

**Florida Housing Finance Corporation**  
**RFA 2021-102 SAIL Financing For Smaller Developments For Persons With Special Needs Workshop Agenda**  
**Registration for Workshop is required. Registration information is available on RFA Webpage<sup>1</sup>**

**Overview**

- A. Introductions
- B. Purpose of RFA

This Request for Applications (RFA) is open to Non-Profit Applicants proposing new construction or acquisition and Substantial Rehabilitation to create new housing to provide Permanent Supportive Housing for Persons with Special Needs as defined in Section 420.0004(13), F.S.

**Expected Timeline**

Issue RFA:	December 1, 2020
RFA Due Date:	March 2021
Review Committee Meeting (make recommendations to Board)	April/May 2021
Request Board Approval of Recommendations	May 2021

**Funding available**

Florida Housing Finance Corporation (the Corporation) expects to offer an estimated \$12,630,250, comprised of the State Apartment Incentive Loan (SAIL) funding appropriated by the 2020 Florida Legislature. This includes funding for ELI gap loans associated with the units that must be set aside for Extremely Low-Income (ELI) Households.

**Outline of RFA**

- A. Section One – Introduction
- B. Section Two – Definitions

Exhibit B of the RFA and Rules, which are posted on the RFA Webpage\*.

Exhibit B includes definitions for terms like Best Practice, Campus, Disabling Condition, Homeless Households, Housing First, Mobility Impairment, Permanent Supportive Housing, Regulated Mortgage Lender, Set-Aside Unit, Shared Housing, and Visitability.

- C. Section Three –RFA Procedures and Provisions, including Submission Requirements

New! – The submission process has been revised.

- 1. Electronic submission

The Application Package will continue to be electronically uploaded. There is no longer a requirement for a hard copy. The Application Fee of \$1,500 may be submitted via check or wire. The instructions for submitting this are outlined in Section Three.

---

<sup>1</sup> References to the RFA Webpage refer to <https://www.floridahousing.org/programs/developers-multifamily-programs/competitive/2021/2021-102> which can be accessed [here](#).

2. If the Attachment document is bookmarked, the Application will be awarded 5 points.

Instructions for adding bookmarks to pdf documents prior to uploading the Application has been added to each RFA Webpage. Acrobat Standard DC or Acrobat Pro DC are the programs required to create bookmarks.

D. Section Four of the RFA outlines instructions for completing Exhibit A

1. Include the Applicant Certification and Acknowledgement form, executed by the Authorized Principal Representative, to indicate the Applicant's certification and acknowledgement of the provisions and requirements of the RFA.

2. Demographic Commitment

- a. At least 70 percent of the total units must consist of Permanent Supportive Housing for Persons with Special Needs; AND at least 20 percent of the total units must consist of Permanent Supportive Housing for individuals and families that meet the definition of Homeless for a minimum of 30 years.
- b. Select at least one defined Persons with Special Needs population(s) that the Applicant proposes to serve for a minimum of 12 years
- c. NEW! - Youth Aging Out of Foster Care Goal
- d. Describe the Persons with Special Needs population(s) to be served.

3. Applicant/Developer/Management Company/Contact Person

- a. Applicant

- (1) State the name of the Applicant.
- (2) Evidence that Applicant is legally formed entity
- (3) **Only Non-Profit Applicants are eligible for funding.** Applicants must meet the definition of a Non-Profit as set out in Rule 67-48, F.A.C., and provide documents outlined in RFA.

Note: Applications that commit to provide 100 percent of the Developer Fee to one or more non-profit Applicant entities will be considered Tier 1 Applications. All Applications for proposed Developments that did not qualify as Tier 1 Applications will be considered Tier 2 Applications. Tier 1 Applications will be receive preference over Tier 2 Applications in the Funding Selection Process.

- (4) New! - Pre-Application Meeting (5 Points)

Applicants will receive five points if the Pre-Application Meeting for Proposed PSN Developments Form (Rev. 08-2020) is submitted and stamped "Approved" prior to the Application Deadline and all other requirements in RFA are met.

- (5) Homeless Assistance Continuum of Care Requirements for All Applicants

All Applicants must meet the following requirements specific to its commitment, pursuant to this RFA, to serve Homeless households:

- (a) Provide documentation that the Applicant informed the jurisdiction's Local Continuum of Care lead agency head of its intent to apply for funding to develop housing pursuant to this RFA must be submitted as Attachment 3;
- (b) Have an executed agreement to participate in the Continuum of Care's Homeless Management Information System (HMIS); and will contribute data on the Development's tenants to the Continuum of Care's HMIS data system or, if serving Survivors of Domestic Violence, is providing aggregate data reports to the Continuum of Care. The executed agreement shall be required at least 6 months prior to the expected placed in-service date; and
- (c) Commit to be a housing provider in the Continuum of Care's Homeless Coordinated Entry system as required by the U.S. Department of Housing and Urban Development.

b. Developer Information

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

- (a) Required Developer Experience

A natural person Principal of at least one experienced Developer entity, which must be disclosed on the Principals of the Applicant and Developer(s) Disclosure Form (Form Rev. 05-2019) outlined below, must have, since January 1, 2001 completed at least one multifamily rental housing development that consists of a total number of units no less than 50 percent of the total number of units in the proposed Development.

- (b) New! - Emergency Rule 67ER20-1 Disincentive Points (5 Points)

To qualify for five points, confirm that, per Emergency Rule 67ER20-1, all increases in rent that impact existing tenants in all Applications that share Principals of the Applicant or Developer financed in whole or in part by the Corporation have been suspended March 8, 2020 through July 28, 2020.

This will be confirmed in credit underwriting. If it is later determined that rent increases were not suspended as described above, the award for the affected Application will be rescinded and all Principals of the affected Applications may be subject to material misrepresentation.

- (c) New! - Prior Development Experience a Point Item in Future RFAs

The Corporation will award points for Development Experience in certain RFAs beginning with the 2021/2022 RFA Cycle if criteria described in the RFA is met.

c. Principals of the Applicant and Developer(s) Disclosure Form

(1) Eligibility

The Principals of the Applicant and Developer(s) Disclosure Form (Form Rev. 05-2019) (“Principals Disclosure Form”) must identify the Principals of the Applicant and each Developer, pursuant to the RFA, as of the Application Deadline.

(2) New! - Approval during Advance Review Process (5 Points)

Applicants will receive 5 points if the uploaded Principal Disclosure Form was either (a) stamped “Approved” at least 14 Calendar Days prior to the Application Deadline; or (b) stamped “Received” by the Corporation at least 14 Calendar Days prior to the Application Deadline AND stamped “Approved” prior to the Application Deadline.

The Advance Review Process for Disclosure of Applicant and Developer Principals is available on the RFA Webpage.

d. Management Company Information

New! – If using a Management Company, in addition to the name of Management Company, contact information will also be required

e. Community-Based Board of Directors Requirement

The Applicant must commit to structuring the Board of Directors affiliated with the Non-Profit Entity that is part of the Applicant Entity with a majority (at least 50 percent, plus one) of individuals that are Non-Related Board Members to: 1) Any tenants or applicants for tenancy; 2) Any compensated management or staff of the Non-Profit; or 3) Any other members of the Board.

f. Authorized Principal Representative / Operational Contact Person

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

4. General Proposed Development Information

a. Development Name

b. Development Category - The Applicant must indicate whether the proposed Development will create new housing through the Development Category of new construction or through acquisition with Substantial Rehabilitation.

c. Development Type (Garden Apartments, Duplexes, Triplexes, Quadraplexes)

d. Enhanced Structural Systems Construction Qualifications

To qualify as “Enhanced Structural Systems Construction” (“ESS Construction”) for purposes of the Total Development Cost Limitation calculation, the proposed Development must meet the ESS Construction qualifications outlined in the RFA.

5. Location
  - a. County
  - b. Provide the address
  - c. State whether the Development consists of Scattered Sites
  - d. Provide latitude and longitude coordinates for the Development Location Point and, if applicable, the Scattered Sites, stated in decimal degrees.
  
6. Number of Buildings and Units
  - a. Number of Units
    - Small County: minimum 4 units, maximum 15 units
    - Medium and Large Counties: minimum 10 units, maximum 30 units
  - b. Breakdown of number of units that are new construction or rehabilitation
  - c. If the Development Category is Acquisition with Substantial Rehabilitation, indicate whether there are any existing units on the Development site as of Application Deadline, and if so, the occupancy status of such units.
  - d. Set-Aside Commitments
    - (1) Total Income Set-Aside Units

100 percent of the units shall be rented to households (person or persons) with incomes at or below 60 percent of the Area Median Income (AMI).

Applicants may rent units as Shared Housing\* to allow unrelated persons the choice to share units.

\* Shared Housing is defined as a rental dwelling unit that is shared by Persons with Special Needs who are not related or significant others. Each resident must have non-exclusive access to shared living space, consisting at a minimum of a kitchen and a living/dining area. Each resident in a Shared Housing unit shall sign a separate lease and shall be considered a separate household for the purposes of determining compliance with set-aside commitments, income eligibility, and rent payments.
    - (2) Required ELI Commitments
      - (a) Applicants must commit to set aside 20 percent of the total units in the proposed Development to serve Extremely Low Income (ELI) Households
      - (b) A Development utilizing any type of federal or state administered project based rental assistance for a unit can apply the unit towards the requirement to set aside 20 percent of the total units as ELI units if the unit serves ELI Households.
      - (c) If the ELI Set-Aside units are not proportionately distributed across the unit mix, the Corporation will redistribute the ELI Set-Aside units as needed, which may cause a reduction to the ELI Loan Amount as further outlined in 10.a.(1)(b) of the RFA.

e. Unit Mix

- (1) The Applicant must complete the Unit Mix Chart listing the total number of bedrooms per unit, the total number of bathrooms per unit (including half-baths, if applicable), the total number of units per bedroom type, and the number of units that are ELI Set-Aside units.
  - Units must consist of Zero, one, two, or three bedrooms only;
  - At least 30 percent of the total units, rounded up, must be Zero Bedroom or one bedroom units;
  - No more than 25 percent of the total units, rounded up, may be three bedroom units; and
  - Two and three bedroom units may consist of Shared Housing as defined in Exhibit B. One bedroom units are not eligible for Shared Housing.
- (2) The maximum ELI funding amount per eligible ELI Set-Aside unit the proposed Development is eligible to receive is based on the information listed by the Applicant on the Unit Mix Chart.

f. Number of residential buildings must be provided

g. Compliance Period Requirements

- (1) Applicants must irrevocably commit to the Persons with Special Needs demographic commitment for a minimum of 30 years.
- (2) Applicants must irrevocably commit to the Persons with Special Needs subpopulation(s) demographic commitment (outlined in 3.b. above) for a minimum of 12 years.
- (3) Applicants must irrevocably commit to the income set aside commitment for a minimum of 30 years, except that Applicants must commit to the ELI set-aside commitment for a minimum of 15 years. After 15 years all of the ELI set-aside units may convert to serve residents at or below 60 percent AMI.

7. Readiness to Proceed

- a. A Site Control form must be submitted with site control documentation and executed by the Authorized Principal Representative.

Applicants must demonstrate site control as of Application Deadline by providing an eligible contract (effective at least 6 months after the Application Deadline), a deed, and/or a lease.

- b. New! - The 06-20 Ability to Proceed forms (zoning, water, sewer/package treatment/septic tank) are provided on the RFA Webpage. These must be submitted with the Application.

The 08-20 Ability to Proceed forms (electricity and roads) must be submitted during credit underwriting.

Note: The 08-18 Ability to Proceed forms will not be accepted.

8. Construction Features

All units are expected must meet all requirements as outlined in the RFA. If the proposed Development consists of rehabilitation, the proposed Development's ability to provide all construction features will be confirmed.

a. Federal Requirements and State Building Code Requirements

Note: Section 504 of the Rehabilitation Act of 1973 requirements are met through the Applicant's commitment to meet either the Level 1 or Level 2 requirements described in c. below.

b. General Features

c. Accessibility, Adaptability, Universal Design and Visitability Features

(1) Level 1 Accessibility Requirements

(2) Level 2 Accessibility Requirements

d. Required Green Building Features for all Developments

Applicants must choose additional Green Building options in Exhibit A.

9. Resident Community-Based Services Coordination

The Applicant shall commit to submit a Resident Community-Based Service Coordination Plan to Florida Housing for review and approval during credit underwriting.

10. Funding

a. Corporation Funding

(1) The SAIL Request Amount is limited to the lesser of the following:

(a) \$240,000 per unit, (which will be in addition to the Eligible ELI Request Amount);

(b) \$3,600,000 per Development in a Small County, (which will be in addition to the Eligible ELI Request Amount); or

(c) \$4,875,000 Development in a Medium or Large County (which will be in addition to the Eligible ELI Request Amount)

(2) ELI Loan Request Amount

- All Applications are eligible for ELI gap funding for the required ELI Set-Aside units, not to exceed 20 percent of the total units.
- The Applicant should state the amount of ELI Loan funding the proposed Development is eligible to receive in Exhibit A, as well as on the Construction/Rehab and Permanent Analysis. Note: Applicants not requesting the maximum amount of ELI funding will still be required to set aside 20 percent of the total units in the proposed Development to serve Extremely Low Income Households.
- The funding will be in the form of a forgivable loan in an amount per ELI Set-Aside unit that is dependent upon the proposed Development's unit mix and the county where the proposed Development is located.
- The ELI Set-Aside units must be distributed across the unit mix on a pro-rata basis.

b. Interest Rate of the SAIL loan is 0% - 1% and is based on the percentage of units that are set aside for Persons with Special Needs

c. Developer Fee / General Contractor Fee/Operating Deficit Reserve

(1) Developer fee shall be limited to a total of 16 percent of Development Cost.

(2) General Contractor fee shall be limited to 14 percent of actual construction cost.

(3) Operating Deficit Reserves

Up to five percent of the Development Costs will be permitted in the Application. The operating deficit reserve will be verified and sized during credit underwriting. Any operating deficit reserve account approved in credit underwriting will be held by the Corporation or its services.

d. Qualifying Financial Assistance Funding Preference

To qualify for the Qualifying Financial Assistance Funding Preference, the Applicant must meet one of the following requirements:

(1) Cash Funding Equals at Least 3 Percent of the Eligible SAIL Loan Amount

Note: In-kind donations or any other donation of property or assets or waiver of any fees as well as any funding from the Corporation will not be considered Qualifying Financial Assistance.

(2) Donation of Land by a Local Government

e. Per Unit Construction Funding Preference

f. Total Development Cost Per Unit Limitation

#### E. Narrative Scoring

1. Operating/Managing Experience (Maximum of 40 points)

2. Access to Community-Based Services and Resources (Maximum 55 Points)

a. Access to community-based general services such as shopping for groceries, medicine, clothing, and other household and personal items (Up to 20 Points)

b. Access to community-based services and resources that address tenants' physical health, behavioral health and wellness, and self-sufficiency services and activities that can lead to stable and integrated lives in their community (Up to 35 Points)

3. Approach Toward Community Partnerships for Increased Resident Outcomes (Up to 20 Points)

#### F. Scoring And Evaluation Process

1. Tier 1 and Tier 2

Applications that commit to provide 100 percent of the Developer fee to one or more Non-Profit entities will be considered Tier 1 Applications. All Applications for proposed Developments that did not qualify as



Tier 1 Applications will be considered Tier 2 Applications. Tier 1 Applications will be listed above Tier 2 Applications.

2. Goal

There is a goal to fund one Application that qualifies for the Youth Aging Out of Foster Care Goal.

3. 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. By the Application's Qualifying Financial Assistance Funding Preference;
- b. By the Application's Per Unit Construction Funding Preference;
- c. By the Application's Eligible SAIL Request Amount per set-aside unit;
- d. By the Application's SAIL Request as Percentage of Total Development Cost Preference;
- e. By the Application's eligibility for the Florida Job Creation Preference; and
- f. By lottery number.

3. Funding Selection Process

G. Credit Underwriting Process

H. Exhibits to RFA

1. Exhibit A – Application
2. Exhibit B – Definitions used in RFA that are not defined in Rule
3. Exhibit C – Additional Information
  - a. Total Development Cost Per Unit Limitation methodology used in credit underwriting and final cost certification
  - b. Florida Job Creation Funding Preference
  - c. Fees
  - d. Additional Requirements
4. Exhibit D – Timeline
5. Exhibit E – intentionally omitted
6. Exhibit F – Rehabilitation Scoping Process with a Capital Needs Assessment
7. Exhibit G - Tenant Application and Selection Requirements

8. Exhibit H – Credit Underwriting Procedures for the ELI Loan

I. Other Important Information

1. Question and Answers process outlined in Section Three, D. of the RFA
2. Public comment link on each RFA Webpage for viewing and submitting public comments