

Florida Housing Finance Corporation
RFA 2020-208 SAIL Financing for the Construction of Workforce Housing Workshop Agenda
January 22, 2020 at 10:00 a.m., Eastern Time
227 North Bronough Street, Tallahassee, Florida
Call-In: 1-888-339-2688; Passcode: 721 784 78

The RFA Webpage can be found at <https://www.floridahousing.org/programs/developers-multifamily-programs/competitive/2020/2020-208> (also available by clicking [here](#)).

- I. Overview
 - A. Introductions
 - B. Reminder to sign up for listserv and brief overview of accessing documents on website
 - C. Purpose of RFA
- II. Funding available
 - A. An estimated \$15,434,000 in Workforce SAIL will be made available. Workforce SAIL must be requested by all Applicants.
 - B. An estimated \$2,980,000 in Competitive Housing Credits will be made available. Competitive Housing Credits must be requested by all Applicants proposing Developments in Monroe County only
 - C. Non-Competitive Housing Credits must be requested by all Applicants other than those proposing Developments in Monroe County.

For all counties other than Monroe County, the SAIL funding must be paired with Tax-Exempt Bonds and Non-Competitive Housing Credits (“4% HC”).

The Applicant must also request either Corporation-issued Multifamily Mortgage Revenue Bonds (MMRB) and 4% HC or 4% HC to be used with Tax-Exempt Bonds obtained through the appropriate County (County HFA-issued Bonds).

Proposed Developments are not eligible 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 or if the Applicant closes on the Tax-Exempt Bond financing prior to the issuance of the preliminary commitment for the SAIL funding.
- III. Outline of RFA
 - A. Section One - Introduction, page 2
 - B. Section Two – Definitions, page 2
Exhibit B of the RFA, page 61, and Rules, which are posted on RFA website
 - C. Section Three –RFA Procedures and Provisions, including Submission Requirements, page 2
 - 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, page 7

The Demographic Commitment must be Workforce households serving general occupancy at the Area Median Income (AMI) described in 6.d of the RFA. No properties funded under this RFA may be age restricted.

3. Applicant/Developer/Management Company/Contact Person

a. Applicant, page 7

(1) State the name of the Applicant

(2) Evidence that Applicant is legally formed entity

(3) If applying as a Non-Profit, the Applicant must meet the definition of a Non-Profit as defined in Rule 67-48.002, F.A.C., and provide documents outlined on page 7.

b. General Developer Information, page 8

(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) Prior General Development Experience Chart

The individual meeting the General Development Experience requirements must be disclosed on the Principals of the Applicant and Developer(s) Disclosure form and must remain with the Development until the release of the operating deficit guarantee set forth in Rule 67-48.0071(18).

c. Principals of the Applicant and Developer(s) Disclosure Form (Form Rev. 05-2019), page 9. Prior versions of the Principal Disclosure Form will not be accepted.

(1) Eligibility

The Principals Disclosure Form must identify the Principals of the Applicant and each Developer, pursuant to the RFA, as of the Application Deadline. The investor limited partner of an Applicant limited partnership or the investor member of an Applicant limited liability company must be identified.

(2) Points

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

The Advance Review Process for Disclosure of Applicant and Developer Principals is available on the Corporation's Website.

d. Management Company Information, page 10

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

The Management Company or a principal of the Management Company must have completed at least two affordable rental housing properties, at least one of which consists of a total number of units no less than 50 percent of the total number of units in the proposed Development, for at least two years each.

e. Authorized Principal Representative / Operational Contact Person, page 11

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, page 11

- a. Development Name
- b. Development Category

The proposed Development must consist entirely of new construction. Rehabilitation of existing units is not allowed.

- c. Development Type, page 11 (i.e., Garden, Townhouses, Mid-Rise (4, 5 or 6 stories), or High Rise (7 or more stories).
- d. Enhanced Structural Systems Construction Qualifications, page 12

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, page 13

- a. This RFA is open to all counties
- 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.
- e. Proximity, page 14

Monroe County: Applications for a proposed Development located in Monroe County will automatically receive the maximum proximity score and qualify for the Proximity Funding Preference without the requirement to provide services information outlined below.

For all counties, other than Monroe County: All Large County Applications must achieve a minimum number of Transit Service Points and achieve a minimum number of total proximity points to be eligible for funding. Small and Medium County Applications are not required to achieve a minimum number of Transit Service Points but must achieve a minimum number of total proximity points to be eligible for funding.

Location of Proposed Development	Required Minimum Transit Service Points if Eligible for PHA Proximity Point Boost	Required Minimum Transit Service Points if NOT Eligible for PHA Proximity Point Boost	Required Minimum Total Proximity Points that Must be Achieved to be eligible for funding	Minimum Total Proximity Points that Must be Achieved to Receive the Proximity Funding Preference
Large County	1.5	2	10.5	12.5
Medium County	N/A	N/A	7	9
Small County (other than Monroe County)	N/A	N/A	4	6

c. Eligible transit and community services, page 15

- (1) Transit Services are Public Bus Stop, Public Bus Rapid Transit Stop, Public Bus Transfer Stop, Rail Station
- (2) Community Services are Grocery Store, Public School, Medical Facility, and Pharmacy

Maximum of 3 Community Services may be selected, for up to 4 Points for each

d. Mandatory Distance Requirement, page 17

Monroe County: Applications for a proposed Development located in Monroe County will automatically qualify for the Mandatory Distance Requirement without the requirement to provide any information outlined below.

Applications that are not eligible for automatic qualification will only qualify if the distance between the Development Location Point, and the latitude and longitude coordinates provided for any Scattered Sites, if applicable, to the coordinates for the other properties identified on the August 16, 2019 FHFC Development Proximity List (the List) that serve the same demographic group as the proposed Development are at least the distance stated below.

The FHFC Development Proximity List is available on the RFA website.

	Distance between the proposed Development and Developments on the List if the Development on the Proximity List has <u>at least 31 Total Units</u>	Distance between the proposed Development and Developments on the List if the Development on the Proximity List has <u>less than 31 Total Units</u>
All Small Counties (other than Monroe County)	2.0 miles	1.0 miles
All Medium Counties	1.0 miles	N/A
All Large Counties	0.5 miles	N/A

6. Number of Buildings and Units

a. Number of Units, page 18

Proposed Developments located in Monroe County must consist of a minimum of 20 total units. All other Developments must consist of a minimum of 85 total units and, if the Applicant is requesting Corporation-issued MMRB, cannot exceed a maximum of 300 total units.

b. Breakdown of number of units that are new construction or rehabilitation, page 18

c. If there are existing occupied units and if the Development is funded, a plan for relocation of existing tenants will be required to be provided to the Credit Underwriter, as outlined in Exhibit D.

d. Set-Aside Commitments, page 18

(1) Minimum Set-Aside Commitments per Section 42 of the IRC

Per Section 42 of the IRC, 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

(2) Extremely Low Income (ELI) Set-Aside Units

10 percent of the total units must be set aside as ELI Set-Aside units, if not committing to Average Income Test. The AMI for each county will be provided in the RFA. 15 percent of the total units must be set aside as ELI Set-Aside units, if committing to Average Income Test. The ELI units must be set aside at 30% AMI and below.

(3) Link units for Persons with Special Needs

With the exception of Developments financed with HUD Section 811 or United States Department of Agriculture RD program, and Applicants that select the Elderly ALF Demographic Commitment, all Developments must commit to set-

aside 50 percent of the ELI Set-Aside units as Link Units for Persons with Special Needs.

(4) Workforce Housing Commitment

For proposed Developments in counties other than Monroe County, all of the units must be general occupancy, set aside at 80 percent AMI or less. For proposed Developments in Monroe County, all of the units must be general occupancy, set aside at 120 percent AMI or less.

(5) Total Set-Aside Requirements, page 21

(a) If the Applicant elects the minimum HC set-aside commitment of 20% at 50% AMI, the Applicant's total set-aside commitments will be as outlined below:

- At least 25 percent of the total units but not more than 30 percent of the total units, rounded up to the next whole unit, must be set aside at or below 50 percent of the AMI and entered in the rows labeled "Housing Credit Units" on the Total Set-Aside Breakdown Chart. This is the Applicant's minimum IRC HC Set-Aside. This must include the ELI Set-Aside Unit requirement that at least 10 percent of the total units, rounded up to the next whole unit, be set aside at the ELI AMI level for the appropriate county.
- The remaining units will be considered the proposed Development's Workforce Housing Units and must be entered on the Total Set-Aside Breakdown Chart in the row labeled "Workforce Housing Units". For proposed Developments in counties other than Monroe County, the maximum AMI for these units is 80 percent AMI. For proposed Developments in Monroe County, the maximum AMI for these units is 120 percent AMI.

(ii) If the minimum HC set-aside commitment of 40% at 60% AMI is selected, the total set-aside commitments will be as outlined below:

- At least 45 percent of the total units but not more than 50 percent of the total units, rounded up to the next whole unit, must be set aside at or below 60 percent of the AMI and entered in the rows labeled "Housing Credit Units" on the Total Set-Aside Breakdown Chart. This is the Applicant's minimum IRC HC Set-Aside. This must include the ELI Set-Aside Unit requirement that at least 10 percent of the total units, rounded up to the next whole unit, be set aside at the ELI AMI level for the appropriate county.
- The remaining units will be considered the proposed Development's Workforce Housing Units and must be entered on the Total Set-Aside Breakdown Chart in the row labeled "Workforce Housing Units". For proposed Developments in counties other than Monroe County, the maximum AMI for these units is 80 percent AMI. For proposed Developments in Monroe County, the maximum AMI for these units is 120 percent AMI.

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

- At least 45 percent of the total units but not more than 50 percent of the total units, rounded up to the next whole unit*, must be set aside at or below 60 percent of the AMI and entered in the rows labeled "Housing Credit Units" on the Total Set-Aside Breakdown Chart. This is the Applicant's minimum IRC HC Set-Aside. This must include the ELI Set-Aside Unit requirement that at least 15 percent of the total units, rounded up to the next whole unit, be set aside at or below 30 percent AMI level.

*Joint Housing Credit/Workforce Housing Units are not included in this calculation.

- Additional units may be entered as "Joint Housing Credit/Workforce Housing Units". Joint Housing Credit/Workforce Housing Units are included in the Average Income Test calculation and when calculating the maximum per unit Housing Credit Request Amount and Workforce Housing Unit Request Amount.
- The remaining units will be considered the proposed Development's Workforce Housing Units and must be entered on the Total Set-Aside Breakdown Chart in the row labeled "Workforce Housing Units". For proposed Developments in counties other than Monroe County, the maximum AMI for these units is 80 percent AMI. For proposed Developments in Monroe County, the maximum AMI for these units is 120 percent AMI.

e. Unit Mix must be provided, page 25

No more than 25 percent of the total units may be comprised of Zero Bedroom units.

f. Number of residential buildings must be provided, page 25

g. Compliance Period, page 26

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

7. Readiness to Proceed, page 26

- 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 through September 30, 2020), a deed, and/or a lease.

- b. The Ability to Proceed forms (zoning, electricity, water, sewer, and roads) are provided on the Corporation's Website.

Note: The forms must be dated within 12 months of the Application Deadline.

8. Required Construction Features and Green Building Features and Certification, page 29

9. At least 3 Resident Programs must be selected, page 32

After School Program for Children, Adult Literacy, Employment Assistance Program, Family Support Coordinator, Financial Management Program

10. Funding, page 34

The Workforce SAIL loan shall be non-amortizing and have an interest rate of 1 percent. The loan subject to the SAIL program requirements, credit underwriting, and loan terms and conditions outlined in Rule Chapter 67-48, F.A.C.

- a. Workforce SAIL, page 34

Monroe County: The Applicant's Workforce SAIL Request Amount is limited to the maximum of \$100,000 per Workforce Housing Unit (all Workforce Housing Units plus Joint Housing Credit/Workforce Housing Units) or \$2,000,000 per Development.

All counties except Monroe County: The Applicant's Workforce SAIL Request Amount is limited to the maximum of \$100,000 per Workforce Housing Unit (all Workforce Housing Units plus Joint Housing Credit/Workforce Housing Units) or \$3,000,000 per Development.

- b. Housing Credits, page 35

If the proposed Development is located in Monroe County, state the amount of Competitive 9% Housing Credits being requested. The Applicant's Competitive Housing Credit Request Amount is limited to the maximum of \$36,000 per Housing Credit Unit (all Housing Credit Units plus Joint Housing Credit/Workforce Housing Units) or \$1,100,000 per Development.

If the proposed Development is not located in Monroe County, state the anticipated amount of Non-Competitive Housing Credits being requested.

- c. Tax-Exempt Bonds, page 40

- (1) Corporation-issued MMRB; or
- (2) Non-Corporation-issued Tax-Exempt Bonds (i.e., bonds obtained through a Public Housing Authority (established under Chapter 421, F.S.), a County Housing Finance Authority (established pursuant to Section 159.604, F.S.), or a Local Government

- d. Developer Fee and General Contractor Fee, page 45

- (1) If the proposed Development is located in Monroe County, the Developer Fee for this RFA is limited to 16% of Development Cost.
- (2) If the proposed Development is not located in Monroe County, the Developer Fee for this RFA is limited to 18% of Development Cost.
- (3) The General Contractor Fee is limited to 14% of actual construction cost

11. Local Government Contributions (5 points), page 47

For an Applicant to receive points, the Applicant must provide evidence of a Local Government grant, loan, fee waiver and/or fee deferral that is effective as of the Application Deadline, is in effect at least through December 31, 2020, and has a value whose dollar amount is equal to or greater than the amount listed on the County Contribution List (set out in the RFA) for the county in which the proposed Development will be located. Those Applications that do not have the necessary contribution values to achieve maximum points will be scored on a pro-rata basis.

As evidence of the Local Government Contribution, provide the properly completed and executed Local Government Verification of Contribution Form(s) (Form Rev. 07-2019)

Loans and fee deferrals must be net present valued using the discount rate of 5.50%.

Note: The Local Government Contribution forms are available on the RFA Website.

D. Section Five, Scoring and Evaluation Process, page 51

1. Goals, page 55
 - a. One Application in Monroe County; and
 - b. One Application in a Large County
2. Sorting Order, page 55
3. County Award Tally, page 56
4. Funding Selection, page 56

E. Exhibits to RFA

1. Exhibit A – Application, page 58
2. Exhibit B – Definitions used in RFA that are not defined in Rule, page 70
3. Exhibit C – Additional Information
 - a. Total Development Cost Per Unit Limitation methodology used in credit underwriting and final cost certification, page 74
 - b. Transit and Community Service Scoring Charts, page 81
 - c. SAIL Leveraging, page 83
 - d. Florida Job Creation Funding Preference, page 84
 - e. Fees, page 84
 - f. Terms and Conditions, page 91
 - g. Additional Requirements, page 91

- 4. Exhibit D – Timeline, page 95
- 5. Exhibit E – Additional requirements for the Link Units for Persons with Special Needs, page 100
- 6. Exhibit F – intentionally omitted
- 7. Exhibit G - Tenant Application and Selection Requirements, page 106
- 8. Applicant Certification and Acknowledgement Form, page 108

F. Other Important Information

- 1. Question and Answers process outlined in Section Three, D. of the RFA
- 2. Expected Timeline

Issue RFA:	February 24, 2020
RFA Due Date:	March 30, 2020
Review Committee Meeting (<i>make recommendations to Board</i>)	May 12, 2020
Request Board Approval of Recommendations (<i>at scheduled Board Meeting</i>)	May 29, 2020

G. Other Discussion Topics