

Florida Housing Finance Corporation
RFA 2021-208 SAIL and Housing Credit Financing for The Construction of Workforce Housing Workshop Agenda
February 11, 2021, 2:00 p.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 Applicants proposing the construction of Workforce Housing in Broward, Miami-Dade, and Monroe Counties.

Florida Housing Finance Corporation (the Corporation) will provide funding to serve primarily low-income persons (i.e., households with incomes that do not exceed 80 percent of the Area Median Income (AMI) as defined in Section 420.0004, F.S.) in Broward and Miami-Dade County and moderate-income persons (i.e., households with incomes that do not exceed 120 percent of the AMI as defined in Section 420.0004, F.S.) in Monroe County.

Funding available

\$15,514,000 in Total Workforce SAIL available

For Monroe County

- \$2,520,000 in Workforce SAIL funding plus an estimated \$2,980,000 in Competitive Housing Credits will be made available for Monroe County Applications.

For Broward and Miami-Dade Counties

- \$12,994,000 in Workforce SAIL funding will be made available for Broward and Miami-Dade County Applications, which must be paired with Tax-Exempt Bonds and Non-Competitive Housing Credits (“4% HC”). The Tax-Exempt Bonds may be 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).

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*.

New! - Revised Definitions

Exhibit B includes the revised definitions for Proximity Services discussed in the RFA workshops held on March 5 and May 29, 2020, as well as the revision discussed in a listserv announcement sent on June 23, 2020 regarding allowance for services that were in existence and available for use by the general public as of March

¹ References to the RFA Webpage refer to <https://www.floridahousing.org/programs/developers-multifamily-programs/competitive/2021/2021-208> which can be accessed [here](#).

1, 2020 but not available as of the Application Deadline because of temporary closures or service suspensions due to COVID-19 or other emergency suspension based on an official emergency declaration.

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 may be submitted via check or wire. The instructions for submitting this are outlined in Section Three.

To ensure that the Application Fee is processed for the correct online Application, the following is strongly recommended: (i) provide the Application Fee at least 48 hours prior to the Application Deadline; and (ii) whether paying by check, money order, ACH or wire transfer, include the Development Name, RFA number, and if applicable, include the wire/ACH confirmation number and Federal Wire Transfer Number at question B.1 of Exhibit A.

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

The Demographic Commitment must be Workforce households serving general occupancy at the following Area Median Income (AMI):

For proposed Developments in Broward and Miami-Dade County, Workforce Housing Units must be set aside above 60 percent AMI and no higher than 80 percent AMI. For proposed Developments in Monroe County, Workforce Housing Units must be set aside above 60 percent AMI and no higher than 120 percent AMI.

No properties funded under this RFA may be age restricted.

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) 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.

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

For Monroe County Applications

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 a Housing Credit development 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.

For Broward and Miami-Dade County Applications

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 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.

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

The Corporation may award points for Development Experience in certain future RFAs 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

(1) **New!** - In addition to the name of Management Company, contact information will also be required

(2) Required General Management Company experience

The Management Company or a principal of the Management Company must demonstrate experience in the management of 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. All units must consist entirely of new construction units. Rehabilitation of existing units is not allowed.

c. Development Type (i.e., Garden, Townhouses, Duplexes, Quadraplexes, Mid-Rise (4, 5 or 6 stories), or High Rise (7 or more stories).

New! - For purposes of the Leveraging Classification described in Item 3 of Exhibit C and Total Development Cost Per Unit Limitation described in Section Five, A and Item 1 of Exhibit C, if there are units in multiple Development Types, provide the breakdown the number of units in each Development Type in Exhibit A.

d. Enhanced Structural Systems Construction Qualifications

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

5. Location

a. County

This RFA is open to proposed Developments located in Broward, Miami-Dade, or Monroe County.

b. Location

(1) Provide the address

(2) **New!** - Market Study

The Developments must be located in submarkets where the average market rental rates are equal to or greater than 90% AMI*. Within 21 Calendar Days of the date of the invitation to enter credit underwriting, the Corporation will require successful Applicants to provide the market study prepared by a licensed appraiser that was completed before Application Deadline that demonstrates (i) the average physical occupancy rate of 92% or greater; and (ii) an average market rental rate, based on unit mix and annualized rent concessions, equal to 90 percent Area Median Income rental rate*.

The Florida Housing Rental Programs - MTSP Income and Rent Limits is available on the Corporation Webpage <https://www.floridahousing.org/owners-and-managers/compliance/rent-limits> (also accessible by clicking [here](#)).

*90 percent Area Median income rental rate is calculated as 112.5 percent of the 80 percent Area Median Income rental rate.

The underwriter will order a new market study to confirm that these requirements are met and also the requirements as set forth in Rule 67-48.0072(10), F.A.C.

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

Monroe County

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

Requirements and Funding Preference Qualifications for Broward and Miami-Dade County

All Applications must achieve a minimum number of Transit Service Points and achieve a minimum number of total proximity points to be eligible for funding.

This RFA does not have Grocery Store, Community Service, or Transit Service Preferences.

All Applicants can earn up to 18 proximity points, up to 6 points for Transit and 4 points for each Community Service, with a maximum of three Community Services total. The chart for awarding points is outlined in Item 2 of Exhibit C of each RFA.

County	Required Minimum Transit Service Points that Must be Achieved to be Eligible for Funding	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
Broward or Miami-Dade	2	10.5	12.5 or more
Monroe	N/A	Automatic qualification	Automatic qualification

f. Mandatory Distance Requirement

Monroe County: Applications for a proposed Development located in Monroe County will automatically qualify for the Mandatory Distance Requirement.

Broward and Miami-Dade: Applications will qualify for the Mandatory Distance Requirement if the distance between the latitude and longitude coordinates provided for the Development Location Point, and any Scattered Sites, if applicable, to the coordinates for the other properties identified on the January 8, 2021 FHFC Workforce Development Proximity List (the List) is at least 0.5 miles.

The January 8, 2021 FHFC Workforce Development Proximity List and mapping software to display both the Proximity List properties on the list and the Mandatory Distance Requirement buffers described in the chart above are available on the RFA Webpage.

6. Number of Buildings and Units

- a. 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. The proposed Development must consist entirely of new construction. Rehabilitation of existing units is not allowed.
- 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
 - (1) Minimum Set-Aside Commitments per Section 42 of the IRC
 - (2) Set-Aside Commitments per Corporation Requirements

(a) Total Income Set-Aside Commitment

For proposed Developments in Broward or Miami-Dade County, all of the units must be set aside at 80 percent AMI or less. For proposed Developments in Monroe County, all of the units must be set aside at 120 percent AMI or less.

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

If the Average Income Test is not selected, the proposed Development must set aside 10 percent of total units for ELI Households and the ELI AMI level will be 25%, regardless of county. If the Average Income Test is selected, the proposed Development must set aside 15 percent of total units for ELI Households and the ELI AMI level will be 30%, regardless of county.

(c) Link Units for Persons with Special Needs

With the exception of Developments financed with HUD Section 811, 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.

(3) Total Set-Aside Breakdown Chart

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

- (i) If the minimum HC set-aside commitment of 20% at 50% AMI is selected, the 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". This includes the ELI Set-Aside Unit requirement.
 - The remaining units will be considered the proposed Development's Workforce Housing Units
- (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". This includes the ELI Set-Aside Unit requirement
 - The remaining units will be considered the proposed Development's Workforce Housing Units

(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". This must include the ELI Set-Aside Unit requirement.

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

- The remaining units must be entered on the Total Set-Aside Breakdown Chart in the row labeled as either "Joint Housing Credit/Workforce Housing Units" or "Workforce Housing Units".

Joint Housing Credit/Workforce Housing Units

Joint Housing Credit/Workforce Housing Units are included in the Average Income Test calculation.

Workforce Housing Units

For proposed Developments in Broward or Miami-Dade County, Workforce Housing Units must be set aside at an AMI that is greater than 60 percent but no higher than 80 percent.

For proposed Developments in Monroe County, Workforce Housing Units must be set aside at an AMI that is greater than 60 percent but no higher than 120 percent.

e. 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 (0) bedroom units must meet the definition of Zero Bedroom Unit.

No more than 25 percent of the total units may be comprised of Zero 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 October 31, 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. Construction Features

9. Resident Programs

Provide at least two of the resident programs: After School Program, Adult Literacy, Employment Assistance Program, Family Support Coordinator, Financial Management Program.

10. Funding

a. Funding available for Monroe County Applications

(1) SAIL Workforce

The Applicant's Workforce SAIL Request Amount is limited to the lesser of the following:

- \$115,000 per unit for proposed Developments with set-aside commitments at or below 80% AMI;
- \$70,000 or per unit for proposed Developments with set-aside commitments at or below 120% AMI; or
- \$2,520,000 per Development

(2) Competitive Housing Credit Request Amount

The Applicant's Competitive Housing Credit Request Amount is limited to the maximum of \$36,000 per unit or \$1,100,000 per Development.

b. Funding available for Broward or Miami-Dade County

(1) SAIL Workforce

The Applicant's Workforce SAIL Request Amount is limited to the lesser of the following

- \$70,000 per unit; or
- \$6,500,000 per Development.

(2) Tax-Exempt Bonds:

- Corporation-issued MMRB; or
- 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

(3) Non-Competitive 4% HC.

c. Developer Fee

For Monroe County Applications, the Developer Fee is 16%*

For Broward or Miami-Dade Applications, the Developer Fee is 18%*

* Developer Fee limits are based on the source of funding as outlined in Rules 67-48.0072(16), and 67-21.014(2)(q), F.A.C.

11. **NEW!** - Local Government Incentives (Maximum 4 Points)

One point will be awarded for each completed form that is submitted. Drafts of the forms are available on the RFA Webpage.

- Local Government Verification of Affordable Housing Incentives – Expedited Permitting Process for Affordable Housing form;
- Local Government Verification of Affordable Housing Incentives – Contributions to Affordable Housing Properties or Developments form;
- Local Government Verification of Affordable Housing Incentives – Modification of Fee Requirements for Affordable Housing Properties or Developments form; and
- Local Government Verification of Affordable Housing Incentives – Impact of Policies, Ordinances, Regulations, or Plan Provisions on Cost of Affordable Housing Properties or Developments form.

D. Ranking and Funding Selection

1. Sorting Order, highest scoring Applications, then any ties sorted by the following:

a. Proximity Funding Preference

- b. Leveraging Level
 - c. Florida Job Creation Funding Preference
 - d. Lottery number
- 2. Selection Process
 - a. The first Application will be for a proposed Development in Monroe County
 - b. The second Application will be for a proposed Development in either Broward or Miami-Dade
 - c. If the second Application selected was in Broward, the third Application will be in Miami-Dade, subject to the Funding Test. If the second Application selected was in Miami-Dade, the third Application will be in Broward, subject to the Funding Test.
- 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. Transit and Community Service Scoring Charts
 - c. **New!** –Revised Multipliers and Leveraging Level Classification Methodology
 - d. Florida Job Creation Funding Preference
 - e. Fees
 - f. Additional Requirements
 - 4. Exhibit D – Timeline
 - 5. Exhibit E – Additional requirements for the Link Units for Persons with Special Needs
 - 6. Exhibit F – intentionally omitted
 - 7. 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:	March 2, 2021
RFA Due Date:	April 13, 2021
Review Committee Meeting (make recommendations to Board)	2:00 p.m. on June 2, 2021
Request Board Approval of Recommendations	June 18, 2021

H. Other Discussion Topics