)(j)2., F.A.C. for MMRB) should be in satisfactory form (inclusive of the substitution of the Multifamily Underwriting Certificate referenced in Section 407 with a similar certification meeting the same criteria) and shall be reviewed in accordance with Part IIIA, Sections 401 through 408 and 410, of Fannie Mae's Multifamily Selling and Servicing Guide, in effect as of June 10, 2015, which is available on the RFA Website.

When referring to the Multifamily Selling and Servicing Guide, any references to "Lender" means the "Corporation-assigned Credit Underwriter" and any references to "Fannie Mae" means "Florida Housing Finance Corporation."

e. Florida Housing Finance Corporation (FHFC) Insurance Guide

Pursuant to Exhibits G and H of the RFA, the Corporation shall require adequate insurance to be maintained on the Development as determined by the first mortgage lender, the Corporation, or the Corporation's servicer, sufficient to meet the standards established in the Florida Housing Finance Corporation (FHFC) Insurance Guide (and as amended from time to time). The most recently published FHFC Insurance Guide is available on the Corporation's Website <http://www.floridahousing.org/owners-and-managers/compliance/forms> (also accessible by clicking [here](#)).

## Exhibit D – Timeline

The Applicant acknowledges and certifies that the following information will be provided by the due date outlined below, or as otherwise outlined in the invitation to enter credit underwriting. Failure to provide the required information by the stated deadline may result in the withdrawal of the invitation to enter credit underwriting, unless an extension is approved by the Corporation:

1. Within seven Calendar Days of the date of the invitation to enter credit underwriting:
  - a. Respond to the invitation and submit the credit underwriting fee(s) as outlined in Item 4 of Exhibit C, and pursuant to Exhibit G of the RFA; and
  - b. Verification that the Development qualifies as a USDA-eligible rural address, if applicable. Addresses can be verified by visiting <https://eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do>
  - h. If the Applicant is receiving Corporation-issued MMRB, the Credit Enhancer's Commitment or Bond Purchaser's Letter of Interest, including a contact person's name, address and telephone number, credit underwriting standards and an outline of proposed terms, must be provided. The stated amount of the Commitment or Letter of Interest shall not be less than the proposed principal amount of the bonds (including any proposed Taxable Bonds);
2. If requested by the Corporation the Applicant must submit IRS Form 8821 for all Financial Beneficiaries as defined in Exhibit B of the RFA within 14 days of the invitation to enter credit underwriting.
3. Within 21 Calendar Days of the date of the invitation to enter credit underwriting, the Applicant must submit all of the following. Submission of all documents should be provided electronically to the Corporation at one time
  - a. Provide the name and address of the chief elected official of the local jurisdiction where the proposed Development is located;
  - b. Provide notification of the Applicant's eligibility for acquisition credits per Section 42 of the IRC, if applicable;
  - c. Provide the Applicant's Federal Identification Number and the Employer Identification Number ("EIN") Certificate. If the number has not yet been obtained, the Applicant will be required to provide a copy of the completed, submitted application for that number.
  - d. Provide the completed and executed Florida Housing Finance Corporation Verification of Environmental Safety Phase I Environmental Site Assessment form\* and, if applicable, the completed and executed Florida Housing Finance Corporation Verification of Environmental Safety Phase II Environmental Site Assessment form\*. Note: If a Phase II ESA is required, but has not been completed by the stated deadline, the Applicant must contact Corporation staff to request an extension for submission of the Phase II ESA form;



- e. Provide the identity of the remaining members of the Development Team (i.e., inexperienced co-Developer(s), General Contractor, Architect, Attorney, and Accountant as outlined below. The team members so identified, and any future replacement thereof, must be acceptable to the Corporation and the Credit Underwriter;
- (1) Identify any inexperienced co-Developer(s) by providing the name, address, telephone and facsimile numbers, e-mail address, and the relationship of the co-Developer to the Applicant.
  - (2) Identify the General Contractor by providing the completed and executed Florida Housing Finance Corporation General Contractor or Qualifying Agent of General Contractor Certification form\*. Note: The Applicant must also provide the prior experience chart, as outlined in the form.
  - (3) Identify the Architect by providing the completed and executed Florida Housing Finance Corporation Architect Certification form\*.
  - (4) Identify the Attorney by providing the completed and executed Florida Housing Finance Corporation Attorney Certification for Housing Credits form\*.
  - (5) Identify the Accountant by providing the completed and executed Florida Housing Finance Corporation Certification of Accountant form\*.

\* The certification forms (Forms Rev. 07-2019) are available on the RFA Website. Note: The use of any prior version of these forms will not be acceptable to meet this requirement.

- f. With the exception of Developments financed with HUD Section 811 or United States Department of Agriculture RD program, Developments with a Housing Assistance Payment contract and/or an Annual Contributions Contract with HUD: The waiting list section of the Tenant Selection Plan shall establish selection preferences or a section for special admissions specifically for individuals or families who are referred by a designated Referral Agency. Within 21 days of the date of the invitation to enter credit underwriting, the Tenant Selection Plan shall be submitted by the owner to the Corporation for review and preliminary approval before sending to HUD. Note: HUD approval may take several months. HUD approval shall be demonstrated to the Corporation prior to the completion of the final credit underwriting report;
- g. Provide notification of the percentage of ownership of the Principals of the Applicant. Upon the Applicant's acceptance of the invitation to enter credit underwriting, the Corporation will return the Principals of the Application and Developer(s) Disclosure Form that was part of the Applicant's uploaded Application. The Applicant will be required to enter the applicable percentages on the form and return the completed form to the Corporation;
- h. For Housing Credits, provide confirmation that the proposed equity amount to be paid prior to or simultaneous with the closing of construction financing is at least 15 percent of the total proposed equity to be provided (the 15 percent criteria), subject to the following:

- (1) If syndicating/selling the Housing Credits, there are two exceptions to the preceding sentence. First, if there is a bridge loan proposal within the equity proposal that provides for bridge loan proceeds that equal at least 15 percent of the amount of total proposed equity to be provided to be made available prior to or simultaneous with closing of construction financing, the 15 percent criteria will be met. Second, if there is a separate bridge loan proposal from either the equity provider, any entity that is controlled directly or indirectly by the equity provider, or a subsidiary of the equity provider's parent holding company, and the proposal explicitly proposes an amount to be made available prior to or simultaneous with the closing of construction financing that equals at least 15 percent of the total proposed equity to be paid stated in the equity proposal, the 15 percent criteria is met. Bridge loan proposals that are not within the equity proposal, though, must meet the criteria previously stated for debt financing with the exception that evidence of ability to fund does not have to be provided. The Applicant may include the proposed amount of the bridge loan as equity proceeds on the Construction or Rehabilitation Analysis and on the Permanent Analysis (Note: this 15 percent criteria must be reflected in the limited partnership agreement or limited liability company operating agreement); or
  - (2) If not syndicating/selling the Housing Credits, proceeds from a bridge loan will not count toward meeting the 15 percent criteria;
- i. The Applicant must advise the Corporation of the specific Green Building Certification Program that it commits to achieve: Leadership in Energy and Environmental Design (LEED); Florida Green Building Coalition (FGBC); ICC 700 National Green Building Standard (NGBS); or Enterprise Green Communities;
  - j. If there are existing occupied units as of Application Deadline, the Applicant must provide to the Credit Underwriter a plan for relocation of existing tenants. The plan shall provide information regarding the relocation site; accommodations relevant to the needs of the residents and length of time residents will be displaced; moving and storage of the contents of a resident's dwelling units; as well as the approach to inform and prepare the residents for the construction activities;
  - k. If the Applicant indicated that the proposed Development is the first phase of a multiphase Development, the Applicant must submit to the Corporation an opinion letter by a licensed attorney that the Development meets the definition of a "multiphase project" as defined in the Federal Register. The letter must also include: (a) the name of the declared first phase Development and the Corporation-assigned Application number, (b) the total number of phases and the projected Development name for each phase, (c) the total number of buildings in each phase, (d) the expected completion date for each phase, and (e) any other information as determined by the Corporation and stated in the invitation to enter credit underwriting; and
  - l. If the Applicant indicated that the proposed Development is a subsequent phase of a multiphase Development, the Development's status as a subsequent phase will be verified in credit underwriting. If the Development does not qualify and the Applicant's

Housing Credit request is based on such contention and, during the credit underwriting process it is determined that the proposed Development does not meet the criteria for such distinction, the Applicant's Competitive Housing Credit award may be rescinded.

5. The credit underwriting process must be complete within the timeframe outlined in Exhibit G of the RFA.;
6. The RRLP loan must close within the timeframe outlined in Exhibit G of the RFA and the MMRB loan, if applicable, must close within the timeframe outlined in Rule Chapter 67-21, F.A.C.;
7. By Certificate of Occupancy, the Applicant commits to participate in the statewide housing locator system, as required by the Corporation; and
8. The Credit Underwriter will provide an itemized list for additional documentation including, but not limited to, the following:
  - a. Information outlined in Exhibit G of the RFA and, if applicable, Rule Chapter 67-21, F.A.C.;
  - b. If the Applicant indicated that the proposed Development will be assisted with funding under the RD 538 Program and expects to use such funding as a source of financing, the Section 538 Selection Letter sent to the Applicant by RD must be provided;
  - c. The Construction Consultant engaged by the Corporation's credit underwriter must provide the properly completed and executed Americans with Disabilities Act Certification forms certifying that the design of the proposed Development and the completed Development includes the applicable accessibility, adaptability, Visitability and universal design features required by the Corporation and proposed by the Applicant (Forms Rev. 10-14) which are available on the RFA Website.
  - d. For Developments with a Housing Assistance Payment Contract and/or an Annual Contributions Contract with HUD: Submission to the Corporation of the waiting list section of the Tenant Selection Plan for review and preliminary approval before sending to HUD. Such waiting list section shall establish selection preferences or a section for special admissions specifically for individuals or families that are referred by a designated Referral Agency serving the county where the Development is located; HUD approval of the Tenant Selection Plan shall be demonstrated to the Corporation prior to the completion of the final credit underwriting report.
10. The Applicant will submit the fully executed Link MOU for the Corporation's approval, as described in Exhibit E;
11. The Credit Underwriter will also verify information submitted by the Applicant, including, but not limited to the following:
  - a. The Applicant's Non-Profit status, if applicable;
  - b. Each Scattered Site meets the requirements of this RFA and Section 42 of the IRC, if applicable;

- c. The proposed Development's ability to meet the Enhanced Structural Systems Construction qualifications;
- d. Calculation of eligible basis which may cause a reduction in the Housing Credit Allocation. This may include review of the location of buildings and whether all buildings are eligible for the eligible basis boost, if applicable;
- e. With the exception of Developments financed with HUD Section 811 or United States Department of Agriculture RD program, Developments must demonstrate HUD approval for an owner-adopted preference or special admissions preference specifically for individuals or families who are referred by a designated Referral Agency serving the county where the Development is located;
- f. The proposed Development's first phase or subsequent phase's status;
- g. Review of the Total Development Cost and its effect on the Total Development Cost Per Unit Limitation and, if applicable, the RRLP Request amount;

If any of these cannot be verified, all funding awarded under this RFA may be reduced or may be rescinded if the award or the Application's eligibility status was based on such information, and/or the Applicant may be determined to have made a material misrepresentation.

## **Exhibit E – Additional requirements for the Link Units for Persons with Special Needs**

The Link to Permanent Housing Strategy (Link) enhances the ability of extremely low-income (ELI) households with special needs to access and retain affordable rental housing in their communities. The Corporation requires Developers to provide a specified percentage of a Development's ELI Set-Aside units for special needs households receiving community based supportive services who are referred by a designated supportive services agency in the community where the Development is located. All Link units must do the following:

### **I. Link Set-Aside Requirements**

With the exception of Developments financed with HUD Section 811 or United States Department of Agriculture RD program, for the entire Compliance Period as specified in both the regulatory agreement and as stated in the RFA, the Development shall set aside the required percentage of the ELI Set-Aside units as Link Units for Persons with Special Needs. At least one member of each Link unit's household shall be referred by a Special Needs Household Referral Agency (Referral Agency) with which the owner executes a Link Memorandum of Understanding (MOU) approved by the Corporation.

### **II. Link Memorandum of Understanding (MOU)**

The Corporation has established and maintains a list of supportive service agencies or organizations serving each county, each of which is designated as a Referral Agency. The Referral Agency list is available on the Corporation's Website at <http://apps.floridahousing.org/StandAlone/SpecialNeeds/ContentPage.aspx?PAGE=Link%20Initiative%20Page> (also accessible by clicking [here](#)). These agencies are statewide, regional or local organizations that administer community-based supportive services to the populations served by Link.

The MOU is a formal agreement between the owner and a Referral Agency that specifies the intent of the Link Strategy and describes the roles and responsibilities of each party to the MOU. The MOU form to be executed shall be the version most recently provided on the Corporation's website at <http://apps.floridahousing.org/StandAlone/SpecialNeeds/ContentPage.aspx?PAGE=Link%20Initiative%20Page> (also accessible by clicking [here](#)).

- A. The owner shall execute an MOU with at least one designated Referral Agency serving the county and intended population where the Development will be located and rent units to households referred by the Referral Agency with which the MOU is executed.
- B. The deadline for receipt of the fully-executed MOU by the Corporation shall be established in the invitation to enter into credit underwriting, but shall be within 18 months from the date of the invitation to enter into credit underwriting but no later than the date the first building is placed in service. If the owner is unable to meet the deadline, an extension may be requested from the Corporation, and a non-refundable processing fee of \$5,000 shall be charged to the owner.
- C. Prior to execution of the MOU, but not later than 10 Calendar Days before the deadline by which the fully-executed MOU shall be received by the Corporation, the MOU form

stipulated in the applicable RFA shall be completed and reviewed by the owner and Referral Agency, and then submitted by the owner to the Corporation for review and preliminary approval.

- D. For Developments with a Housing Assistance Payment contract and/or an Annual Contributions Contract with HUD: The waiting list section of the Tenant Selection Plan shall establish selection preferences or a section for special admissions specifically for individuals or families who are referred by a designated Referral Agency. The Tenant Selection Plan shall be submitted by the owner to the Corporation for review and preliminary approval before sending to HUD. HUD approval may take several months. HUD approval shall be demonstrated to the Corporation prior to the completion of the final credit underwriting report.
- E. Owners that have a Housing Assistance Payment Contract and/or an Annual Contributions Contract with HUD shall maintain a separate waiting list for referred applicants and prioritize these individuals for any available Link units. During and after lease-up, Referral Agency referrals must be moved in first, regardless of chronological order of the general waiting list, until all Link units are occupied with Referral Agency referrals.
- F. After review and preliminary approval of the MOU by the Corporation, and no later than the deadline established in the invitation to enter into credit underwriting, the owner shall provide one original fully-executed hard copy of the MOU to the Corporation. Once approved by the Corporation, the owner shall arrange for a copy of the approved MOU to be maintained on file at the site of the Development's records for compliance monitoring purposes.
- G. When the owner is noncompliant because no Referral Agency that serves the county where the Development is located is available to execute an MOU, the noncompliance shall be held in a correction period status until the earlier of (i) approval by the Corporation of an MOU executed with a new Referral Agency, or (ii) the passage of 45 Calendar Days following placement of a Referral Agency that serves the Development's county onto the Corporation's Referral Agency list.
- H. When a Referral Agency notifies the owner of its intent to terminate an MOU, the owner shall notify the Corporation of the MOU termination by email, at [Link@floridahousing.org](mailto:Link@floridahousing.org), within five Calendar Days of receiving the notification from the Referral Agency. The owner shall then select another Referral Agency for the Development's county and obtain approval from the Corporation for the MOU executed with the new Referral Agency no later than 45 Calendar Days after receipt of notification from the prior Referral Agency of its intent to terminate the MOU.
- I. When an owner intends to terminate an MOU, the owner shall repeat the process outlined in all of the steps above to obtain approval from the Corporation for a new MOU executed with another Referral Agency before termination of the prior MOU may become effective.
- J. The Corporation may require the owner to terminate an MOU with a Referral Agency if that partnership is not effective in meeting the intent of the Link Set-Aside

Requirement. The owner shall execute another MOU with a new Referral Agency before terminating the MOU. The owner shall follow the process outlined in all of the steps above to obtain approval from the Corporation.

**III. Notification of the Availability of Units for Referral of Intended Link Households**

- A. The owner shall meet with the chosen Referral Agency to review the Link roles and responsibilities of each party, the household income limitation and other eligibility criteria for tenancy, household move-in expenses and on-going monthly rental payments. The meeting shall be held no less than 45 Calendar Days before the anticipated commencement of any activities related to the leasing of any unit in the Development. The owner shall maintain documentation of the meeting with the Referral Agency and shall provide a copy for review by the Corporation upon its request.
- B. Leasing Activity (Lease-up and Pre-leasing): During leasing activities, the owner shall make all units available for the intended Link households referred by the Referral Agency, until the Development's Link Set-Aside Requirement has been met. If the Development has not met its Link Set-Aside Requirement by the passing of 30 Calendar Days after the last unit is actually available for occupancy, the owner may lease the units to any eligible household. To the extent that an ELI-unit requirement coincides with a Link Set-Aside Requirement, for a period not to exceed nine months, a failure to meet the ELI-unit requirement shall not cause noncompliance during the lease-up or 30 Calendar Day hold period.
- C. Once the Development's leasing activity is completed, a vacant unit formerly occupied by a Link household shall be held open for intended households referred by the Referral Agency for a period of 30 Calendar Days starting from the date the vacated unit is suitable for occupancy and ready to lease. The owner shall notify the Referral Agency that a unit is available on or before the date that the vacated unit becomes suitable for occupancy and ready to lease, but no more than 30 Calendar Days before the unit is anticipated to be ready to lease. The vacated unit shall retain the Link classification until next occupied, at which time the classification of the new household shall be applied to the unit.
- D. When the Development is an Acquisition/Rehabilitation Development that is occupied at the earlier of either loan closing or site acquisition, all units (at any AMI set-aside level) that become available and are suitable for occupancy and ready to lease shall be prioritized for intended households referred by the Referral Agency until the Link requirement has been met.
- E. Communication between the owner and the Referral Agency's designated contact person related to activities in this section shall be conducted via email. Activities that must be conducted by email are as follows:
  - 1. Requests to develop MOU with Referral Agency;
  - 2. Draft reviews of MOUs between the parties;
  - 3. Final version of executed MOU;

4. Current contact information for the contact staff designated by the owner and Referral Agency and listed in the MOU;
  5. Notifications of unit availability;
  6. Number of Calendar Days unit will be held open for referrals;
  7. Information about rental policies and eligibility criteria;
  8. Outcome of referrals;
  9. Notifications of issues or concerns that may adversely affect the tenancy of the household; and
  10. Requests for termination of MOU.
- F. The owner shall maintain a Link communication tracking log that documents: (i) the unit number of each offered unit; (ii) the date each unit was suitable for occupancy; (iii) the date of the email notice to the Referral Agency that each unit was available for rent to a Link household, including the dates of required follow up; (iv) date of response from Referral Agency, (v) Referral Agency response, (vi) outcome of referral, and (vii) number of days the unit was held open.
- G. If an owner notifies a Referral Agency that a unit is available and the Referral Agency does not respond, the owner shall contact the Referral Agency at least three times, at intervals of no less than seven Calendar Days, during the 30-day period after the initial notice of unit availability was sent to the Referral Agency. The owner shall document all notification activity on its Link communication tracking log.
- H. The owner shall notify the Referral Agency regarding the outcome of each referral within one business day after a determination is made regarding the household's eligibility to occupy the available unit.
- I. If a referral does not result in occupancy by the referred household, the 30-day holding period shall continue to allow the Referral Agency the opportunity to refer another household. The owner shall follow up with the Referral Agency at intervals of no less than seven Calendar Days during the remainder of the 30-day holding period. The owner shall document all notification activity on its Link communication tracking log.

#### **IV. Link Compliance Monitoring Documentation**

- A. The owner shall cause the following documentation to be maintained on file for compliance monitoring purposes. Such documents shall be made available for inspection by Corporation personnel or its monitoring agents at any reasonable time. The owner shall provide copies of such documents, either electronic or paper, to the Corporation within three business days of any request by the Corporation for such copies.
1. A copy of all active MOUs approved by the Corporation;



2. A copy of all terminated MOUs. Terminated MOUs shall be retained for seven years beyond the period of tenancy for any household referred under the particular MOU;
  3. A copy of any current correction period extensions granted by the Corporation; and
  4. Email communication with the Referral Agency demonstrating timely notification regarding the availability of units for the intended Link household, outcome of each referral, and, when an available unit was not rented to a Link household, the number of days the available unit was held open for intended Link household.
- B. The monthly Program Report submitted to the Corporation by the Development shall reflect the number of Link households residing in an ELI Set-Aside unit.
- C. The Compliance Period committed to in the RFA also includes the units set aside for the Demographic Commitments, which includes the commitments for Link and ELI Households. The affordability period committed to in the RFA includes the units set aside for ELI Households. Although the percentage of units committed to must remain in effect for the entire Compliance Period, the units designated for the Demographic Commitment and AMI commitment must not be limited to the same units throughout the Compliance Period. Doing so may cause the Development to be in non-compliance with Section 42.

**Exhibit F - Rehabilitation Scoping Process with a Capital Needs Assessment**

Intentionally omitted.

## Exhibit G – Credit Underwriting and RRLP Program Requirements

### A. Selection Procedures for Developments

- (1) Applications shall be limited to one submission per subject property. Two or more Applications, submitted in the same competitive solicitation process, that have the same demographic commitment and one or more of the same Financial Beneficiaries, will be considered submissions for the same Development site if any of the following is true:
- (a) Any part of any of the property sites is contiguous with any part of any of the other property sites, or
  - (b) Any of the property sites are divided by a street or easement, or
  - (c) It is readily apparent from the Applications, proximity, chain of title, or other information available to the Corporation that the properties are part of a common or related scheme of development.

If two or more Applications are considered to be submissions for the same Development site, the Corporation will reject all such Applications.

- (2) An Applicant shall be ineligible for funding or allocation in any program administered by the Corporation for a period of time as determined in paragraph (c), below, if:
- (a) The Board determines that the Applicant or any Principal, Financial Beneficiary, or Affiliate of the Applicant has made a material misrepresentation or engaged in fraudulent actions in connection with any Application for a Corporation program. For purposes of this subsection, there is a rebuttable presumption that an Applicant has engaged in fraudulent actions if the Applicant or any Principal, Financial Beneficiary or Affiliate of the Applicant:
    - 1. Has been convicted of fraud, theft or misappropriation of funds,
    - 2. Has been excluded from federal or Florida procurement programs for any reason,
    - 3. Has been convicted of a felony in connection with any Corporation program, or
    - 4. Has offered or given consideration with respect to a local contribution as set forth in subsection (7), below.
  - (b) Before any such determination can be final or effective, the Corporation must serve an administrative complaint that affords reasonable notice to the Applicant of the facts or conduct that warrant the intended action, specifies a proposed duration of ineligibility, and advises the Applicant of the opportunity to request a proceeding pursuant to sections 120.569 and 120.57, F.S. Upon service of such complaint, all pending transactions under any program administered by the Corporation involving the Applicant, or any Principal, Financial Beneficiary or Affiliate of the Applicant shall be suspended until a final order is issued or the administrative complaint is dismissed.
  - (c) The administrative complaint will include a proposed duration of ineligibility, which may be either a specific period of time or permanent in nature. With regard to establishing the duration, the Board shall consider the facts and circumstances, inclusive of each Applicant's compliance history, the type of misrepresentation or fraud committed, and the degree of harm to the Corporation's programs that has

been or may be done.

- (3) Notwithstanding any other provision of these rules, the following items as identified by the Applicant in the Application must be maintained and cannot be changed by the Applicant after the applicable submission, unless provided otherwise below:
- (a) Name of Applicant or Developer entity(s); notwithstanding the foregoing, the name of the Applicant or Developer entity(s) may be changed only by written request of an Applicant to Corporation staff and approval of the Board after the Applicant has been invited to enter credit underwriting. With regard to said approval, the Board shall consider the facts and circumstances of each Applicant's request, inclusive of validity and consistency of Application documentation;
  - (b) Principals of each Developer, including all co-Developers; notwithstanding the foregoing, the Principals of the Developer(s) may be changed only by written request of an Applicant to Corporation staff and approval of the Board after the Applicant has been invited to enter credit underwriting. With regard to said approval, the Board shall consider the facts and circumstances of each Applicant's request, inclusive of validity and consistency of Application documentation;
  - (c) Program(s) applied for;
  - (d) Applicant applying as a Non-Profit or for-profit organization;
  - (e) Site for the Development; notwithstanding the foregoing, after the Applicant has been invited to enter credit underwriting and subject to written request of an Applicant to Corporation staff and approval of the Corporation, the site for the Development may be increased or decreased provided the Development Location Point is on the site and, if applicable, the total proximity points awarded during scoring are not reduced. In addition, if the increase or decrease of the site is such that the proposed Development now meets the definition of a Scattered Site, then the Applicant shall be required to provide such Scattered Sites information and meet all Scattered Sites requirements as required by Corporation staff. With regard to said approval, the Corporation shall consider the facts and circumstances of each Applicant's request, inclusive of validity and consistency of Application documentation;
  - (f) Development Category;
  - (g) Development Type;
  - (h) Demographic Commitment;
  - (i) Total number of units; notwithstanding the foregoing, the total number of units may be increased after the Applicant has been invited to enter credit underwriting, subject to written request of an Applicant to Corporation staff and approval of the Corporation. With regard to said approval, the Corporation shall consider the facts and circumstances, inclusive of each Applicant's request, in evaluating whether the

changes made are prejudicial to the Development or to the market to be served by the Development;

- (j) The Total Set-Aside Percentage as stated in the last row of the total set-aside breakdown chart for the program(s) applied for in the Set-Aside Commitment section of the Application. Notwithstanding the foregoing, the Total Set-Aside Percentage may be increased after the Applicant has been invited to enter credit underwriting, subject to written request of an Applicant to Corporation staff and approval of the Corporation. With regard to said approval, the Corporation shall consider the facts and circumstances, inclusive of each Applicant's request, in evaluating whether the changes made are prejudicial to the Development or to the market to be served by the Development;
  - (k) Funding Request Amount, exclusive of adjustments by the Corporation as outlined in the RFA.
- (4) A Development will be withdrawn from funding and any outstanding commitments for funds will be rescinded if, at any time, the Board determines that the Applicant's Development or Development team is no longer the Development or Development team described in the Application or to the Credit Underwriter, and the changes made are prejudicial to the Development or to the market to be served by the Development.
  - (5) If an Applicant or Developer or any Principal, Affiliate or Financial Beneficiary of an Applicant or a Developer has any existing Developments participating in any Corporation programs that remain in non-compliance with this RFA or applicable loan documents, and any applicable cure period granted for correcting such non-compliance has ended as of the time of submission of the Application or at the time of issuance of a credit underwriting report, the requested allocation will, upon a determination by the Board that such non-compliance substantially increases the likelihood that such Applicant or Developer will not be able to produce quality affordable housing, be denied and the Applicant or Developer and the Affiliates of the Applicant or Developer will be prohibited from new participation in any of the Corporation's programs until such time as all of their existing Developments participating in any Corporation programs are in compliance.
  - (6) The name of the Development provided in the Application may not be changed or altered after submission of the Application during the history of the Development with the Corporation unless the change is requested in writing and approved in writing by the Corporation. The Corporation 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.
  - (7) If the Applicant or any Principal, Financial Beneficiary or Affiliate of the Applicant has offered or given consideration, other than the consideration to provide affordable housing, with respect to a local contribution and this is discovered prior to Board approval of the Review Committee's recommendations, the Corporation shall reject the Application and any other Application submitted by the same Applicant and any Principal, Financial Beneficiary or Affiliate of the Applicant. If discovered after the Board approves the Review Committee's recommendations, any tentative funding or allocation for the Application and any other

Application submitted by the same Applicant and any Principal, Financial Beneficiary or Affiliate of the Applicant will be withdrawn. Such Applicant and any of such Applicant's Principals, Financial Beneficiaries or Affiliates will be ineligible for funding or allocation in any program administered by the Corporation in accordance with the procedure set forth in (2), above.

## **B. Credit Underwriting and Loan Procedures**

Credit underwriting is a de novo review of all information supplied, received or discovered during or after any competitive solicitation scoring and funding preference process, prior to the closing on funding. The success of an Applicant in being selected for funding is not an indication that the Applicant will receive a positive recommendation from the Credit Underwriter or that the Development team's experience, past performance or financial capacity is satisfactory. The credit underwriting review shall include a comprehensive analysis of the Applicant, the real estate, the economics of the Development, the ability of the Applicant and the Development team to proceed, the evidence of need for affordable housing in order to determine that the Development meets the program requirements and determine a recommended RRLP loan amounts. Corporation funding will be based on appraisals of comparable developments, cost benefit analysis, and other documents evidencing justification of costs. As part of the credit underwriting review, the Credit Underwriter will consider the applicable provisions of this RFA.

- (1) After the Board's decision to select Applicants for funding as a result of a competitive solicitation process has become final action, the Corporation shall offer such Applicants an invitation to enter credit underwriting. The Corporation shall select the Credit Underwriter for each Development. For purposes of this section, a decision regarding an Applicant will become final action:
  - (a) If none of the Board's selections of Applicants for funding are challenged pursuant to section 120.57(3), F.S.;
  - (b) If some of the Board's selections of other Applicants for funding are challenged pursuant to section 120.57(3), F.S., but none of the challenges could impact the decision to select the Applicant for funding, or
  - (c) When the Board or Corporation issues a final order as a result of a challenge pursuant to section 120.57(3), F.S.
- (2) The invitation to enter credit underwriting constitutes a preliminary commitment.
- (3) A response to the invitation to enter credit underwriting must be received by the Corporation and the Credit Underwriter not later than seven (7) Calendar Days after the date of the invitation. For any invitation to enter credit underwriting that is offered to an Applicant after Board approval of the list of eligible Applications that is sorted from highest funding preference to lowest, where the Applicant's response is to decline to enter credit underwriting, the result shall be the removal of the Application from the list of eligible Applications for the RFA and any other funding where that list of eligible Applications will be used.
- (4) If the invitation to enter credit underwriting is accepted:

- (a) All Applicants shall submit the credit underwriting fee to the Credit Underwriter within seven (7) Calendar Days of the date of the invitation to enter credit underwriting. In addition, if requested by the Corporation, within 14 Calendar Days of the date of the invitation, Applicants shall submit IRS Tax Information Authorization Form 8821 for all Financial Beneficiaries, to the Corporation.
  - (b) Failure to submit the required credit underwriting fee by the specified deadline shall result in withdrawal of the invitation.
  - (c) The credit underwriting process must be completed within the time frame outlined in (21) below and the loan must close within the time frame outlined in (26) below.
- (5) The Credit Underwriter shall review all information in the Application and subsequently provided during the credit underwriting process, including information relative to the Applicant, Developer, and General Contractor, as well as other members of the Development team. The Credit Underwriter shall also request and review such other information as it deems appropriate to determine whether or not to provide a positive recommendation in connection with a proposed Development.
- (6) In determining whether or not to provide a positive recommendation in connection with a proposed Development, the Credit Underwriter will consider the prior and recent performance history of the Applicant, Developer, any Financial Beneficiary of the Applicant or Developer, and the General Contractor in connection with any other affordable housing development. The performance history shall consider instances involving a foreclosure, deed in lieu of foreclosure, financial arrearage, or other event of material default in connection with any affordable housing development or the documents governing financing or operation of any such development.
- (a) Unless the Credit Underwriter determines that mitigating factors exist, or that underwriting conditions can be imposed, sufficient to mitigate or offset the risk, the existence of the following shall result in a negative recommendation of the proposed Development by the Credit Underwriter:
    - 1. Considering all affordable housing developments in which any party named above has been involved, if:
      - a. During the period prior to August 1, 2010, 5 percent or more of that party's developments have been the subject of a foreclosure or deed in lieu of foreclosure, or in financial arrearage or other material default and such arrearage or material default remained uncured for a period of 60 days or more, or
      - b. During the period beginning on or after August 1, 2010, any of that party's developments have been the subject of a foreclosure or deed in lieu of foreclosure, or in financial arrearage or other material default and such arrearage or material default is uncured at the present or, if cured, remained uncured for a period of 60 days or more.

2. Mitigating factors to be considered by the Credit Underwriter, to the extent such information is reasonably available and verifiable, shall include the extent to which the party funded the operations of the development from that party's own funds in an attempt to keep the development afloat, the election by a party to forego financial participation in a development in an attempt to keep the development afloat, the party's satisfactory performance history over the last 10 years in connection with that party's affordable housing developments, and any other extenuating circumstances deemed relevant by the Credit Underwriter in connection with the party's involvement in a development.
- (b) A negative recommendation may also result from the review of:
1. Financial capacity of an Applicant, Developer, any Financial Beneficiary of the Applicant or Developer, or the General Contractor, or
  2. Any other relevant matters relating to an Applicant, Developer, any Financial Beneficiary of the Applicant or Developer, and the General Contractor if, in the Credit Underwriter's opinion, one or more members of the Development team do not possess the ability to proceed.
- (7) The Credit Underwriter shall report any inconsistencies or discrepancies or changes made to the Applicant's Application during credit underwriting.
- (8) The Applicant will be responsible for all fees in connection with the documentation submitted to the Credit Underwriter.
- (9) If the Credit Underwriter determines that special expertise is required to review information submitted to the Credit Underwriter which is beyond the scope of the Credit Underwriter's expertise, the fee for such services shall be borne by the Applicant.
- (10) An appraisal report conforming to the Uniform Standards of Professional Appraisal Practice in effect at the time of the appraisal and reported in a comprehensive format, and a separate market study shall be ordered by the Credit Underwriter, at the Applicant's expense, from an appraiser qualified for the geographic area and development type not later than completion of credit underwriting. The Credit Underwriter shall review the appraisal to properly evaluate the development property's financial feasibility. Appraisals which have been ordered and submitted by third-party credit enhancers, first mortgagors or Housing Credit Syndicators and which meet the above requirements and are acceptable to the Credit Underwriter may be used instead of the appraisal referenced above. The market study must be completed by a disinterested party who is approved by the Credit Underwriter. The Credit Underwriter shall consider the market study, the Development's financial impact on Developments in the area previously funded by the Corporation, and other documentation when making its recommendation of whether to approve or disapprove a RRLP loan. The Credit Underwriter shall also review the appraisal and other market documentation to determine if the market exists to support both the demographic and income restriction set-asides committed to within the Application. For the Credit



Underwriter to make a favorable recommendation, the submarket of the proposed Development must have:

- (a) An average physical occupancy rate of 92 percent or greater; and,
  - (b) For Developments with new construction units, an average market rental rate, based on unit mix and annualized rent concessions, of 110 percent or greater of a 60 percent of Area Median Income rental rate.
- (11) The minimum debt service coverage shall be 1.10x for the loan, including all superior mortgages. However, if the Applicant defers at least 35 percent of its Developer Fee following the last disbursement of all permanent sources of funding identified in the final credit underwriting report and when the primary expected source of repayment has been identified as projected cash flow, the minimum debt service coverage shall be 1.00x for the RRLP loan, including all superior mortgages. The maximum debt service coverage shall be 1.50x for the RRLP loan, including all superior mortgages. In extenuating circumstances, such as when the Development has deep or short term subsidy, the debt service coverage may exceed 1.50x if the Credit Underwriter's favorable recommendation is supported by the projected cash flow analysis. Developments receiving first mortgage funding from the United States Department of Agriculture Rural Development (RD) are not required to meet the debt service coverage standards if RD is providing rental assistance and has acknowledged that rents will be set at an amount sufficient to pay all operating expenses, replacement reserve requirements and debt service on the first and second mortgages.
- (12) The Corporation's assigned Credit Underwriter shall require a guaranteed maximum price construction contract, which may include change orders for changes in cost or changes in the scope of work, or both, if all parties agree, and shall order, at the Applicant's sole expense, and review a pre-construction analysis for all new construction units and review the Development's costs.
- (13) In addition to operating expenses, the Credit Underwriter must include an estimate for replacement reserves and operating expense reserves deemed appropriate by the Credit Underwriter when calculating the final net operating income available to service the debt. A minimum amount of \$300 per unit per annum must be used for all Developments.
- (a) The initial replacement reserve will have limitations on the ability to be drawn upon during the following time periods:  
  
Developments shall not be allowed to draw during the first five (5) years or until the establishment of a minimum balance equal to the accumulation of five (5) years of replacement reserves per unit.
  - (b) The amount established as a replacement reserve shall be adjusted based on a CNA prepared by an independent third-party, ordered by a first mortgage lender, third-party credit enhancer, received by the Corporation or its servicers, and acceptable to the Corporation and its servicers at the time the CNA is required, beginning no later

than the 10th year after the first residential building in the Development receives a certificate of occupancy, a temporary certificate of occupancy, or is placed in service, whichever is earlier ('Initial Replacement Reserve Date'). A subsequent CNA, meeting the parameters of this section, is required no later than the 15th year after the Initial Replacement Reserve Date and subsequently every five (5) years thereafter. If the Applicant does not provide a copy of a CNA to the Corporation or its servicers, prepared by an independent third-party and acceptable to the Corporation and its servicers within the stated time frames, then one shall be ordered by the Corporation or its servicers at the Applicant's expense. The only events allowed to drop the balance below the minimum are items related to life safety, structural and systems as approved by the Corporation and its servicers. In the event the first mortgage lender requires replacement reserves with replacement reserve deposit requirements that include the same or higher deposits, the Corporation's rights to hold replacement reserves and to disburse such funds shall be subject to the first mortgage lender. The replacement reserve funds are not to be used by the Applicant for normal maintenance and repairs, but shall be used for structural building repairs, major building systems replacements and other eligible items which can be identified in a competitive solicitation and/or such items that can be capitalized and depreciated over multiple years. An Applicant may choose to fund a portion of the replacement reserves at closing. Unless approved by the Corporation and the Credit Underwriter, the amount cannot exceed 50 percent of the required replacement reserves for two (2) years and must be placed in escrow at closing.

- (14) The Credit Underwriter may request additional information, but at a minimum the following will be required during the underwriting process:
- (a) For credit enhancers, audited financial statements for their most recent fiscal year ended, if published; otherwise the previous year's audited statements will be provided until the current statements are published or credit underwriting is complete. The audited statements may be waived if the credit enhancer's senior long term debt rating is at least "A3" by Moody's, or "A-" by Standard and Poor's or Fitch.
  - (b) For the Applicant, general partner(s), and guarantors, audited financial statements or financial statements compiled or reviewed by a licensed Certified Public Accountant for the most recent fiscal year ended, credit check, banking and trade references, and deposit verifications. If financial statements that are either audited, compiled or reviewed by a licensed Certified Public Accountant are not available, unaudited financial statements prepared within the last 90 days and reviewed by the Credit Underwriter and the two most recent years' tax returns. If any of the applicable entities are newly formed (less than 18 months in existence as of the date that credit underwriting information is requested), a copy of any and all tax returns with related supporting notes and schedules. The financial statements and information provided for review should be in satisfactory form and shall be reviewed in accordance with the terms and conditions of this RFA.
  - (c) For the General Contractor, audited financial statements or financial statements compiled or reviewed by a licensed Certified Public Accountant for the most recent fiscal year ended, credit check, banking and trade references, and deposit

verifications. The audited or compiled statements may be waived if a payment and performance bond equal to 100 percent of the total construction cost whose terms do not adversely affect the Corporation's interest, and is issued in the name of the General Contractor by a company rated at least "A-" by AMBest & Co.

- (15) Each general partner (whether individual or entity) or each manager/managing member (whether individual or entity), as applicable, of the Applicant shall provide a guarantee for completion of construction. In addition, one or more entities or individuals (other than a general partner or manager/managing member) having an ownership interest, either directly or indirectly, in the Applicant or in the general partner or managing member of the Applicant shall be required to provide guarantees or personal guarantees, as applicable, for completion of construction as recommended by the Credit Underwriter or as otherwise required by the Corporation. The Corporation shall consider the following when determining the need for additional construction completion guarantees based on the recommendations of the Credit underwriter:
- (a) Liquidity of any guarantee provider.
  - (b) Applicant's, Developer's and General Contractor's history in successfully completing Developments of similar nature.
  - (c) The past performance of the Applicant, Developer, General Contractor or any other guarantee provider in developing or constructing Developments financed by the Corporation or its predecessor.
  - (d) Percentage of the Corporation's funds utilized compared to Total Development Costs.

If, after evaluation of paragraphs (a)-(d), above, by the Corporation and the Credit Underwriter, it is determined that additional surety is needed, the Applicant will be required to provide a letter of credit or payment and performance bond.

- (16) For all Developments, the Developer Fee and General Contractor's fee shall be limited to:
- (a) The Developer Fee shall be limited to 16\* percent of Development Cost, excluding land and operating deficit reserves. Consulting fees include payments for Application consultants, construction management or supervision, Local Government consultants and property acquisition brokerage fees when in excess of the appropriate limit. The maximum brokerage fees shall be limited to the lesser of \$300,000 or the applicable percent of the acquisition price, which shall be set at 4 percent when the acquisition price is \$5 million or less, 3 percent when the acquisition price is \$10 million or less, and 2 percent when the acquisition price is in excess of \$10 million.  
  
\*If Tax-Exempt Bond Financing and Non-Competitive Housing Credits are utilized, the Developer Fee shall be limited to 18 percent.
  - (b) The General Contractor's fee shall be limited to a maximum of 14 percent of the actual construction cost.

- (17) The General Contractor must meet the following conditions:
- (a) Employ a Development superintendent and charge the costs of such employment to the general requirements line item of the General Contractor's budget;
  - (b) Charge the costs of the Development construction trailer, if needed, and other overhead to the general requirements line item of the General Contractor's budget inclusive of the general requirement items related to construction costs identified in the final cost certification documentation;
  - (c) Secure building permits, issued in the name of the General Contractor;
  - (d) If deemed necessary by the Corporation and the Credit Underwriter in their evaluation of construction completion guarantees in (15), above, secure a payment and performance bond whose terms do not adversely affect the Corporation's interest, issued in the name of the General Contractor, from a company rated at least "A-" by AMBest & Co., or a Corporation-approved alternate security for the General Contractor's performance such as a letter of credit issued by a financial institution with a senior long term (or equivalent) credit rating of at least "Baa3" by Moody's, or at least "BBB-" by Standard & Poor's or Fitch, or a financial rating of at least 175 by IDC Financial Publishing;
  - (e) Ensure that none of the General Contractor duties to manage and control the construction of the Development are subcontracted;
  - (f) Ensure that no construction or inspection work that is normally performed by subcontractors is performed by the General Contractor;
  - (g) Ensure that not more than 20 percent of the construction cost, not to include the General Contractor fee or pass-through fees paid by the General Contractor, is subcontracted to any one entity or any group of entities that have common ownership or are Affiliates of any other subcontractor, with the exception of a subcontractor (or any group of entities that have common ownership or are Affiliates of any other subcontractor) contracted to deliver the building shell of a building of at least five (5) stories which may not have more than 31 percent of the construction cost in a subcontract, unless otherwise approved by the Corporation for a specific Development. With regard to said approval, the Corporation shall consider the facts and circumstances of each Applicant's request, inclusive of construction costs and the General Contractor's fees. For purposes of this paragraph, "Affiliate" has the meaning given in Exhibit B of the RFA, except that the term "Applicant" therein shall mean "subcontractor"; and,
  - (h) Ensure that no construction cost is subcontracted to any entity that has common ownership or is an Affiliate of the General Contractor or the Developer. For purposes of this paragraph, "Affiliate" has the meaning given it in Exhibit B of the RFA, except that the term "Applicant" therein shall mean "General Contractor."

- (18) The Credit Underwriter shall require an operating deficit guarantee. Upon written request of the guarantor(s) to the Corporation or its agent, the operating deficit guarantee will be released upon achievement of a 1.15x debt service coverage ratio for the combined permanent first mortgage and RRLP loan, as determined by the Corporation or its agent, and 90 percent occupancy, and 90 percent of the gross potential rental income, net of utility allowances, if applicable, all for a period equal to 12 consecutive months, all as certified by an independent Certified Public Accountant. The calculation of the debt service coverage ratio shall be made by the Corporation or its agent. The Credit Underwriter or servicer will determine whether all of the requirements described above have been met, including receipt, acceptance and verification of the documentation provided by the Certified Public Accountant, and will then submit a letter to the Corporation containing a positive or negative recommendation concerning the release of the operating deficit guarantee. If the Corporation's decision is to deny the release of the operating deficit guarantee, the Board shall consider the facts and circumstances of the Applicant's request and the Corporation's denial, and make a determination of whether to grant the requested release. Notwithstanding the above, the operating deficit guarantee shall not be released earlier than three (3) years following the issuance of a final certificate of occupancy or, in the event a final certificate of occupancy is not routinely provided by the applicable jurisdiction, such other information evidencing completion of the Development which is deemed acceptable to the Corporation. An operating deficit guarantee, to be released upon achievement of 1.00x debt service coverage for a minimum of six (6) consecutive months for the combined permanent first mortgage and RRLP loan will be required for Developments receiving first mortgage funding from the United States Department of Agriculture Rural Development (RD) if RD is providing rental assistance and has acknowledged that rents will be set at an amount sufficient to pay all operating expenses, replacement reserve requirements and debt service on the RRLP loan and all superior mortgages.
- (19) Contingency reserves which total no more than 5 percent of total actual construction costs (hard costs) and total general development costs (soft costs) may be included within the Total Development Cost for Application and underwriting purposes. Contingency reserves shall not be paid from RRLP funds.
- (20) The Credit Underwriter will review and determine if the number of loans and construction commitments of the Applicant and its Principals will impede its ability to proceed with the successful development of each proposed Corporation-funded Development.
- (21) Information required by the Credit Underwriter shall be provided as follows:
- (a) The Corporation shall issue a firm loan commitment after approval of the Credit Underwriter's recommendation for funding by the Board.
  - (b) The firm loan commitment must be issued within twelve (12) months of the Applicant's acceptance to enter credit underwriting. Unless an extension is approved by the Corporation in writing, failure to achieve issuance of a firm loan commitment by the specified deadline shall result in withdrawal of the preliminary commitment. Applicants may request one (1) extension of up to six (6) months to secure a firm loan commitment. All extension requests must be submitted in writing to the program

administrator and contain the specific reasons for requesting the extension and shall detail the time frame to achieve a firm loan commitment. In determining whether to grant an extension, the Corporation shall consider the facts and circumstances of the Applicant's request, inclusive of the responsiveness of the Development team and its ability to deliver the Development timely. The Corporation shall charge a non-refundable extension fee of one (1) percent of each loan amount if the request to extend the credit underwriting and firm loan commitment process beyond the initial twelve (12) month deadline is approved. If an approved extension is utilized, Applicants must pay the extension fee not later than seven (7) Calendar Days after the original twelve (12) month deadline. If, by the end of the extension period, the Applicant has not received a firm loan commitment, then the preliminary commitment shall be withdrawn.

- (22) If the Credit Underwriter requires additional clarifying materials in the course of the underwriting process, the Credit Underwriter shall request same from the Applicant and shall specify deadlines for the submission of same. Failure to submit required information by the specified deadline, unless a written extension of time has been approved by the Corporation, shall result in withdrawal of the preliminary commitment or the invitation to enter credit underwriting, or both, as applicable. In determining whether to grant an extension, the Corporation shall consider the facts and circumstances of the Applicant's request, inclusive of the responsiveness of the Development team and its ability to deliver the Development timely. If the Corporation's decision is to deny the Applicant's request for an extension, then prior to the withdrawal of the preliminary commitment or the invitation to enter credit underwriting, or both, as applicable, the Board shall consider the facts and circumstances of the Applicant's request, the Corporation's denial, and any credit underwriting report, if available, and make a determination of whether to grant the requested extension.
- (23) The Credit Underwriter shall complete its analysis and submit a written draft report and recommendation to the Corporation. Upon receipt, the Corporation shall provide to the Applicant the section of the written draft report consisting of supporting information and schedules. The Applicant shall review and provide written comments to the Corporation and Credit Underwriter within 48 hours of receipt. After the 48 hour period, the Corporation shall provide to the Credit Underwriter comments on the draft report and, as applicable, on the Applicant's comments. Then, the Credit Underwriter shall review and incorporate, if deemed appropriate, the Corporation's and Applicant's comments and release the revised report to the Corporation and the Applicant. Any additional comments from the Applicant shall be received by the Corporation and the Credit Underwriter within 72 hours of receipt of the revised report. Then, the Credit Underwriter will provide a final report, which will address comments made by the Applicant, to the Corporation.
- (24) The Credit Underwriter's loan recommendations will be sent to the Board for approval.
- (25) The Corporation shall issue a firm loan commitment within seven (7) Calendar Days after approval of the Credit Underwriter's recommendation for funding by the Board.
- (26) These Corporation loans and other mortgage loans related to the Development must close within 120 Calendar Days of the date of the firm loan commitment(s), unless the Development is a Tax-Exempt Bond-Financed Development which then the closing must occur within 180

- Calendar Days of the firm loan commitment(s). Unless an extension is approved by the Board, failure to close the loan(s) by the specified deadline outlined above shall result in the firm loan commitment(s) being deemed void and the funds shall be de-obligated. Applicants may request one (1) extension of the loan closing deadline outlined above for a term of up to 90 Calendar Days. All extension requests must be submitted in writing to the program administrator and contain the specific reasons for requesting an extension and shall detail the time frame to close the loan. The Board shall consider the facts and circumstances of each Applicant's request, inclusive of the Applicant's ability to close within the extension term and any credit underwriting report, prior to determining whether to grant the requested extension. The Corporation shall charge an extension fee of one (1) percent of each Corporation loan amount if the Board approves the request to extend the loan closing deadline beyond the applicable 120 Calendar Day or 180 Calendar Day period outlined above. If an approved extension is utilized, Applicants must pay the extension fee not later than seven (7) Calendar Days after the original loan closing deadline. In the event the Corporation loan(s) does not close by the end of the extension period, the firm loan commitment(s) shall be deemed void and the funds shall be de-obligated.
- (27) Prior to any loan closing:
- (a) The Applicant must provide evidence of all necessary consents or required signatures from first mortgagees or subordinate mortgagees to the Corporation and its counsel; and,
  - (b) The Credit Underwriter must have received all items necessary to release its letter confirming that all closing contingencies have been met, including the finalized sources and uses of funds and Draw schedule.

**C. Miscellaneous Criteria**

- (1) A for-profit entity wholly owned by one or more qualified non-profit organizations will constitute a Non-Profit entity. The purpose of the Non-Profit must be, in part, to foster low-income housing and such purpose must be reflected in the Articles of Incorporation of the Non-Profit entity. A Non-Profit entity shall own an interest in the Development, either directly or indirectly; shall not be affiliated with or controlled by a for-profit Corporation; and shall materially participate in the development and operation of the Development throughout the total affordability period as stated in the Land Use Restriction Agreement and the Extended Use Agreement.
- (2) Total Development Cost includes the following:
  - (a) The cost of acquiring real property and any buildings thereon, including payment for options, deposits, or contracts to purchase properties, of which the total cost cannot exceed the appraised value of the real property as determined in the credit underwriting process.
  - (b) The cost of site preparation, demolition, and development.
  - (c) Any expenses relating to the issuance of tax-exempt bonds or taxable bonds related to the particular Development.

- (d) Fees in connection with the planning, execution, and financing of the Development, such as those of architects, engineers, attorneys, accountants, Developer Fee, and the Corporation. However, fees of the Applicant's or Developer's attorney(s) awarded in conjunction with litigation against the Corporation with respect to a Development shall not be included in Total Development Cost.
  - (e) The cost of studies, surveys, plans, permits, insurance, interest, financing, tax and assessment costs, and other operating and carrying costs during construction or reconstruction of the Development.
  - (f) The cost of the construction and equipping of the Development.
  - (g) The cost of land improvements, such as landscaping and offsite improvements related to the Development, whether such costs are paid in cash, property, or services.
  - (h) Expenses in connection with initial occupancy of the Development.
  - (i) Allowances for contingency reserves and any anticipated operating reserves as recommended by the Credit Underwriter and approved by the Corporation.
  - (j) The cost of such other items, including relocation costs, indemnity and surety bonds, premiums on insurance, and fees and expenses of trustees, depositories, and paying agents for the Corporation's bonds, for the construction of the Development.
- (3) In determining the income standards of Eligible Persons for its various programs, the Corporation shall take into account the following factors:
- (a) Requirements mandated by federal law;
  - (b) Variations in circumstances in the different areas of the state;
  - (c) Whether the determination is for rental housing; and
  - (d) The need for family size adjustments to accomplish the purposes set forth in this RFA.
- (4) Financial Beneficiary and Affiliate, as defined in Exhibit B of the RFA, do not include third-party lenders, third-party management agents or companies, third-party service providers, Housing Credit Syndicators, credit enhancers regulated by a state or federal agency, or contractors whose total fees are within the limit described in Part B above.
- (5) For computing any period of time allowed by this RFA, the day of the event from which the designated period of time begins to run shall not be included. The last day of the period so computed shall be included unless it is a Saturday, Sunday or legal holiday, in which event the period shall run until the end of the next day which is neither a Saturday, Sunday or legal holiday.
- (6) The Corporation must approve, pursuant to rule chapter 67-53, F.A.C., the Applicant's



selection of a management company prior to such company assuming responsibility for the Development. The owner of a Development must notify the Corporation of an intended change in the management company prior to such company assuming responsibility for the Development. A key management company representative must attend a Corporation-sponsored training workshop on certification and compliance procedures prior to the leasing of any units in the Development.

- (7) Disclosure of the Principals of the Applicant must comply with the following:
  - (a) The Applicant must disclose all of the Principals of the Applicant (first principal disclosure level). For Applicants seeking Housing Credits, the Housing Credit Syndicator/Housing Credit investor need only be disclosed at the first principal disclosure level and no other disclosure is required;
  - (b) The Applicant must disclose all of the Principals of all the entities identified in paragraph (a) above (second principal disclosure level);
  - (c) The Applicant must disclose all of the Principals of all of the entities identified in paragraph (b) above (third principal disclosure level). Unless the entity is a trust, all of the Principals must be natural persons; and
  - (d) If any of the entities identified in (c) 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.
  
- (8) 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 (a) above (second principal disclosure level).

**D. Programs Requirements and Terms and Conditions of the RRLP Loan**

- (1) An Applicant is not eligible to apply for RRLP funding if any of the following pertain:
  - (a) Construction or construction-permanent financing of the costs associated with construction of the Development, including tax-exempt bonds or conventional financing with conversion clauses, has closed or will close prior to the date of the preliminary commitment for the RRLP funding.
  - (b) The proposed Development has received an allocation of Housing Credits or a Competitive Housing Credit commitment, unless written notice has been provided to the Corporation prior to the deadline to apply for the RRLP funding withdrawing acceptance of such allocation or commitment and returning the previously awarded HC funding.

- (c) A preliminary commitment of funding for the proposed Development through the SAIL Program or the HOME Program has already been accepted, unless written notice has been provided to the Corporation prior to the deadline to apply for the RRLP funding withdrawing such acceptance and returning the prior SAIL Program or HOME Program funding.
  - (d) The proposed Development site or any part thereof is subject to any Land Use Restriction Agreement or Extended Use Agreement, or both, in conjunction with any Corporation affordable housing financing intended to foster the development or maintenance of affordable housing, unless the LURA was recorded in conjunction with the Predevelopment Loan Program.
- (2) The RRLP funds shall be used for the construction of affordable, safe and sanitary multifamily rental housing units.
- (3) The RRLP loan may be in a first, second, or other subordinated lien position. For purposes of this RFA, mortgages securing a letter of credit as credit enhancement for the bonds financing the first mortgage shall be considered a contingent liability and part of the first mortgage lien, provided that the Applicant's counsel furnishes an opinion regarding the contingent nature of such mortgage satisfactory to the Corporation and its counsel.
- (4) The RRLP Minimum Set-Aside Requirements are:
- (a) At least 10 percent of the total units must be held for ELI Households for a period of 15 years. Following the 15-year ELI affordability period, the ELI Set-Aside Units will then convert to serve families at or below 60 percent of the area median income; and
  - (b) At least 70 percent of the total units must be set aside for residents with an annual household income at or below 60 percent of the area median income.
- The set-aside requirements apply to the total number of residential units in the Development beginning on the later of the first day on which any residential unit in the Development is occupied or the RRLP loan closing date. For a period of 12 months beginning on the RRLP loan closing date (the "transition period"), the failure to satisfy the set-aside requirements shall not cause noncompliance.
- (5) The base loan shall be non-amortizing and shall have interest rates as follows:
- (a) 0 percent simple interest per annum on the pro-rata portion of the base loan attributable to ELI units over the life of the loan; and
  - (b) 1 percent simple interest per annum on the pro-rata portion of the base loan attributable non-ELI units.
- (6) The ELI loan shall be non-amortizing and shall be based on each ELI unit at 0 percent simple interest per annum with the principal forgivable at maturity provided the units for which the ELI loan amount is awarded are targeted to ELI Households for the first 15 years of the Compliance Period.
- (7) Payment on the loans shall be based upon the Development Cash Flow, as determined pursuant to the financial reporting requirements as provided in this RFA, or shall be due

annually as determined by the Corporation's Board of Directors. Such determination by the Board shall be based upon a written recommendation by the Credit Underwriter which has considered the economic and financial viability of the Development as well as the protection of the Corporation's repayment of principal and interest. Any distribution or payment to the Principal(s) of the Applicant or Developer or any Affiliate of the Principal of the Applicant or Developer or any Affiliate of the Applicant or Developer, whether paid directly or indirectly, which was not expressly disclosed in determining the annual debt service coverage in the Board approved final credit underwriting report, with the exception of payment of the Developer Fee allowable to maximum of 20 percent per year, will be added back to the amount of cash available for the RRLP loan interest payment, pursuant to the financial reporting process, for the purpose of determining interest due. Interest may be deferred as set forth in (9) below, without constituting a default on the loan.

- (8) The loans described in (4) above, shall be repaid from Development Cash Flow, and if the RRLP loan is not a first mortgage loan, each year, subject to the provisions of (9) below, Development Cash Flow shall be applied to pay the following items in order of priority:
- (a) All superior mortgage fees and debt service as calculated and disclosed in the Board approved final credit underwriting report;
  - (b) Development Expenses for the RRLP Development, plus up to 20 percent of total Developer Fees per year;
  - (c) Interest payment on RRLP loan balance;
  - (d) Interest payments on the RRLP loan deferred from previous years; and
  - (e) Mandatory payment on subordinate mortgages.

After the full RRLP loan interest has been paid, the Applicant shall retain all remaining monies, unless the Applicant chooses to prepay a portion of the loan balance.

- (9) If the RRLP loan is secured by a first mortgage lien, each year, subject to the provisions (9) below, Development Cash Flow shall be applied to pay the following items in order of priority:
- (a) First mortgage fees and interest payment on the RRLP loan;
  - (b) Development Expenses on the RRLP Loan plus up to 20 percent of total Developer Fees per year;
  - (c) Interest payments on the RRLP loan deferred from previous years; and
  - (d) Mandatory payment on subordinate mortgages.

After the full RRLP loan interest has been paid, the Applicant shall retain all remaining monies, unless the Applicant chooses to prepay a portion of the loan balance.

- (10) The determination of lien position, determination of Development Cash Flow, determination of payment priorities, and payment of interest on RRLP loans shall occur annually. A change in lien position from subordinate to first changes payment priorities. Any payments of accrued and unpaid interest due annually on RRLP loans shall be deferred to the extent that

Development Cash Flow is insufficient to make said payments pursuant to the payment priority schedule established in this RFA. If Development Cash Flow is under-reported and such report causes a deferral of RRLP interest, such under-reporting shall constitute an event of default on the RRLP loan. A penalty of 5 percent of any required payment shall be assessed.

(a) By the date that is 151 Calendar Days after the Applicant's fiscal year end of each year of the RRLP loan term, the Applicant shall provide the Corporation's servicer with audited financial statements and a certification detailing the information needed to determine the annual payment to be made. However, this certification requirement will be waived until 151 Calendar Days after the Applicant's fiscal year end following the fiscal year within which the first unit is occupied. In the case where the RRLP Development contained occupied units at the time of acquisition, the initial submission will be due following the fiscal year within which the 12 month anniversary of the RRLP loan closing is observed. The certification shall require submission of audited financial statements, the fully completed and executed annual reporting form, Financial Reporting Form SR-1, (Rev. 05-14), and any other financial reporting requirements as provided in the RFA. The Form SR-1, which is available from the Corporation Website, shall be submitted to the Corporation's servicer in both PDF format and in electronic form as a Microsoft Excel spreadsheet. The audited financial statements are to be prepared in accordance with accounting principles generally accepted in the United States of America and audited in accordance with auditing standards generally accepted in the United States of America for the 12 month fiscal year period just ended and shall include:

1. Comparative Balance Sheet with prior year and current year balances,
2. Statement of revenue and expenses,
3. Statement of changes in fund balances or equity,
4. Statement of cash flows; and,
5. Notes to financial statements.

The financial statements referenced above should also be accompanied by a certification of the Applicant as to the accuracy of such financial statements. A late fee of \$500 will be assessed by the Corporation for failure to submit the required audited financial statements and certification by 151 Calendar Days after the Applicant's fiscal year end of each year of the RRLP loan term. If the Applicant has not submitted the required audited financial statements, the Corporation servicer shall deem the Development Cash Flow sufficient and issue a billing for interest due on the RRLP loan for the Applicant's immediately preceding fiscal year by 212 Calendar Days after the Applicant's fiscal year end. After receipt of the audited financial statements, the Corporation servicer shall issue revised billing, if necessary. Failure to submit the required audited financial statements and certification by 151 Calendar Days after the Applicant's fiscal year end of each year of the RRLP loan term shall constitute an event of default on the RRLP loan. The Applicant shall furnish to the Corporation or its servicer, unaudited statements, certified by the Applicant's principal financial or accounting officer, covering such financial matters as the Corporation or its servicer may reasonably request, including without limitation, monthly statements with

respect to the Development.

- (b) The Corporation servicer shall issue a billing for interest due on the RRLP loan for the Applicant's immediately preceding fiscal year by 212 Calendar Days after the Applicant's fiscal year end of each year of the RRLP loan term.
  - (c) The Applicant shall remit the interest due to the Corporation servicer no later than RRLP interest will be due no later than 243 Calendar Days after the Applicant's fiscal year end following the fiscal year within which the first unit is occupied. The first payment of interest shall include all interest for the period which begins accruing on the date of the first Draw and ends on the date of the Applicant's fiscal year end of the fiscal year during which the first unit is occupied.
- (11) After maturity or acceleration, the Note shall bear interest at its default interest rate, as provided therein, from the due date until paid. Unless the Corporation has accelerated the RRLP loan, the Applicant shall pay the Corporation a late charge of 5 percent of any required payment that is not received by the Corporation within 15 days of the due date.
  - (12) The final billing for the purpose of payoff of the RRLP loan shall also include a billing for compliance fees to cover monitoring of RRLP Program requirements beyond the maturity date of the Note. Such fees shall be computed by determining the present value of the annual compliance monitoring fee for the number of years for which the Development will have a set-aside for Very Low-Income persons or households beyond the repayment date. The applicable present value discount rate shall be 5.50% per annum. Such amount shall be reduced by the amount of any compliance monitoring fees for other programs collected by the Corporation for the Development for the period, provided:
    - (a) The compliance monitoring fee covers some or all of the period following the anticipated RRLP loan repayment date; and
    - (b) The Development has substantially equivalent set-asides for Very Low-Income persons or households mandated through another Corporation program for which the compliance monitoring fee was collected.
  - (13) The RRLP loans shall be serviced either directly by the Corporation or by the servicer on behalf of the Corporation.
  - (14) The Corporation shall monitor compliance of all terms and conditions of the RRLP loan and shall require that certain terms and conditions be embodied in the Land Use Restriction Agreement and recorded in the public records of the county wherein the Development is located. Violation of any material term or condition of the documents evidencing or securing the RRLP loan shall constitute a default during the term of the RRLP loan. The Corporation shall take appropriate legal action to effect compliance if a violation of any material term or condition relative to the set-asides of units for Very Low-Income persons or households is discovered during the course of compliance monitoring or by any other means.
  - (15) The Corporation shall require adequate insurance to be maintained on the Development as determined by the first mortgage lender, the Corporation, or the Corporation's servicer, but which shall, in any case, include fire, hazard and other insurance as required by the terms and

conditions outlined in the RFA.

- (16) The RRLP loan term shall be for a period of not more than 15 years commensurate with the investment requirements associated with the Housing Credit syndication. The term of the loan may also exceed 15 years if the lien of the Corporation's encumbrance is subordinate to the lien of another mortgagee, in which case the term may be made coterminous with the longest term of the superior loan.
- (17) Upon maturity of the RRLP loan, the Corporation may renegotiate and extend the loan in order to extend the availability of housing for the target population. Such extension shall be based upon:
  - (a) Performance of the Applicant during the RRLP loan term;
  - (b) Availability of similar housing stock for the target population in the area;
  - (c) Documentation and certification by the Applicant that funds are not available to repay the Note upon maturity;
  - (d) A plan for the repayment of the loan at the new maturity date; and
  - (e) Assurance that the security interest of the Corporation will not be jeopardized by the extension.
- (18) After accepting a preliminary commitment, the Applicant shall not refinance, increase the principal amount, or alter any terms or conditions of any mortgage superior or inferior to the RRLP mortgage without prior approval of the Corporation's Board of Directors. However, an Applicant 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 of any such change.
  - (a) The Corporation will recommend the Board approve requests for mortgage loan refinancing only if Development Cash Flow is improved, the Development's economic viability is maintained, the security interest of the Corporation is not adversely affected, and the Credit Underwriter provides a positive recommendation.
  - (b) The Corporation will recommend the Board deny requests to increase the amount of any superior mortgage, unless the criteria outlined in this RFA are met, the original combined loan to value ratio for the superior mortgage and the RRLP mortgages is maintained or improved, and a proportionate amount of the increase in the superior mortgage is used to reduce the outstanding RRLP base loan balance. To calculate the proportionate amount of the increase in the superior mortgage which must be paid toward the reduction of the RRLP loan balance, the following calculation shall be used: divide the amount of the original RRLP mortgage by the combined amount of the original RRLP mortgage and the original superior mortgage; then multiply the quotient by the amount of the increase in the superior mortgage from the current balance.
- (19) All RRLP loans shall be in conformance with applicable federal and state statutes. The Corporation shall allow units dedicated to occupancy by the Elderly in a Development designed for occupancy by elderly households pursuant to authorization by HUD under the

Fair Housing Amendments of 1988 as implemented by 24 CFR Part 100.

- (20) Rent controls are determined in a manner consistent with Section 42(g)(2) of the IRC. The gross monthly rent shall not exceed 30 percent of the imputed income limitation applicable to such unit as committed to by the Applicant in its Application.
- (21) The documents creating, evidencing or securing each RRLP loan must provide that any violation of the terms and conditions described in this RFA constitutes a default under the RRLP loan documents allowing the Corporation to accelerate its loan and to seek foreclosure as well as any other remedies legally available to it.
- (22) A failure to pay any principal or interest due under the terms of this section shall constitute a default on the RRLP loan.
- (23) If, after a four-month rent-up period commencing after issuance of the last certificate of occupancy on the units, an Applicant is unable to meet the agreed-upon demographic commitment for Elderly, the Applicant may request to rent such units to Very Low-Income persons or households without demographic restriction.
  - (a) The written request must provide documentation of marketing efforts implemented over the past four-month period which demonstrate the inclusion of sources of potential residents, advertising to be used, other means of encouraging residents to rent at the Development, and priority to the original targeted group of residents. If the Corporation determines that prior marketing efforts were insufficient, a revised plan which is satisfactory to the Corporation must be submitted and implemented for a four-month period prior to reconsideration.
  - (b) The Corporation will recommend that the Board require that Applicants provide additional amenities or resident programs suitable for the proposed resident population.
  - (c) The Corporation will recommend that the Board require that Applicants to modify loan documents to conform to the terms and conditions, including the interest rate, as outlined in the RFA, or to accelerate payments of RRLP loan principal or interest.
- (24) Failure to provide the Corporation and its servicer with any financial reporting required in the RFA detailing the information needed to determine the annual payment to be made pursuant to this RFA shall constitute a default on the RRLP loan.
- (25) The Compliance Period for a RRLP Development shall be, at a minimum, a period of time equal to the greater of:
  - (a) The term of the loan,
  - (b) 12 years from the date the first residential unit is occupied, or
  - (c) Such longer period agreed to by the Applicant in the Application.

The set-aside requirements apply to the total number of residential units in the Development beginning on the later of the first day on which any residential unit in the Development is occupied or the RRLP loan closing date. For a period of 12 months beginning on the RRLP loan

closing date (the “transition period”), the failure to satisfy the set-aside requirements shall not cause noncompliance.

(26) Unless and until a guarantor’s obligations for a RRLP 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 (a) through (c), below, as the Corporation or its servicer may reasonably request.

(a) The audited financial statements are to be prepared in accordance with accounting principles generally accepted in the United States of America and audited in accordance with auditing standards generally accepted in the United States of America for the 12 month fiscal year period just ended and shall include:

1. Comparative Balance Sheet with prior year and current year balances,
2. Statement of revenue and expenses,
3. Statement of changes in fund balances or equity,
4. Statement of cash flows; and,
5. Notes to financial statements.

The financial statements referenced above should also be accompanied by a certification of the guarantor(s) as to the accuracy of such financial statements; or

(b) If an audited financial statement has not been prepared, a federal income tax return filed for the most recently completed year, or

(c) For individual guarantors, if an audited financial statement is not available a financial statement certified as true and complete without qualification by such guarantor and a copy of the most recently filed individual federal income tax return.

**E. Sale or Transfer of a RRLP Development**

(1) 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 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.

(2) The RRLP loan shall be assumable upon sale or transfer of the Development if the following conditions are met:

- (a) The proposed transferee meets all specific Applicant identity criteria which were required as conditions of the original loan;
- (b) The proposed transferee agrees to maintain all set-asides and other requirements of the RRLP loan for the period originally specified or longer; and,
- (c) 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 of one-tenth of one percent of the RRLP loan principal amount.

- (3) If the RRLP loan is not assumed since the buyer does not meet the criteria for assumption of the RRLP loan, the RRLP loan (principal and any outstanding interest) shall be repaid from the proceeds of the sale in the following order of priority:
- (a) First mortgage debt service, first mortgage fees;
  - (b) RRLP compliance and loan servicing fees;
  - (c) An amount equal to the present value of the compliance monitoring fee for the periods for which the Development will have a set-aside for Very Low-Income persons or households beyond the repayment date. Such amount shall be reduced by the amount of any compliance monitoring fees collected by the Corporation for the Development for that period, provided:
    - 1. The compliance monitoring fee covers some or all of the period following the anticipated RRLP repayment date; and,
    - 2. The Development has substantially equivalent set-asides for Very Low-Income persons or households mandated through another program of the Corporation for which the compliance monitoring fee was collected.
  - (d) Unpaid principal balance of the RRLP loan;
  - (e) Any interest due on the RRLP loan;
  - (f) Expenses of the sale;
  - (g) If there will be insufficient funds available from the proposed sale of the Development to satisfy paragraphs (3)(a)-(f), above, the RRLP loan shall not be satisfied until the Corporation has received:
    - 1. An appraisal prepared by an appraiser selected by the Corporation or the Credit Underwriter indicating that the purchase price for the Development is reasonable and consistent with existing market conditions,
    - 2. A certification from the Applicant that the purchase price reported is the actual price paid for the Development, 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 RRLP loan was true and accurate,
    - 3. A certification from the Applicant that there are no Development funds

available to repay the RRLP loan, including any interest due, and the Applicant knows of no source from which funds could or would be forthcoming to pay the RRLP loan; and,

4. A certification from the Applicant detailing the information needed to determine the final billing for RRLP loan interest. Such certification shall require submission of financial statements and other documents that may be required by the Corporation and its servicer.
- (4) The Corporation may renegotiate and extend the loan in order to extend or retain the availability of housing for the target population. Such renegotiations shall be based upon:
- (a) Performance of the Applicant during the RRLP loan term;
  - (b) Availability of similar housing stock for the target population in the area;
  - (c) Documentation and certification by the Applicant that funds are not available to repay the Note upon maturity;
  - (d) A plan for the repayment of the loan at the new maturity date;
  - (e) Assurance that the security interest of the Corporation will not be jeopardized by the new term(s); and,
  - (f) Industry standard terms which may include amortizing loans requiring regularly scheduled payments of principal and interest.

All loan renegotiation requests must be submitted in writing to the Director of Special Assets and contain the specific details of the renegotiation. In addition to any related professional fees, the Corporation shall charge a non-refundable renegotiation fee of one-half of one percent of the RRLP loan principal amount. All loan extension requests must be submitted in writing to the Director of Special Assets and contain the specific details of the extension. In addition to any related professional fees, the Corporation shall charge a non-refundable extension fee of one-tenth of one percent of the RRLP loan principal amount.

- (5) The Corporation will recommend that the Board approve requests for mortgage loan refinancing only if Development Cash Flow is improved, the Development's economic viability is maintained, the security interest of the Corporation is not adversely affected, and the Credit Underwriter provides a positive recommendation.
- (6) The Corporation will recommend that the Board deny any requests for mortgage loan refinancing which require extension of the RRLP loan term or otherwise adversely affect the security interest of the Corporation, unless the criteria outlined in (5) above are met, the Credit Underwriter recommends that the approval of such a request is crucial to the economic survival of the Development, or unless the Board determines that public policy will be better served by the extension as a result of the Applicant agreeing to further extend the Compliance Period or provide additional amenities or resident programs suitable for the resident population. Further, the Corporation will recommend that the Board limit any approved extension to a minimum term which makes the Development feasible and which does not exceed an industry standard term.

The Corporation will recommend that the Board deny any requests to increase the amount of any superior mortgage, unless the criteria outlined in D.(17) above are met, the original combined loan to value ratio for the superior mortgage and the RRLP mortgage is maintained or improved, and a proportionate amount of the increase in the superior mortgage is used to reduce the outstanding RRLP loan balance.

All requests which only require subordination of the regulatory agreements must be submitted in writing to the Director of Special Assets and contain the specific details of the subordination. In addition to any related professional fees, the Corporation shall charge a non-refundable subordination fee of \$1,000 for each regulatory agreement to be subordinated.

All requests which only require extension of the affordability period under the regulatory agreements must be submitted in writing to the Director of Special Assets and contain the specific details of the extension. In addition to any related professional fees, the Corporation shall charge a non-refundable extension fee of \$1,000 for each extension of the regulatory agreement.

**F. RRLP Construction Disbursements and Permanent Loan Servicing**

- (1) RRLP loan proceeds shall be disbursed during the construction phase in an amount per Draw which does not exceed the ratio of the RRLP loan to the Total Development Cost, unless approved by the Corporation and the Credit Underwriter.
- (2) Ten (10) business days prior to each Draw, the Applicant shall supply the Corporation's servicer, as agent for the Corporation, with a written request executed by the Applicant for a Draw. The request shall set forth the amount to be paid and shall be accompanied by documentation specified by the Corporation's servicer including claims for labor and materials to date of the last inspection.
- (3) The Corporation and its servicer shall review the request for a Draw, and the servicer shall provide the Corporation with approval of the request or an alternative recommendation, after the title insurer provides an endorsement to the policy of title insurance updating the policy to the date of the current Draw and increasing the insurance coverage to an amount equal to the sum of all prior Draws and the current Draw.
- (4) The Corporation shall disburse construction Draws through Automated Clearing House (ACH). The Applicant may request disbursement of construction Draws via a wire transfer. The Applicant will be charged a fee of \$10 for each wire transfer requested. This charge will be netted against the Draw amount.
- (5) The Corporation shall elect to withhold any Draw or portion of any Draw, notwithstanding any documentation submitted by the Applicant in connection with the request for a Draw, if:
  - (a) The Corporation or the Corporation's servicer determines at any time that the actual cost budget or progress of construction differs from that as shown on the loan documents, or
  - (b) The percentage of progress of construction of the improvements differs from that

shown on the request for a Draw.

- (6) The servicer may request submission of revised construction budgets.
- (7) Based on the Applicant's progress of construction, if the Corporation determines that further analysis by the Credit Underwriter is required prior to the release of the final Draw, the Applicant shall pay to the Credit Underwriter a fee based on an hourly rate determined pursuant to the contract between the Corporation and the Credit Underwriter.
- (8) Retainage in the amount of 10 percent per Draw shall be held by the servicer during construction until the Development is 50 percent complete. At 50 percent completion, no additional retainage shall be held from the remaining Draws. Release of funds held by the Corporation's servicer as retainage shall occur pursuant to the RRLP loan agreement.

## **Exhibit H – Credit Underwriting Procedures for the ELI Loan**

The applicable credit underwriting, program requirements and loan terms and conditions are outlined in Exhibit G of the RFA for the RRLP loan, and in Rule Chapter 67-21, F.A.C., for the Non-Competitive Housing Credits and the Corporation-issued MMRB loan, if applicable.

The applicable credit underwriting, program requirements and loan terms and conditions for the ELI Loan are outlined below.

### **1. Credit Underwriting Procedures for the ELI Loan:**

- a. The invitation to enter credit underwriting constitutes a preliminary commitment for the ELI Loan.
- b. The credit underwriting for the ELI Loan will be accomplished along with the credit underwriting for the RRLP loan. The Credit Underwriter may request additional information at any time during the credit underwriting process for the ELI Loan.
- c. The Credit Underwriter's loan recommendations for the ELI Loan will be sent to the Board for approval at the time the RRLP loan recommendations are sent.
- d. A firm loan commitment for the ELI Loan will be issued at the time the firm loan commitment for the RRLP loan is issued.
- e. The ELI Loan must close by the deadlines outlined in Exhibit G of the RFA for the RRLP loan.

### **2. Terms and Conditions of the ELI Loan:**

ELI Loans will be subject to the credit underwriting provisions outlined in Section 1 above and the loan provisions outlined below:

- a. The terms and conditions of the ELI Loan shall be as follows:
  - (1) The ELI Loan may be in a first, second, or other subordinated lien position;
  - (2) The ELI Loan shall:
    - (a) Have the amount based on the funding requirements set forth in this RFA; and
    - (b) For Applicants that do not choose Average Income Test: Be non-amortizing at 0 percent simple interest per annum over the life of the ELI Loan, with the principal forgivable at maturity provided the units for which the ELI Loan amount is awarded are targeted to ELI Households for the first 15 years of the Compliance Period. The minimum term of the ELI Loan is 15 years.

For Applicants that choose the Average Income Test: Be non-amortizing at 0 percent simple interest per annum over the life of the ELI Loan, with the principal forgivable at maturity provided the units for which the ELI Loan amount is awarded are targeted to ELI Households for the full affordability period of 50 years.

- (3) 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 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;
- (4) The ELI Loan shall be serviced either directly by the Corporation or by the Corporation's servicer on behalf of the Corporation;
- (5) The Corporation and the Corporation's servicer shall monitor compliance of all terms and conditions of the loan and shall require that certain terms and conditions be embodied in the Land Use Restriction Agreement and recorded in the public records of the county wherein the Development is located. Violation of any material term or condition of the documents evidencing or securing the loan shall constitute a default during the term of the loan if not appropriately cured. The Corporation shall take appropriate legal action to effect compliance if a violation of any material term or condition relative to the set-aside of units for ELI Households is discovered during the course of compliance monitoring or by any other means;
- (6) The Corporation shall require adequate insurance to be maintained on the Development as determined by the Corporation or the Corporation's servicer sufficient to meet the standards established in the Florida Housing Finance Corporation (FHFC) Insurance Guide, dated August 30, 2016, as updated, as outlined in Item 5.e. of Exhibit C of the RFA;
- (7) All ELI Loans shall be in conformance with applicable federal and state statutes, including the Fair Housing Act as implemented by 24 CFR Part 100, Titles II and III of the Americans with Disabilities Act of 1990 as implemented by 28 CFR Part 35, and Section 504 of the Rehabilitation Act of 1973 ("Section 504 and its related regulations"), as outlined in Item 3.a.(2)(a) of Exhibit C of the RFA. The Corporation shall allow units dedicated to occupancy by the Elderly in a Development designed for occupancy by elderly households pursuant to authorization by HUD under the Fair Housing Amendments of 1988 as implemented by 24 CFR Part 100. To the extent that a Development is not otherwise subject to Section 504 and its related regulations, the Development shall nevertheless comply with Section 504 and its related regulations as requirements of the RRLP Program to the same extent as if the RRLP Development were subject to Section 504 and its related regulations in all respects. To that end, for purposes of the RRLP Program, RRLP funding shall be

deemed “Federal financial assistance” within the meaning of that term as used in Section 504 and its related regulations for all RRLP Developments;

- (8) Rent controls for the ELI Set-Aside units for which the ELI Loan is issued shall be restricted at the level applicable for federal Housing Credits;
  - (9) The documents creating, evidencing or securing each ELI Loan must provide that any violation of the terms and conditions described in this Exhibit to the RFA constitutes a default under the ELI Loan documents allowing the Corporation to accelerate its loan and to seek foreclosure as well as any other remedies legally available to it;
  - (10) The affordability period committed to in this RFA includes the units set aside for ELI Households. If the Applicant does not commit to the Average Income Test, after 15 years all of the ELI Set-Aside units may convert to serve residents at or below 60 percent AMI; however, the Persons with Special Needs set-aside commitment must be maintained throughout the entire affordability period. If the Applicant commits to the Average Income Test, the units set-aside for ELI Households must serve residents at or below 30 percent AMI for the entire affordability period of 50 years; and
  - (11) If, after initial certification of ELI Households and move in, ELI Set-Aside units are no longer distributed across the unit mix on a pro-rata basis, the Development will not be in noncompliance so long as the next unit of required size that becomes vacant in the Development is rented to an ELI Household until the ELI Set-Aside units in the Development again meets its requirement to be distributed across the unit mix on a pro-rata basis.
- b. The ELI Loan shall be assumable upon sale or transfer of the Development if the following conditions are met:
- (1) The proposed transferee meets all specific Applicant identity criteria which were required as conditions of the original loan;
  - (2) The proposed transferee agrees to maintain all ELI Set-Asides and other requirements of the ELI 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 this RFA.

- c. ELI Loan construction disbursements and permanent loan servicing shall be based on the following:

- (1) ELI Loan proceeds shall be disbursed during the construction phase in an amount per Draw which does not exceed the ratio of the ELI Loan to the Total Development Cost, unless approved by the Credit Underwriter;
- (2) Ten (10) business days prior to each Draw, the Applicant shall supply the Corporation's servicer, as agent for the Corporation, with a written request executed by the Applicant for a Draw. The request shall set forth the amount to be paid and shall be accompanied by documentation specified by the Corporation's servicer including claims for labor and materials to date of the last inspection;
- (3) The Corporation and its servicer shall review the request for a Draw, and the servicer shall provide the Corporation with approval of the request or an alternative recommendation, after the title insurer provides an endorsement to the policy of title insurance updating the policy to the date of the current Draw and increasing the insurance coverage to an amount equal to the sum of all prior Draws and the current Draw;
- (4) The Corporation shall disburse construction Draws through Automated Clearing House (ACH). The Applicant may request disbursement of construction Draws via a wire transfer. The Applicant will be charged a fee of \$10 for each wire transfer requested. This charge will be netted against the Draw amount;
- (5) The Corporation shall elect to withhold any Draw or portion of any Draw, notwithstanding any documentation submitted by the Applicant in connection with the request for a Draw, if:
  - (a) The Corporation or the Corporation's servicer determines at any time that the actual cost budget or progress of construction differs from that as shown on the loan documents; or
  - (b) The percentage of progress of construction of the improvements differs from that shown on the request for a Draw;
- (6) The servicer may request submission of revised construction budgets;
- (7) Based on the Applicant's progress of construction, if the Corporation determines that further analysis by the Credit Underwriter is required prior to the release of the final Draw, the Applicant shall pay to the Credit Underwriter a fee based on an hourly rate determined pursuant to the contract between the Corporation and the Credit Underwriter; and
- (8) Retainage in the amount of 10 percent per Draw shall be held by the servicer during construction until the Development is 50 percent complete. At 50 percent completion, no additional retainage shall be held from the remaining Draws. Release of funds held by the Corporation's servicer as retainage shall occur pursuant to the ELI Loan Agreement.



### **Applicant Certification and Acknowledgement Form**

1. The Applicant and all Financial Beneficiaries have read all applicable Corporation rules governing this RFA and have read the instructions for completing this RFA and will abide by the applicable Florida Statutes and the credit underwriting and program provisions outlined in Exhibits G and H of the RFA. The Applicant and all Financial Beneficiaries have read, understand and will comply with Section 42 of the Internal Revenue Code, as amended, and all related federal regulations.
2. The Applicant has reviewed this RFA and, if applicable, Rule Chapter 67-21, F.A.C., and certifies to its eligibility to apply for the funding offered in this RFA.
3. The Applicant certifies that the proposed Development can be completed and operating within the development schedule and budget submitted to the Corporation.
4. The Applicant acknowledges and certifies that it will abide by all commitments, requirements, and due dates outlined in the RFA, inclusive of all exhibits. Failure to provide the required information by any stated deadlines may result in the withdrawal of the invitation to enter credit underwriting, unless an extension is approved by the Corporation.
5. By submitting the Application, the Applicant acknowledges and certifies that the proposed Development will meet all state building codes, including the Florida Accessibility Code for Building Construction, adopted pursuant to Section 553.503, F.S., the Fair Housing Act as implemented by 24 CFR Part 100, including the Affirmative Fair Housing Marketing Plan; Violence Against Women Act Reauthorization Act of 2013; Section 504 of the Rehabilitation Act of 1973 as outlined in Section Four, A.8. of the RFA; and the Americans with Disabilities Act of 1990 as implemented by 28 CFR Part 35, incorporating the most recent amendments, regulations and rules.
6. The Applicant acknowledges that any funding preliminarily secured by the Applicant 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.
7. If preliminary funding is approved, the Applicant will promptly furnish such other supporting information, documents, and fees as may be requested or required. The Applicant understands and agrees that the Corporation is not responsible for actions taken by the undersigned in reliance on a preliminary commitment by the Corporation. The Applicant commits that no qualified residents will be refused occupancy because they have Section 8 vouchers or certificates. The Applicant further commits to actively seek tenants from public housing waiting lists and tenants who are participating in and/or have successfully completed the training provided by welfare to work or self-sufficiency type programs.
8. The success of an Applicant in being selected for funding is not an indication that the Applicant will receive a positive recommendation from the Credit Underwriter or that the Development Team's experience, past performance or financial capacity is satisfactory. The past performance record, financial capacity, and any and all other matters relating to the Development Team

(which consists of Developer, Management Company, General Contractor, Architect, Attorney, and Accountant) will be reviewed during credit underwriting. The Credit Underwriter may require additional information from any member of the Development Team including, without limitation, documentation on other past projects and financials. Development Teams with an unsatisfactory past performance record, inadequate financial capacity or any other unsatisfactory matters relating to their suitability may result in a negative recommendation from the Credit Underwriter.

9. The Applicant's commitments will be included in (i) a Land Use Restriction Agreement(s) for the RRLP loan(s) and, if applicable, the MMRB loan, and (ii) an Extended Use Agreement for the Housing Credits, and must be maintained in order for the Development to remain in compliance, unless the Board approves a change.
10. The Applicant certifies that there are no agreements, other than the letter of intent provided with this Application or the Limited Partnership Agreement, between the Applicant and the Housing Credit Syndicator/equity provider.
11. The Applicant certifies that the complete Limited Partnership Agreement, including any amendments thereto, will be divulged to the Corporation and the credit underwriter.
12. The Applicant understands and agrees that it will ensure that (i) none of the General Contractor duties to manage and control the construction of the Development are subcontracted; (ii) none of the construction or inspection work that is normally performed by subcontractors is performed by the General Contractor; (iii) no construction cost is subcontracted to any entity that has common ownership or is an Affiliate of the General Contractor or the Developer, as further described in section B, Item (17) of Exhibit G of this RFA and, if applicable, Rule Chapter 67-21, F.A.C.; and (iv) a provision is provided in the contract with General Contractor that it will comply with section B, Item (17) of Exhibit G of this RFA and, if applicable, Rule Chapter 67-21, F.A.C..
13. The Applicant, the Developer and all Principals are in good standing among all other state agencies and have not been prohibited from applying for funding.
14. In eliciting information from third parties required by and/or included in this Application, the Applicant has provided such parties information that accurately describes the Development as proposed in this Application. The Applicant has reviewed the third party information included in this Application and/or provided during the credit underwriting process and the information provided by any such party is based upon, and accurate with respect to, the Development as proposed in this Application.
15. During the credit underwriting process, the Applicant must demonstrate that the Development meets the requirements of this RFA and Section 42 of the IRC.
16. The invitation to enter credit underwriting will be rescinded if it is determined that the proposed Development was placed in-service prior to the year in which it received its allocation.
17. The Applicant understands and agrees to cooperate with any audits conducted in accordance with the provisions set forth in Section 20.055(5), F.S.

18. The undersigned is authorized to bind the Applicant entity to this certification and warranty of truthfulness and completeness of the Application.

Under the penalties of perjury, I declare and certify that I have read the foregoing and that the information is true, correct and complete.

\_\_\_\_\_  
Signature of Authorized Principal Representative

\_\_\_\_\_  
Name (typed or printed)

\_\_\_\_\_  
Title (typed or printed)

NOTE: The Applicant must provide this form as Attachment 1 to the RFA. This form must be signed by the Authorized Principal Representative stated in Exhibit A.