

FLORIDA HOUSING FINANCE CORPORATION

RFA 2021-106 Financing to Develop Housing for Persons with Disabling Conditions/ Developmental Disabilities January 26, 2021, 10:00 a.m., Eastern Time

Registration for Workshop is required. Registration information is available on RFA Webpage¹

Overview

- A. Introductions
- B. Purpose of RFA

This Request for Applications (RFA) is open to Non-Profit Applicants proposing the development of Permanent Supportive Housing for either (i) persons with a Disabling Condition that also includes a portion of units for Homeless individuals and Household as defined in Exhibit B of this RFA; or (ii) Persons with Developmental Disabilities. Non-Profit Applicant entities may consist of either 100 percent Non-Profit entities or joint ventures between Non-Profit and for-profit entities, if the Applicant meets the definition of Non-Profit, as defined in subsection 67-48.002(84), F.A.C.

Funding Available

- Estimated \$3,650,000 of Competitive Housing Credits available for all Applicants
- Estimated \$4,000,000 of SAIL available, which includes ELI loan funding, for Applicants that commit to serve the Persons with a Disabling Condition Demographic Commitment
- Estimated \$4,600,000 in grants available for Applicants that commit to serve the Persons with Developmental Disabilities Demographic Commitment

Outline of RFA

- A. Section One - Introduction
- B. Section Two – Definitions
Exhibit B of the RFA and Rules, which are posted on RFA website
- 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 \$3,000 may be submitted via check or wire. The instructions for submitting this are outlined in Section Three.

- 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.

¹ The RFA Webpage can be found at <https://www.floridahousing.org/programs/developers-multifamily-programs/competitive/2021/2021-106> (also available by clicking [here](#)).

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. Select the Demographic Commitment

(1) Persons with a Disabling Condition Demographic Commitment

(a) Requirements

Applicants that commit to serve the Persons with a Disabling Condition Demographic Commitment will be required to make the following set aside commitments for a minimum of 50 years:

At least 50 percent of the units in the Development must consist of Permanent Supportive Housing for persons with a Disabling Condition as defined in Section 420.0004(7), F.S.;

AND

At least 20 percent of the units in the Development must consist of Permanent Supportive Housing for individuals and families that meet the definition of Homeless Households as defined in Exhibit B of the RFA, (which may be the same units set aside for the persons with a Disabling Condition Demographic Commitment).

(b) Interest Rate

(i) Applicants that commit to set aside at least 50 percent, but less than 80 percent, of the units in the Development for persons with a Disabling Condition will qualify for a SAIL loan with an interest rate of 0 percent for the percentage of units that are set aside for persons with a Disabling Condition, and an interest rate of 1 percent for the remaining units. For example, a set-aside commitment of 60 percent of the units for persons with a Disabling Condition will have 60 percent at 0 percent and 40 percent at 1.0 percent, for a blended overall interest rate of 0.40 percent.

(ii) Applicants that commit to set aside at least 80 percent of the units in the Development for persons with a Disabling Condition will qualify for a SAIL loan with an overall interest rate of 0 percent.

(iii) The ELI loan is a forgivable loan as further outlined in Exhibit H.

(2) Persons with Developmental Disabilities Demographic Commitment

(a) Requirements

Applicants that commit to serve the Persons with Developmental Disabilities will be required to make the following set aside commitments for a minimum of 50 years:

At least 50 percent of the units in the Development must consist of Permanent Supportive Housing for Persons with Developmental Disabilities as defined in Section 393.063(12), F.S.

- (b) Due to the likelihood that some or all Persons with Developmental Disabilities will have Mobility Impairments now or later in their lives, Applicants that commit to this Demographic must at a minimum meet the accessibility, adaptability, universal design and visitability features requirements outlined in the RFA, (“Level 1 Accessibility Requirements”).
 - (c) Other Grant Funding requirements are outlined in Exhibit I.
 - c. Applicants must write a narrative describing the Persons with a Disabling Condition population(s) and Homeless population(s) to be served; or Persons with Developmental Disabilities population(s) to be served. This information will be considered by the Corporation when reviewing and scoring how the proposed access will assist the intended residents.
- 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.** The Applicant must meet the definition of a Non-Profit as set out in Rule 67-48, F.A.C., and provide documents outlined in the RFA.
 - (4) Services Coordination Experience Requirements
 - (a) Within the Applicant entity structure, at least one natural person Principal of a Non-Profit entity within the Applicant entity structure must have experience with independent rental housing and supportive service coordination, owning a minimum of two properties that serve Persons with a Disabling Condition, which may include Developmental Disabilities. To meet this requirement, Applicants will be required to provide, as Attachment 4, a chart listing the properties that serve Persons with a Disabling Condition, and there must be a combined total number of units within the properties that equals no less than 50 percent of the total number of units in the proposed Development.
 - OR
 - (b) Applicants that do not meet the requirement described in (a) above may partner with a provider of services that includes services coordination for the intended Demographic. Provide the properly completed and executed Florida Housing Finance Corporation Services Coordinator Provider or Principal of Services Coordinator Certification form (Form 02-19), as Attachment 4. Note: In credit underwriting, the provider must demonstrate it has been in business and performing services coordination for at least 5 consecutive years from the date of Application submission, and the Applicant must provide the legal contract demonstrating the partnership with the service provider for approval.
 - (5) Homeless Assistance Continuum of Care Requirements for All Applicants that selected the Demographic Commitment of Persons with a Disabling Condition
- 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) Development 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 three affordable rental housing developments, at least one of which was financed utilizing low-income housing tax credits pursuant to Section 42, IRC, and completed since January 1, 2011. At least one of the three 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.

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).

(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 were 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 future RFAs if criteria described in those RFAs are 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. Name and contact information of Management Company
- e. Community-Based Board of Directors Requirement
- 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*.

*For purposes of SAIL funding, Rehabilitation includes Substantial Rehabilitation.

- c. Development Type (Garden, Duplexes, Quadraplexes, Mid-Rise (4, 5 or 6 stories), or High Rise (7 or more stories)).
- 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. This RFA is open to all counties
- b. Provide the address of the proposed Development
- c. State whether the proposed Development consists of Scattered Sites

Note: Developments are limited to three Scattered Sites.

- d. Latitude/Longitude Coordinates

Provide the latitude and longitude coordinates for the Development Location Point, and all Scattered Sites, if applicable, stated in decimal degrees, rounded to at least the sixth decimal place.

6. Number of Buildings and Units

- a. Units

(1) Applicants that commit to serve the Persons with a Disabling Condition Demographic Commitment:

- (a) The minimum number of units in the Development is 30.

- (b) There is no maximum number of units.
- (2) Applicants that commit to serve the Persons with Developmental Disabilities Demographic Commitment:
 - (a) The minimum number of units in the Development is 30.
 - (b) The maximum number of units in the Development is 60.

Note: This RFA does not include IRO Units or Shared Housing Units.

- b. Breakdown of number of units that are new construction or rehabilitation
- c. If the Development Category is 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) Required Income Set-Aside Units

If the Average Income Test is not selected, at least 80 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).

If the Average Income Test is selected, at least 80 percent of the Development's total units must be set aside at 80 percent AMI or less, but the Average AMI of the Qualifying Housing Credit Units cannot exceed 60 percent.

(2) Required ELI Commitments

If the Average Income Test is not selected, at least 15 percent of the total units must be set aside to serve Extremely Low Income (ELI) Households. Applicants that commit to serve Persons with a Disabling Condition and do not commit to the Average Income Test are eligible for ELI Loan funding for one-third of the required ELI Set-Aside units, (i.e., five percent of the total units). Applicants that commit to serve Persons with Developmental Disabilities are not eligible for ELI Loan funding. For purposes of this provision, the requirement to set aside units for ELI Households refers to the 2020 ELI Area Median Income (AMI) level for the county where the proposed Development is located outlined in the 2020 ELI AMI Level chart in the RFA.

If the Average Income Test is selected, at least 20 percent of total units must be set aside to serve ELI Households. The ELI AMI level will be 30%, regardless of county. The Applicant is not eligible for ELI Loan

e. Unit Mix

- Units must consist of Zero, one, or two bedrooms only;
- At least 50 percent of the total units, rounded up, must be one bedroom units; and
- No more than 50 percent of the total units, rounded up, may be Zero Bedroom Units.

f. Number of residential buildings must be provided.

g. Compliance Period Requirements.

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 through September 30, 2021), 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. Required 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

- (1) Proposed Developments with the Development Category of New Construction

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

- (2) Proposed Developments with the Development Category of Acquisition with Rehabilitation

- Applicants must choose additional Green Building options.

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) Competitive Housing Credits

The Housing Credit Request Amount cannot exceed the applicable County Category amount stated in the following chart:

County Category	Maximum Request Amounts
Broward and Miami-Dade County	\$2,882,000
Hillsborough, Orange, or Palm Beach County	\$2,375,000
Duval or Pinellas County	\$1,868,000
Medium Counties	\$1,700,000

(2) SAIL must be requested by all Applicants that commit to the Persons with a Disabling Condition Demographic Commitment

The SAIL Request Amount **plus** the ELI Loan Request Amount is limited to the lesser of the following:

- (a) \$4,000,000;
- (b) 35 percent of the Total Development Cost.

(3) Eligible ELI Loan Request Amount

Applicants that commit to the Persons with a Disabling Condition Demographic Commitment and not the Average Income Test are eligible for ELI Loan funding for the required ELI Set-Aside units, not to exceed the lesser of (i) \$600,000; or (ii) the maximum amount based on the ELI Set-Aside per unit limits, as outlined in Section Four, A.6. above, for five percent of the total units (total number of units x 0.5, rounded down).

(4) Applicants that select the Persons with Developmental Disabilities Demographic Commitment may request up to \$4,600,000 in grant funding. There is no additional funding for the required ELI Set-Aside Units.

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

(1) Developer fee

The Developer Fee is limited to 16 percent of the Development Cost; however, the Corporation will allow Applicants to provide a Developer Fee up to 21 percent of the Development Cost to be stated on the Development Cost Pro Forma, with up to 5 percent of the Development Cost placed in an operating deficit reserve account to be held by the Corporation or its servicer.

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

- c. Completing the Development Cost Pro Forma
- d. Qualifying Financial Assistance Funding Preference

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

- (1) Cash Funding equals at least 3 percent of the Applicant's Eligible SAIL Request Amount
- (2) Donation of Land by a Local Government

If the Applicant qualifies for this preference through the donation of land and is awarded funding under this RFA, the Applicant will not receive any Corporation funding towards the cost of the land.

Note: In-kind donations, waivers of any fees, and any funding from the Corporation are not considered Qualifying Financial Assistance, although they can be used to help reduce costs in the construction of the proposed Development.

- e. Per Unit Construction Funding Preference
- f. Total Development Cost Per Unit Limitation

Narrative Scoring

- 1. Operating/Managing Experience (Maximum of 45 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. Assist Intended Residents in Meeting their Housing Stability and Self-Sufficiency Needs, Goals and Expectations
 - a. Permanent Housing Stability (Up to 10 points)
 - b. Self-Sufficiency (Up to 10 points)

Selection Process

- 1. Eligibility Requirements
- 2. Sorting Order
 - a. First, by Managing Permanent Supportive Housing Experience points;
 - b. Next, by the Application's Leveraging Classification, with Applications having a lower amount of total Corporation funding per Set-Aside Unit above those with a higher amount of total Corporation funding per Set-Aside Unit;

- c. Next, by the Application’s eligibility for the Qualifying Financial Assistance Funding Preference;
 - d. Next, by the Per Unit Construction Funding Preference;
 - e. By the Application’s eligibility for the Florida Job Creation Funding Preference; and
 - f. By lottery number, resulting in the lowest lottery number receiving preference.
3. Goal

The Corporation has a goal to fund one Development that selected the Demographic Commitment of Persons with Developmental Disabilities Demographic Commitment.

4. County Award Tally
5. Funding Selection Process

Exhibits to RFA

Exhibit A – Application

Exhibit B – Definitions used in RFA that are not defined in Rule

Exhibit C – Additional Information

1. Total Development Cost Per Unit Limitation methodology used in credit underwriting and final cost certification
2. **New!** - Leveraging Classification has been revised to include a breakdown of multiple Development Types
3. Florida Job Creation Funding Preference
4. Fees
5. Additional Requirements

Exhibit D – Timeline

Exhibit E – Intentionally Omitted for this RFA

Exhibit F – Rehabilitation Scoping Process with a Capital Needs Assessment

Exhibit G - Tenant Application and Selection Requirements

Exhibit H – Credit Underwriting Procedures for the ELI Loan

Exhibit I – Credit Underwriting Procedures for the Grant Award

Other Important Information

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

Expected Timeline

<i>Issue RFA</i>	<i>February 9, 2021</i>
<i>RFA Due Date</i>	<i>March 16, 2021</i>
<i>Review Committee Meeting (make recommendations to Board)</i>	<i>April 21, 2021</i>
<i>Request Board Approval of Recommendations</i>	<i>April 30, 2021</i>