

Florida Housing Finance Corporation
RFA 2021-206 HOME Financing for the Construction of Small, Rural Developments Workshop Agenda
Registration for Workshop is required. Registration information is available on RFA Webpage¹

Overview

- A. Introductions
- B. Purpose of RFA

The workshop will be held to solicit comments and suggestions from interested persons relative to Florida Housing's proposed RFA 2021-206 HOME Financing for the Construction of Small, Rural Developments.

Funding available

Florida Housing Finance Corporation (the Corporation) expects to have an estimated \$20 million in HOME funding available for award.

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*.

- C. Submission Requirements and Financial Arrears

- 1. Submission Requirements

It is expected that Florida Housing will continue receiving Applications through online submission only, and no longer receive hard copies of the Application package. Application Fees will continue to be submitted via check, ACH or wire payments, although Florida Housing **strongly recommends** providing the Federal Reference Number and wire confirmation number for wire payments, and trace number for ACH, in addition to the RFA Number/Development Name. Additionally, Florida Housing strongly recommends that payments be submitted at least 48 hours in advance of the Application Deadline. In the event that the online submission is not received, the payments will be refunded.

- 2. New! - Financial Arrearage Requirement and Insurance Deficiency Requirement

An Application will be deemed ineligible for funding if, as of close of business **two days*** before the Committee meets to make a recommendation to the Board, either of the following occur: (1) 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; or (2) an Applicant or Developer or Principal, Affiliate or Financial Beneficiary of the Applicant or Developer has an insurance deficiency for any Development awarded Corporation resources, which the Corporation resources are in first mortgage position and the mortgage was originated during or after September 2016 that is governed by the Insurance Guide posted to the Corporation's Website under the link <https://www.floridahousing.org/data-docs-reports/insurance-guide> (also accessible by clicking [here](#)).

¹ References to the RFA Webpage refer to <https://www.floridahousing.org/programs/developers-multifamily-programs/competitive/2021/2021-206> which can be accessed [here](#).

The Past Due Report contains the financial arrearages to the Corporation as well as the Insurance Deficiency Report. The most recently published Past Due Report is posted to the Corporation's Website under the link <https://www.floridahousing.org/data-docs-reports/past-due-reports> (also accessible by clicking [here](#)), but not more recently than seven business days prior to the date the Committee meets to make a recommendation to the Board.

* For example, if a review committee meeting is held on a Wednesday, regardless of the time of the meeting, the arrearages must be paid by Monday close of business.

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

The Demographic Commitment may be Family or Elderly, non-Assisted Living Facility.

3. Applicant/Developer/Management Company/Contact Person

a. Applicant

- (1) State the name of the Applicant.
- (2) Evidence that Applicant is legally formed entity qualified to do business in Florida as of Application Deadline

The Corporation is aware of the May 1st deadline for filing the annual report with the Division of Corporations and will accept a Certificate of Good Standing for the Applicant that reflects an expiration date of December 31 of either the current year or previous year.

- (3) If applying as a Non-Profit, 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 RFA.
- (4) If applying as a CHDO, the Applicant must provide documents outlined in RFA.

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

The Corporation is aware of the May 1st deadline for filing the annual report with the Division of Corporations and will accept a Certificate of Good Standing for the Developer(s) that reflects an expiration date of December 31 of either the current year or previous year.

(3) Developer Experience

(a) Previous Affordable Housing Experience Funding Preference

To meet this preference, 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 demonstrate experience in the completion of at least one affordable rental housing development consisting of a total number of units no less than 50 percent of the total number of units in the proposed Development.

(b) HOME Funding Experience Preference

To meet this preference, at least one development that meets the Previous Affordable Housing Experience Funding Preference must consist of at least 12 total units funded with HOME Funding.

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

The Corporation will award points for Development Experience in certain RFAs beginning with the 2022/2023 RFA Cycle if criteria described in the RFA is met.

(4) General Contractor Experience (5 points)

To be awarded 5 points in this RFA, the General Contractor or qualifying agent of the General Contractor identified in the Application must have all of the following:

- Must have the requisite skills, experience and credit worthiness to successfully produce the units proposed;
- Must construct the proposed Development in accordance with the design plans and specifications as prepared by the licensed Architect;
- Must not have allowed required insurance to lapse and/or had insurance force-placed by a lender on any Florida Housing Development funded within the past five years;
- Must not have required a construction completion extension of longer than 90 days in order to successfully complete the construction of a Florida Housing Development funded within the past five years; and
- Must have been the General Contractor on the completion* of at least two developments, where each Development consists of a total number of units of no less than 50 percent of the total number of units in the proposed Development, and where at least one of these completed developments must have been subject to Davis-Bacon Requirements.

*Completion means the certificate of occupancy has been issued for at least one building.

Successful Applicants must submit the Florida Housing Finance Corporation HOME Funding - General Contractor or Qualifying Agent of General Contractor Certification form (Rev. 10-20) during credit underwriting, as outlined in Exhibit D of this RFA.

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

(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. Per subsection 67-48.002(94), F.A.C., any

Principal other than a natural person must be a legally formed entity as of the Application Deadline.

(2) 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

(1) Contact information on Management Company

(2) Required General Management Company experience

The Management Company or a principal of the Management Company must have managed 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

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

Development Category must be new construction, with or without acquisition. All units must consist entirely of new construction units. Rehabilitation of existing units is not allowed. Demolition of current structures is allowed, subject to Davis Bacon regulations and, if occupied, Uniform Relocation Act as described in Section Four, A.11. of this RFA.

c. Development Type (i.e., Single Family Homes including modular homes that are installed by certified contractors; Townhouses; Duplexes; Quadrplexes; Garden Apartments (a building comprised of 1, 2 or 3 stories, with or without an elevator).

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.

e. Combination of Development Types, or ESS/non-ESS Construction

If the Development utilizes a combination of Development Types or ESS/non-ESS Construction, for purposes of the Leveraging Classification calculation and Total Development Cost Per Unit Limitation calculation, complete the chart in Exhibit A of the RFA reflecting the appropriate breakdown.

f. Applicants must state whether construction has commenced as of Application Deadline. Note: If “Yes”, all rules and regulations in 24 CFR Part 92, which includes cross-cutting Federal Regulations, will apply.

5. Location

a. County

This RFA is open to proposed Developments located in an eligible Rural Area as defined by the United States Department of Agriculture Rural Development (RD).

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, rounded to at least the sixth decimal place.

e. Confirmation that the proposed Development is located in an eligible Rural Area

Provide evidence from RD dated within six months of the Application Deadline to confirm that the proposed Development is located in an RD-designated Rural Area.

6. Number of Buildings and Units

a. Proposed Developments must consist of a minimum of 10 total units. Proposed Development are limited to 50 units.

b. Set-Aside Commitments

(1) Minimum HOME-Assisted Units

The minimum number of HOME-Assisted Units must meet the minimum requirements of 24 CFR Part 92.

(2) Total Number of HOME-Assisted Units Committed for HOME

Low HOME Rent units must be equal to or greater than 20 percent of the total HOME-Assisted units to which the Applicant committed. All remaining HOME-Assisted units will be High HOME Rent units.

High and Low HOME Rent charts are available on the Corporation’s Website at <https://www.floridahousing.org/owners-and-managers/compliance/rent-limits> (also accessible by clicking [here](#)).

The Development Cost Pro Forma will include a worksheet to assist with the calculating the minimum number of HOME-Assisted Units, Low HOME rent units and High HOME Rent Units.

c. Unit Mix

Complete the Unit Mix Chart listing the total number of bedrooms per unit, the total number of bathrooms per unit (including half-baths, if applicable), and the total number of units per bedroom type. Any zero bedroom units must meet the definition of Zero Bedroom Unit.

If Elderly Demographic is selected, at least 50 percent of the total units must be comprised of one-bedroom units and no more than 15 percent of the total units can be larger than two bedroom units.

d. Number of residential buildings must be provided.

e. Compliance Period - All Applicants are required to set aside the units for 50 years.

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 July 25, 2022), a deed, and/or a lease.

b. 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

9. Resident Programs

a. If the Family Demographic is selected, provide at least two of the resident programs: After School Program, Adult Literacy, Employment Assistance Program, Family Support Coordinator, Financial Management Program.

b. If the Elderly Demographic is selected, provide at least three of the resident programs, in addition to the required resident programs outlined in the RFA: Adult Literacy, Computer Training, Daily Activities, Assistance with Light Housekeeping/Grocery Shopping/Laundry, Resident Assurance Check-In Program.

10. Funding

a. HOME Funding Maximum has increased

The maximum HOME Request Amount is limited to the lesser of the Total Maximum Per Unit HOME Rental FHFC Subsidy Limit for the applicable county as calculated using chart below or \$6 million.

Per Unit FHFC Maximum Subsidy Limits					
	0 BR	1BR	2 BR	3 BR	4BR
All Counties	\$122,651.00	\$140,602.00	\$170,974.00	\$221,186.00	\$242,792.00

b. Developer Fee for this RFA is based on 16% of Development Cost

11. HOME Uniform Relocation Act

12. Match Amount

Applicants with a higher percentage of Match compared to the Applicant’s Eligible HOME Request Amount will receive a funding preference in the Funding Selection process described in Section Five, B. below.

Eligible forms of Match are cash contributions from nonfederal external sources (related party Match contributions are not allowed). Cash contributions must be permanently contributed to the HOME project and will be a part of the final Sources and Uses. Cash contributions may include donations made by individuals (except for owners or Developers or prospective owners or Developers of the HOME project), private entities, or other public entities for the express purpose of affordable housing.

D. Ranking and Funding Selection

1. Goal to fund one CHDO Application

2. Sorting Order

- a. Small County Applications Preference
- b. HOME Funding Experience Preference
- c. Previous Affordable Housing Experience
- d. Percentage resulting from the Applicant’s Eligible HOME Request Amount divided by the maximum award amount the Applicant is eligible to request
- e. Percentage of Match compared to the Applicant’s Eligible HOME Request Amount
- f. Florida Job Creation Funding Preference
- g. Lottery number

3. Selection Process

- a. First, the highest ranking eligible CHDO Application will be selected for funding.
- b. Next, the highest ranking eligible Application(s) that can be fully funded will be selected for funding.

E. Credit Underwriting Process

F. 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 – revised for clarification, plus there are new templates and training video available on RFA Webpages
- b. Florida Job Creation Funding Preference
- c. Fees
- d. Additional Requirements

4. Exhibit D – Timeline

5. Exhibit E and F – intentionally omitted

6. Exhibit G - Tenant Application and Selection Requirements

G. 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
- 3. Expected Timeline

Issue RFA:	December 15, 2021
RFA Due Date:	January 25, 2021
Review Committee Meeting (make recommendations to Board)	early Spring 2022
Request Board Approval of Recommendations	early Spring 2022

H. Other Discussion Topics