

2022 Construction Housing Inflation Response Program (CHIRP) Invitation to Participate (ITP)

Florida Housing Finance Corporation (the Corporation) is offering funding in to assist competitive projects in the development pipeline with cost increases related to market inflation. Applicants with an Active Award of Competitive Housing Credits or Competitive SAIL funding will have the opportunity to select National Housing Trust Funds (NHTF), Home Investment Partnerships Program (HOME) from the American Rescue Plan Act (HOME-ARP), additional Competitive Housing Credits, or loan funding as further explained below. A description of the process, commitments associated with each funding source, and the required forms are described below.

The Corporation has made efforts to maintain the viability of projects in the development pipeline and continues to believe it is beneficial to deliver much-needed affordable housing units and communities in a timely manner. In recognition of recent increases in construction costs, the Corporation expects to make additional funding available to Developments with an Active Award that can demonstrate verifiable cost increases, subject to sizing parameters listed in Exhibit C.

Prior to 3:00 p.m. on July 5, 2022, interested Applicants must submit the completed Exhibit A of this ITP confirming that the proposed Development of the Active Award meets the requirements contained herein. The documentation and a link called "Upload Application Package" can be found on the webpage <https://www.floridahousing.org/programs/developers-multifamily-programs/competitive/2022/2022-chirp>. The Applicant can then upload both the completed Exhibit A (Word document) and the Attachment 1 (.pdf document). Once submitted to the Corporation, the Corporation will then reserve funds for interested Applicants to proceed. While the Corporation anticipates it will have enough funding to meet all requests, reservations of funding will be made on a first come, first serve process and submission is not a guarantee of funding availability.

If you have any questions regarding this ITP, please contact Marisa Button, Managing Director of Multifamily Programs at Florida Housing Finance Corporation, by telephone at 850-488-4197 or by email at marisa.button@floridahousing.org.

A. Criteria and timing

Applicants will continue to be held to the terms and conditions of the RFA under which the Active Award was made and the applicable rule chapter in effect at the time of the Original Application. Applicants that are awarded funding through this ITP must meet the following requirements:

- Applicants must apply for permitting by 60 days from the Application submission;
- Applicants must close on the limited partnership agreement and, if applicable, corporation funding by the earlier of the existing closing deadlines for the Active Award or January 31, 2023;
- The Credit Underwriting Report will be completed or updated as applicable prior to October 31, 2022.

To be eligible to apply in this ITP, as of the Application Deadline, the Application must meet the following conditions:

- A verifiable financing gap must exist with a deferred Developer Fee of at least 30 percent subject to sizing parameters listed in Exhibit C;
- The Applicant of the Active Award has not closed on the Limited Partnership Agreement, Tax-Exempt Bond financing, or any other Corporation funding (excluding Pre-Development Loan Program funding (PLP) and Elderly Housing Community Loan (EHCL) funding);
- The Applicant of the Active Award has not recorded a Notice of Commencement with the appropriate local jurisdiction as of April 29, 2022;
- The Original Application did not qualify as a Self-Sourced Application funded in RFAs 2019-116, 2020-205, or 2021-205;
- The Applicant of the Active Award has not, prior to the Application Deadline for this Invitation to Participate (ITP), returned the allocation for the Active Award to the Corporation; and
- The Applicant of the Active Award was awarded in one of the RFAs listed below:

| Applications that applied in the following RFA that meet all other eligibility criteria are eligible for additional funding | Applicants with an Active Award are eligible for NHTF | Applicants with an Active Award are eligible for HOME-ARP | Applicants with an Active Award are eligible for additional Competitive HC | Applicants with an Active Award are eligible for additional loan funding |
|--|---|---|--|--|
| RFA 2019-116 SAIL Financing of Affordable Multifamily Housing Developments to be Used in Conjunction with Tax-Exempt Bonds and Non-Competitive Housing Credits | Yes, if new construction or Redevelopment | Yes, if new construction or Redevelopment | No | Yes |
| RFA 2020-201 Housing Credit Financing For Affordable Housing Developments Located In Medium And Small Counties | Yes | Yes | Yes | No |
| RFA 2020-202 Credit Financing for Affordable Housing Developments Located in Broward, Duval, Hillsborough, Orange, Palm Beach, Pinellas | Yes | Yes | Yes | No |
| RFA 2020-203 Housing Credit Financing for Affordable Housing Developments Located in Miami-Dade County | Yes | Yes | Yes | No |
| RFA 2020-204 Housing Credit Financing for the Preservation of Existing Affordable Multifamily Housing Developments | No | No | Yes | No |
| RFA 2020-205 SAIL Financing of Affordable Multifamily Housing Developments to be Used in Conjunction with Tax-Exempt Bonds and Non-Competitive Housing Credits | Yes, if new construction or Redevelopment | Yes, if new construction or Redevelopment | No | Yes |
| RFA 2020-208 SAIL and Housing Credit Financing for the Construction of Workforce Housing | Yes | Yes | No | Yes |
| RFA 2021-102 SAIL Financing for Smaller Permanent Supportive Housing Developments for Persons with Special | Yes | Yes | No | Yes |

| Applications that applied in the following RFA that meet all other eligibility criteria are eligible for additional funding | Applicants with an Active Award are eligible for NHTF | Applicants with an Active Award are eligible for HOME-ARP | Applicants with an Active Award are eligible for additional Competitive HC | Applicants with an Active Award are eligible for additional loan funding |
|---|---|---|--|--|
| Needs | | | | |
| RFA 2021-103 Housing Credit and SAIL Financing to Develop Housing for Homeless Persons | Yes | Yes | No | Yes |
| RFA 2021-106 Financing to Develop Housing for Persons with Disabling Conditions/ Developmental Disabilities | Yes | Yes | No | Yes |
| RFA 2021-108 Financing For The Development Of Housing For Persons With Developmental Disabilities | Yes | Yes | Yes | No |
| RFA 2021-208 SAIL and Housing Credit Financing for the Construction of Workforce Housing | Yes | Yes | No | Yes |
| RFA 2021-211 Development Viability Loan Funding – if Active Award was Competitive Housing Credits only | Yes | Yes | Yes | No |
| RFA 2021-211 Development Viability Loan Funding – if Active Award was <u>not</u> Competitive Housing Credits only | Yes | Yes | No | Yes |
| 2019 RFAs, or other 2020 or 2021 RFAs not listed but still meet all other above criteria including timing requirements | Yes, if new construction or Redevelopment | Yes, if new construction or Redevelopment | No | No |

B. Required Information

1. State the name of the Applicant. The name of the Applicant in this ITP must be the same as the Active Award.
2. Authorized Principal Representative

Enter the information for the required Authorized Principal Representative. The Authorized Principal Representative in this ITP must be the same as the Active Award.
3. Provide the name of the Development of the Active Award.

If Corporation staff or the Corporation’s Board of Directors has approved a change to the name of the proposed Development, state the approved name.
4. Indicate the county where the proposed Development will be located.
5. Select the RFA in which the Active Award was awarded funding.
6. State the Application Number of the Active Award.

7. Demographic Commitment

Select the Demographic Commitment from the Original Application. If Corporation staff or the Corporation's Board of Directors has approved a change to the Demographic Commitment, state the approved Demographic Commitment in Exhibit A.

8. Units

The Applicant must state the total number of new construction and/or Rehabilitation units, which may not be less than the total number of units committed to in the Original Application.

If Corporation staff or the Corporation's Board of Directors has approved a change to the number of units, state the approved number of units.

C. Applicants Requesting National Housing Trust Funds (NHTF) or Home Investment Partnerships Program (HOME) From The American Rescue Plan Act (HOME-ARP)

Any Active Award Applicant may request to utilize NHTF or HOME-ARP Funding instead of the Competitive Housing Credits or Loan Funding on a per unit basis for any unit that does not currently also receive NHTF or HOME-ARP, up to the lesser of the amount needed to make the Development viable using sizing parameters in Exhibit C, the maximum per Development as outlined below, or 10 total units.

Procedure

Initially, for Applicants that choose this option, the funding awarded in this RFA will be calculated using NHTF Funding. NHTF Funding is a forgivable loan as outlined in Exhibit D.

If the NHTF award amount calculated in this RFA would make the Active Award viable and all NHTF Requirements can be met, the Active Award will receive NHTF Funding and continue through credit underwriting. Applicants will be held to the terms and conditions of the RFA under which the Active Award was made and the applicable rule chapter in effect at the time of the Original Application. Applicants that select NHTF/HOME-ARP Funding will not be held to the provisions in paragraph F and should submit "Not Applicable" as **Attachment 1**.

If the regulatory requirements of NHTF cannot be met, even if the NHTF award amount calculated in this RFA would make the Active Award viable, the funding awarded in this RFA will be re-calculated using HOME-ARP. The HOME-ARP funding awarded in this RFA is a forgivable loan as outlined in Exhibit E.

If the HOME-ARP award amount calculated in this RFA would make the Active Award viable and all HOME-ARP Requirements can be met, the Active Award will receive HOME-ARP Funding and continue through credit underwriting. Applicants will be held to the terms and conditions of the RFA under which the Active Award was made and the applicable rule chapter in effect at the time of the Original Application. Applicants that select NHTF/HOME-ARP Funding will not be held to the provisions in paragraph F and should submit "Not Applicable" as **Attachment 1**.

If the Application is found to not be eligible for NHTF or HOME-ARP due to not able to meet the requirements described below for either NHTF or HOME-ARP or because the Application is not viable using either NHTF or HOME-ARP, the Applicant may apply for Competitive Housing Credits or loan funding through this ITP under paragraphs D., E., and F. below.

NHTF/HOME-ARP Per Unit Amounts

| County | Request per Unit | County | Request per Unit | County | Request per Unit |
|-----------|------------------|--------------|------------------|-------------|------------------|
| Alachua | \$199,300 | Hardee | \$151,200 | Okaloosa | \$214,200 |
| Baker | \$200,500 | Hendry | \$151,200 | Okeechobee | \$151,200 |
| Bay | \$182,900 | Hernando | \$201,200 | Orange | \$207,700 |
| Bradford | \$156,900 | Highlands | \$151,200 | Osceola | \$207,700 |
| Brevard | \$197,800 | Hillsborough | \$201,200 | Palm Beach | \$232,900 |
| Broward | \$239,400 | Holmes | \$151,200 | Pasco | \$201,200 |
| Calhoun | \$151,200 | Indian River | \$198,600 | Pinellas | \$201,200 |
| Charlotte | \$176,400 | Jackson | \$151,200 | Polk | \$168,000 |
| Citrus | \$151,200 | Jefferson | \$207,700 | Putnam | \$151,200 |
| Clay | \$203,900 | Lafayette | \$155,400 | Saint Johns | \$203,900 |
| Collier | \$229,500 | Lake | \$207,700 | Saint Lucie | \$194,400 |
| Columbia | \$160,400 | Lee | \$195,900 | Santa Rosa | \$187,900 |
| DeSoto | \$151,200 | Leon | \$207,700 | Sarasota | \$210,400 |
| Dixie | \$151,200 | Levy | \$151,200 | Seminole | \$207,700 |
| Duval | \$203,900 | Liberty | \$151,200 | Sumter | \$183,300 |
| Escambia | \$187,900 | Madison | \$151,200 | Suwannee | \$151,200 |
| Flagler | \$187,100 | Manatee | \$210,400 | Taylor | \$151,200 |
| Franklin | \$158,500 | Marion | \$151,600 | Union | \$151,200 |
| Gadsden | \$207,700 | Martin | \$194,400 | Volusia | \$177,900 |
| Gilchrist | \$199,300 | Miami-Dade | \$245,900 | Wakulla | \$198,900 |
| Glades | \$151,200 | Monroe | \$276,800 | Walton | \$189,400 |
| Gulf | \$159,600 | Nassau | \$203,900 | Washington | \$151,200 |
| Hamilton | \$151,200 | | | | |

a. NHTF Unit Requirements

Applicants that apply for NHTF Funding in this RFA may deem up to 10 units as NHTF Units if the units meet the requirements below. The per unit amount above will be applied to the NHTF Units, up to the amount needed to make the Development viable using sizing parameters in Exhibit C.

Applications that are awarded NHTF Funding must meet all of the following requirements:

- (1) All NHTF Units must be set aside as Link units for Persons with Special Needs who are referred by a Corporation-designated Special Needs Household Referral Agency;

- (2) All Applicants must be compliant with the Environmental Provisions 24 CFR § 93.301(f)(1) New Construction. The HUD Compliance Checklist is provided on the webpage <https://www.floridahousing.org/programs/developers-multifamily-programs/competitive/2022/2022-chirp> (also available by clicking [here](#));
- (3) After 30 years, all of the NHTF Units may convert to serve residents at or below the unit's original AMI; however, the Link Unit requirement will still remain for the full Compliance Period of 50 years; and
- (4) The number of NHTF Units and the Area Median Income (AMI) that the NHTF Units will serve as calculated below:
- For Developments that committed to a county ELI level of 33% or below in the Active Award, which includes Applicants that committed to the Average income Test in the Active Award, AND the Development is not receiving any PBRA:

Up to the lesser of either five ELI Units or 50 percent of the ELI commitment, rounded up, may be converted to NHTF Units. These NHTF Units will serve the 22 percent AMI and must meet all other NHTF Unit Requirements described above.

The balance of the NHTF Units remaining (from the maximum of 10 NHTF Units) will be converted from units that were committed to serving 60% AMI (or higher if an adequate amount of 60 percent units are not available). These NHTF Units will serve the 30 percent AMI and must meet all other NHTF Unit Requirements described above.
 - For Developments that committed to a county ELI level above 33% in the Active Award AND the Development is not receiving any PBRA:

Up to the lesser of either eight ELI Units or 75 percent of the ELI commitment, rounded up, may be converted to NHTF Units. These NHTF Units will serve the 22 percent AMI and must meet all other NHTF Unit Requirements described above.

The balance of the NHTF Units (from the maximum of 10 NHTF Units) will be converted from units that were committed to serving 60% AMI (or higher if an adequate amount of 60 percent units are not available). These NHTF Units will serve the 30 percent AMI and must meet all other NHTF Unit Requirements described above.

If the Development is receiving any PBRA, NHTF will not be applied towards the PBRA Units. These NHTF Units must meet all other NHTF Unit Requirements described above.

Note: If the Active Award included ELI Loan Funding, the Applicant is still eligible for NHTF Funding. The maximum NHTF award amount will be calculated by multiplying the per unit amount above by the number NHTF Units, minus any ELI Loan Funding that was

part of the Active Award, up to the amount needed to make the Development viable, using sizing parameters in Exhibit C.

NHTF provisions are found in Exhibit D.

b. HOME-ARP Unit Requirements

If the NHTF award amount calculated in this RFA would make the Active Award viable, however the requirements of NHTF cannot be met, the funding awarded in this RFA will be re-calculated using HOME-ARP. Applicants that apply for HOME-ARP Funding in this RFA may deem up to 10 units as HOME-ARP Units if the units meet the requirements below. The per unit amount above will be applied to the HOME-ARP Units, up to the amount needed to make the Development viable using sizing parameters in Exhibit C.

Applications that are awarded HOME-ARP Funding must meet all of the following requirements:

- (1) All HOME-ARP Units must be set aside as Link units for Persons with Special Needs who are referred by a Corporation-designated Special Needs Household Referral Agency;
- (2) All HOME-ARP Units will be committed to serving at least one of the Qualifying Populations outlined in Exhibit E;
- (3) After 30 years, all of the HOME-ARP Units may convert to serve residents at or below the unit's original AMI; however, the Link Units requirements will still remain for the full Compliance Period of 50 years; and
- (4) The number of HOME-ARP Units and the Area Median Income (AMI) that the HOME-ARP Units will serve as calculated below:
 - Developments that committed to a county ELI level of 33% or below in the Active Award, which includes Applicants that committed to the Average income Test in the Active Award, AND the Development is not receiving any PBRA

Up to the lesser of either five ELI Units or 50 percent of the ELI commitment, rounded up, may be converted to HOME-ARP Units. These HOME-ARP Units will serve the 22 percent AMI and must meet all other HOME-ARP Unit Requirements described above.

The balance of the HOME-ARP Units remaining (from the maximum of 10 HOME-ARP Units) will be converted from units that were committed to serving 60% AMI (or higher if an adequate amount of 60 percent units are not available). These HOME-ARP Units will serve the 30 percent AMI and must meet all other HOME-ARP Unit Requirements described above.

- Developments that committed to a county ELI level above 33% in the Active Award AND the Development is not receiving any PBRA

Up to the lesser of either eight ELI Units or 75 percent of the ELI commitment, rounded up, may be converted to HOME-ARP Units. These HOME-ARP Units will serve the 22 percent AMI and must meet all other HOME-ARP Unit Requirements described above.

The balance of the HOME-ARP Units (from the maximum of 10 HOME-ARP Units) will be converted from units that were committed to serving 60% AMI (or higher if an adequate amount of 60 percent units are not available). These HOME-ARP Units will serve the 30 percent AMI and must meet all other HOME-ARP Unit Requirements described above.

If the Development is receiving any PBRA, HOME-ARP will not be applied towards the PBRA Units. These HOME-ARP Units must meet all other HOME-ARP Unit Requirements described above.

Note: If the Active Award included ELI Loan Funding, the Applicant is still eligible for HOME-ARP Funding. The maximum HOME-ARP award amount will be calculated by multiplying the per unit amount above by the number HOME-ARP Units, minus any ELI Loan Funding that was part of the Active Award, up to the amount needed to make the Development viable, using sizing parameters in Exhibit C.

- (5) Low HOME Rents are utilized

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](#)).

D. Applications that are not requesting NHTF or HOME-ARP Funding in this ITP, and the Active Award was in a Competitive Housing Credit Only RFA

Applicants with Active Awards within the following RFAs are eligible to request additional Competitive Housing Credits:

- RFA 2020-201 Housing Credit Financing For Affordable Housing Developments Located In Medium And Small Counties
- RFA 2020-202 Credit Financing for Affordable Housing Developments Located in Broward, Duval, Hillsborough, Orange, Palm Beach and Pinellas Counties
- RFA 2020-203 Housing Credit Financing for Affordable Housing Developments Located in Miami-Dade County
- RFA 2020-204 Housing Credit Financing for the Preservation of Existing Affordable Multifamily Housing Developments
- RFA 2021-108 Financing For The Development Of Housing For Persons With Developmental Disabilities
- RFA 2021-211 Development Viability Loan Funding – if Active Award was Competitive Housing Credits only*

*Applicants that were awarded in RFA 2021-211 and select this option will be required to return the Viability Loan Funding award and will be sized for funding in this ITP using the sizing parameters in Exhibit C.

Note: All Applicants that apply for additional Competitive Housing Credits through this ITP must also select option F.1. or F.2. below. If no option is selected, option F.2. will be implemented.

The actual award amount will be sized in credit underwriting, as explained in Exhibit C.

E. Applications that are not requesting NHTF or HOME-ARP Funding in this ITP, and the Active Award was not in a Competitive Housing Credit Only RFA

Applicants with Active Awards within the following RFAs are eligible to request additional loan funding:

- RFA 2019-116 SAIL Financing of Affordable Multifamily Housing Developments to be Used in Conjunction with Tax-Exempt Bonds and Non-Competitive Housing Credits
- RFA 2020-205 SAIL Financing of Affordable Multifamily Housing Developments to be Used in Conjunction with Tax-Exempt Bonds and Non-Competitive Housing Credits
- RFA 2020-208 SAIL and Housing Credit Financing for the Construction of Workforce Housing
- RFA 2021-102 SAIL Financing for Smaller Permanent Supportive Housing Developments for Persons with Special Needs
- RFA 2021-103 Housing Credit and SAIL Financing to Develop Housing for Homeless Persons
- RFA 2021-106 Financing to Develop Housing for Persons with Disabling Conditions/ Developmental Disabilities
- RFA 2021-208 SAIL and Housing Credit Financing for the Construction of Workforce Housing
- RFA 2021-211 Viability Loan Funding – if Active Award was not Competitive Housing Credits only*

* Applicants that were awarded in RFA 2021-211 and select this option will be required to return the Viability Loan Funding award and will be sized for funding in this ITP using the parameters in Exhibit C.

Note: All Applicants that apply for additional loan funding through this ITP must also select option F.1. or F.2. below. If no option is selected, option F.2. will be implemented.

The actual award amount will be sized in credit underwriting, as explained in Exhibit C.

F. Required Choice for Applications that are not requesting NHTF or HOME-ARP Funding in this ITP

Applicants that are not requesting NHTF or HOME-ARP Funding in this ITP must either return a recent Competitive Award **OR** commit to a limited number of Priority I Applications in certain RFAs in the 2022/2023 Funding Cycle by selecting option 1. or 2. below.

1. Criteria for return of recent Competitive Award

An Application will be deemed a Returned Award if all of the following are met:

- a. At least one Principal of the Applicant in this RFA is also a Principal of a previously submitted Application;
- b. The Application has not closed on any Corporation Funding (with the exception of PLP) and has not received IRS form(s) 8609 (“Returned Award”);
- c. The Application was awarded Competitive Funding through an RFA;
- d. The name of the Development of the Returned Award, the Application Number of the Returned Award, and the amount of Competitive Funding in the Returned Award are provided in Exhibit A; and
- e. A letter is included **as Attachment 1** that meets the following:
 - (1) The letter is signed by the Authorized Principal Representative of the Returned Award; and
 - (2) The letter acknowledges that the Returned Award is withdrawn from all awarded Corporation funding.

The Returned Award will be considered withdrawn effective as of the date the Application in this RFA is submitted and the letter is received by the Corporation. This is not revokable. The Returned Award will not be considered a Withdrawn Application for the purpose of any withdrawal disincentive points in any future RFA.

The same Returned Award may be used in up to three Applications in response to this ITP if the following are met among the Shared Applications:

- The Shared Applications must have at least one identical Principal of the Applicant;
- The maximum of three Shared Applications are listed in Exhibit A;
- The withdrawal letter provided as Attachment 1 is identical among all Shared Applications.

Applicants that meet the criteria for a “Returned Award” **will not be held** to any of the limitations on Priority I Applications described below.

2. Commit to a limited number of Priority I Applications in certain RFAs in the 2022/2023 Funding Cycle, based on funding awarded in this ITP

If an Applicant in this ITP commits to this option, All Principals of an Active Award will be limited to how many Priority I Applications can be submitted in a Future Corresponding RFA in the 2022/2023 Funding Cycle

- a. Identifying Future Corresponding RFAs

| RFA in which the Active Award was funded | Future Corresponding RFA |
|---|--|
| RFA 2019-116 SAIL Financing of Affordable Multifamily Housing Developments to be Used in Conjunction with Tax-Exempt Bonds and Non-Competitive Housing Credits* | RFA 2022-205 SAIL Financing of Affordable Multifamily Housing Developments to be Used in Conjunction with Tax-Exempt Bonds and Non-Competitive Housing Credits |
| RFA 2020-201 Housing Credit Financing For Affordable Housing Developments Located In Medium And Small Counties | RFA 2022-201 Housing Credit Financing For Affordable Housing Developments Located In Medium And Small Counties |
| RFA 2020-202 Credit Financing for Affordable Housing Developments Located in Broward, Duval, Hillsborough, Orange, Palm Beach, Pinellas | RFA 2022-202 Credit Financing for Affordable Housing Developments Located in Broward, Duval, Hillsborough, Orange, Palm Beach, Pinellas |
| RFA 2020-203 Housing Credit Financing for Affordable Housing Developments Located in Miami-Dade County | RFA 2022-203 Housing Credit Financing for Affordable Housing Developments Located in Miami-Dade County |
| RFA 2020-204 Housing Credit Financing for the Preservation of Existing Affordable Multifamily Housing Developments | Applicable 2022 Competitive Housing Credit Geographic RFA* |
| RFA 2020-205 SAIL Financing of Affordable Multifamily Housing Developments to be Used in Conjunction with Tax-Exempt Bonds and Non-Competitive Housing Credits* | RFA 2022-205 SAIL Financing of Affordable Multifamily Housing Developments to be Used in Conjunction with Tax-Exempt Bonds and Non-Competitive Housing Credits |
| RFA 2020-208 SAIL and Housing Credit Financing for the Construction of Workforce Housing | Applicable 2022 Competitive Housing Credit Geographic RFA* |
| RFA 2021-102 SAIL Financing for Smaller Permanent Supportive Housing Developments for Persons with Special Needs | Applicable 2022 Competitive Housing Credit Geographic RFA* |
| RFA 2021-103 Housing Credit and SAIL Financing to Develop Housing for Homeless Persons | Applicable 2022 Competitive Housing Credit Geographic RFA* |
| RFA 2021-106 Financing to Develop Housing for Persons with Disabling Conditions/ Developmental Disabilities | Applicable 2022 Competitive Housing Credit Geographic RFA* |
| RFA 2021-108 Financing For The Development Of Housing For Persons With Developmental Disabilities | Applicable 2022 Competitive Housing Credit Geographic RFA* |
| RFA 2021-208 SAIL and Housing Credit Financing for the Construction of Workforce Housing | Applicable 2022 Competitive Housing Credit Geographic RFA* |
| RFA 2021-211 Development Viability Loan Funding – if Active Award was Competitive Housing Credits only | Applicable 2022 Competitive Housing Credit Geographic RFA* |
| RFA 2021-211 Development Viability Loan Funding – if Active Award was <u>not</u> Competitive Housing Credits only | Applicable 2022 Competitive Housing Credit Geographic RFA* |
| 2019 RFAs, or other 2020 or 2021 RFAs not listed | Applicable 2022 Competitive Housing Credit Geographic RFA* |

* The Applicable 2022 Competitive Housing Credit Geographic RFA means either RFA 2022-201 Housing Credit Financing For Affordable Housing Developments Located In Medium And Small Counties; RFA 2022-202 Credit Financing for Affordable Housing Developments Located in Broward, Duval, Hillsborough, Orange, Palm Beach, Pinellas; or RFA 2022-203 Housing Credit Financing for Affordable Housing Developments Located in Miami-Dade County. Determining the Applicable 2022 Competitive Housing Credit Geographic RFA for purposes of this provision is based on the county of the proposed Development of the Active Award. (i.e., If the Active Award was for a proposed Development in Leon County, which is a Medium County, the Applicable 2022 Competitive Housing Credit Geographic RFA is RFA 2022-201 Housing Credit Financing For Affordable Housing Developments Located In Medium And Small Counties.)

- b. Determining the number of Priority I Applications that can be submitted in the Future Corresponding RFA in the 2022/2023 Funding Cycle
- (1) If the Application received loan funding through RFA 2021-211, the Applicant will be required to return the funding awarded in RFA 2021-211 before the resizing process will occur in response to this ITP and, regardless of the amount of the award in this ITP, no Priority I Applications can be submitted in the Future Corresponding RFA.
 - (2) If awarded between \$350,000 - \$500,000 in Competitive Housing Credit funding through this ITP or if awarded between \$3,000,000 and \$4,300,000 in additional loan funding through this ITP, no Priority I Applications may be submitted in the Future Corresponding RFA.
 - (3) If awarded between \$200,000 - \$349,999 in Competitive Housing Credit funding through this ITP or if awarded between \$1,750,000 and \$3,000,000 in additional loan funding through this ITP, no more than one Priority I Application may be submitted in the Future Corresponding RFA.
 - (4) If awarded less than \$200,000 in Competitive Housing Credit funding through this ITP or if awarded less than \$1,750,000 in additional loan funding through this ITP, no more than two Priority I Applications may be submitted in the Future Corresponding RFA.

Successful Applicants principals are otherwise eligible to fully participate in all other RFAs and the Non-Competitive Application.

G. Complete the Acknowledgement found in Exhibit A

Exhibit A – Application and Acknowledgement

The undersigned hereby acknowledges the requirements set forth in this Invitation to Participate and will begin the process described above.

A. Criteria and Timing

The eligibility criteria and timing requirements are outlined in this ITP.

B. Required Information

1. Name of Applicant

[Click here to enter text.](#)

2. Contact Person

Provide the contact information for the person that meets the Authorized Principal Representative criteria. The Authorized Principal Representative in this ITP must be the same as the Active Award.

First Name: [Click here to enter text.](#)

Middle Initial: [Click here to enter text.](#)

Last Name: [Click here to enter text.](#)

Organization: [Click here to enter text.](#)

Street Address: [Click here to enter text.](#)

City: [Click here to enter text.](#)

State: [Choose a state.](#)

Zip: [Click here to enter text.](#)

Telephone: [Area Code 7 digit number extension](#)

E-Mail Address: [Click here to enter text.](#)

3. Name of Proposed Development of the Active Award:

[Click here to enter text.](#)

4. County: [Choose a county.](#)

5. RFA in which the original award was made: [Choose an item.](#)

If the option “Other 2019, 2020, or 2021 RFA” was selected, state the RFA number:

[Click here to enter text.](#)

Note: Applicants that select “Other 2019, 2020, or 2021 RFA” are only eligible for NHTF or HOME-ARP Funding through this ITP.

6. Original Funding Application Number Assigned by the Corporation: [Click here to enter text.](#)

7. Demographic Commitment: [Choose an item.](#)

8. State the number of units: [Click here to enter text.](#)

C. Applicants Requesting National Housing Trust Funds (NHTF) or Home Investment Partnerships Program (HOME) From The American Rescue Plan Act (HOME-ARP)

Does the Applicant request National Housing Trust Funds (NHTF) or Home Investment Partnerships Program (HOME) From The American Rescue Plan Act (HOME-ARP)?

[Choose an item.](#)

Applicants that select NHTF/HOME-ARP Funding will not be held to the provisions in paragraph F and should submit “Not Applicable” as **Attachment 1**.

D. Applications that are not requesting NHTF or HOME-ARP Funding in this ITP, and the Active Award was in a Competitive Housing Credit Only RFA

Applicants with Active Awards within the following RFAs are eligible to request additional Competitive Housing Credits:

- RFA 2020-201 Housing Credit Financing For Affordable Housing Developments Located In Medium And Small Counties
- RFA 2020-202 Credit Financing for Affordable Housing Developments Located in Broward, Duval, Hillsborough, Orange, Palm Beach and Pinellas Counties
- RFA 2020-203 Housing Credit Financing for Affordable Housing Developments Located in Miami-Dade County
- RFA 2020-204 Housing Credit Financing for the Preservation of Existing Affordable Multifamily Housing Developments
- RFA 2021-108 Financing For The Development Of Housing For Persons With Developmental Disabilities
- RFA 2021-211 Development Viability Loan Funding – if Active Award was Competitive Housing Credits only

If the Applicant of this ITP meets all eligibility criteria and has an Active Award from one of the above RFAs, does the Applicant request additional Competitive Housing Credits?

[Choose an item.](#)

The Applicant must also select option F.1. or F.2. below. If no option is selected, option F.2. will be implemented.

E. Applications that are not requesting NHTF or HOME-ARP Funding in this ITP, and the Active Award was not in a Competitive Housing Credit Only RFA

Applicants with Active Awards within the following RFAs are eligible to request additional Competitive Housing Credits:

- RFA 2019-116 SAIL Financing of Affordable Multifamily Housing Developments to be Used in Conjunction with Tax-Exempt Bonds and Non-Competitive Housing Credits

- RFA 2020-205 SAIL Financing of Affordable Multifamily Housing Developments to be Used in Conjunction with Tax-Exempt Bonds and Non-Competitive Housing Credits
- RFA 2020-208 SAIL and Housing Credit Financing for the Construction of Workforce Housing
- RFA 2021-102 SAIL Financing for Smaller Permanent Supportive Housing Developments for Persons with Special Needs
- RFA 2021-103 Housing Credit and SAIL Financing to Develop Housing for Homeless Persons
- RFA 2021-106 Financing to Develop Housing for Persons with Disabling Conditions/ Developmental Disabilities
- RFA 2021-208 SAIL and Housing Credit Financing for the Construction of Workforce Housing
- RFA 2021-211 Development Viability Loan Funding – if Active Award was not Competitive Housing Credits only

If the Applicant of this ITP meets all eligibility criteria and has an Active Award from one of the above RFAs, does the Applicant request additional loan funding?

[Choose an item.](#)

The Applicant must also select option F.1. or F.2. below. If no option is selected, option F.2. will be implemented.

F. Required Choice for Applications that are not requesting NHTF or HOME-ARP Funding in this ITP

Applicants that are not requesting NHTF or HOME-ARP Funding in this ITP must either return a recent Competitive Award **OR** commit to a limited number of Priority I Applications in certain RFAs in the 2022/2023 Funding Cycle by selecting option 1. or 2. below.

1. Return of recent Competitive Housing Credit Award (“Returned Award”)

a. Withdrawal of recent award

A Withdrawal Letter signed by the Authorized Principal Representative of the Returned Award has been provided as **Attachment 1** providing the required information outlined in ITP.

Does the Applicant commit to withdraw a recent Competitive Award?

[Choose an item.](#)

Provide the required withdrawal letter **as Attachment 1**.

b. Up to three Shared Applications in this RFA may use on the same Returned Award

If applicable, include a list up to three Applications that meet the requirements to be considered Shared Applications in the ITP:

[Click here to enter text.](#)

[Click here to enter text.](#)

[Click here to enter text.](#)

The Returned Award will be considered withdrawn effective as of the date the Application in this ITP is submitted and the letter is received by the Corporation. This is not revokable. The Returned Award will not be considered a Withdrawn Application for the purpose of any withdrawal disincentive points in any future RFA.

- b. Commit to a limited number of Priority I Applications in certain RFAs in the 2022/2023 Funding Cycle, based on funding awarded in this ITP

If an Applicant in this ITP commits to this option, All Principals of an Active Award will be limited to how many Priority I Applications can be submitted in a Future Corresponding RFA in the 2022/2023 Funding Cycle.

Does the Applicant commit to limit the number of Priority I Applications in the Future Corresponding RFA as outlined in the ITP?

[Choose an item.](#)

Applicants that select F.2. will not be held to the provisions in paragraph F.1. and should submit "Not Applicable" as **Attachment 1**.

ACKNOWLEDGEMENT

The undersigned hereby acknowledges the requirements set forth in this Invitation to Participate and will begin the process described above. Additionally, the undersigned hereby commits to the following:

- The Applicant will continue to be held to the terms and conditions of the RFA under which the Active Award was made and the applicable rule chapter in effect at the time of the Original Application;
- The Applicant must apply for permitting by 60 days from the Application submission;
- The Applicant must close on the limited partnership agreement and, if applicable, corporation funding by the earlier of the existing closing deadlines for the Active Award or January 31, 2023; and
- The Applicant understands that the Credit Underwriting Report will be completed or updated as applicable prior to October 31, 2022.

Signature of Authorized Principal Representative

Name (typed or printed)

Title (typed or printed)

Exhibit B - Definitions

| | |
|------------------------|---|
| "Active Award" | An award through one of the following Request for Applications: 2019-116, 2020-201, 2020-202, 2020-203, 2020-204, 2020-205, 2020-208, 2021-102, 2021-103, 201-106, 2021-108, 2021-211 , or certain 2019RFAs, 2020 RFAs, or 2021 RFAs that, as of Application Deadline for this RFA, have not yet closed on their Limited Partnership Agreement, Tax-Exempt Bond financing, or other Corporation funding (excluding Pre-Development Loan Program (PLP) or Elderly Community Housing Loan (EHCL) funding), have not recorded a Notice of Commencement with the appropriate local jurisdiction, have not received a final credit underwriting report, and have not returned the allocation to the Corporation. |
| "Original Application" | The successful RFA Application associated with the Active Award. |

Exhibit C – Sizing the Award

1. Sources of Funding must equal Total Development Costs
2. Sizing the minimum deferred Developer Fee

A minimum of 30% of the Developer Fee (exclusive of any operating deficit reserve portion that is a part of a 21 percent Developer fee – which is equal to 5 percent of Development Cost) stated in the Credit Underwriting Report or Final Cost Certification for the Active Award, as applicable.

3. Sizing the Permanent Financing sources

Independent third party analysis has indicated an average trend of 20% - 30% increases in hard construction costs. Based on this information, the awards will have the following sizing limitations to balance sources and uses, inclusive of a minimum deferred Developer Fee:

- The actual first mortgage must follow the minimum first mortgage requirements of the original RFA, as applicable:
- The maximum amount awarded through this ITP will be calculated based on verifiable cost increases and will be limited to the following:
 - For Competitive Housing Credits, the maximum amount available through this ITP will be based on the lesser of the following: (i) \$500,000 in Competitive Housing Credits; or (ii) 20% of the final hard cost construction contract will be divided by 10, then divided by the Housing Credit pricing rate.
 - For Loan funding, the lesser of the following (i) \$4,300,000 or (ii) 20% of the final hard cost construction contract, less the amount of Housing Credit equity generated by the combination of this higher hard construction cost and the developer fee earned on this higher hard construction cost.

Exhibit D – Credit Underwriting Procedures for the NHTF Forgivable Loan

The applicable credit underwriting, program requirements and loan terms and conditions are outlined in Rule Chapter 67-48, F.A.C., for the SAIL loan.

The applicable credit underwriting, program requirements and loan terms and conditions for the NHTF Loan are outlined below.

1. Credit Underwriting Procedures for the NHTF Loan

- a. The invitation to enter credit underwriting constitutes a preliminary commitment for the NHTF Loan.
- b. The credit underwriting for the NHTF Loan will be accomplished along with the credit underwriting for the Active Award. The Credit Underwriter may request additional information at any time during the credit underwriting process for the NHTF Loan.
- c. The Credit Underwriter's loan recommendations for the NHTF Loan will be sent to the Board for approval at the time the Active Award recommendation(s) are sent.
- d. A firm loan commitment for the NHTF Loan will be issued at the time the firm loan commitment(s) for the Active Award is issued.
- e. The NHTF Loan must close by the deadlines outlined in Rule Chapter 67-48, F.A.C..

2. Terms and Conditions of the NHTF Loan

NHTF Loans will be subject to the credit underwriting provisions outlined in Section 1 above and the loan provisions outlined below:

- a. The terms and conditions of the NHTF Loan shall be as follows:
 - (1) The NHTF Loan may be in a first, second, or other subordinated lien position;
 - (2) The NHTF Loan shall:
 - (a) Have the amount based on the funding requirements set forth in this RFA; and
 - (b) Be non-amortizing at 0 percent simple interest per annum over the life of the NHTF Loan, with the principal forgivable at maturity provided the units for which the NHTF Loan amount is awarded are targeted as NHTF Units for the first 30 years of the Compliance Period. The minimum term of the NHTF Loan is 30 years; and

- (c) Up to 33.33 percent of the NHTF award can be used as an operating deficit reserve for operations associated with deeper income targeting for the NHTF units over 30 years.
- (3) Any sale, conveyance, assignment, or other transfer of interest or the grant of a security interest in all or any part of the title to the Development other than a superior mortgage shall be subject to the Corporation's prior written approval. The Board shall consider the facts and circumstances of each Applicant's request and any credit underwriting report, if available, prior to determining whether to grant such request;
- (4) The NHTF Loan shall be serviced either directly by the Corporation or by the Corporation's servicer on behalf of the Corporation;
- (5) The Corporation and the Corporation's servicer shall monitor compliance of all terms and conditions of the loan and shall require that certain terms and conditions be embodied in the Land Use Restriction Agreement and recorded in the public records of the county wherein the Development is located. Violation of any material term or condition of the documents evidencing or securing the loan shall constitute a default during the term of the loan if not appropriately cured. The Corporation shall take appropriate legal action to effect compliance if a violation of any material term or condition relative to the set-aside of units for NHTF Units is discovered during the course of compliance monitoring or by any other means;
- (6) Rent controls for the NHTF Units shall be restricted at the level applicable for federal Housing Credits;
- (7) The documents creating, evidencing or securing each NHTF Loan must provide that any violation of the terms and conditions described in this Exhibit to the RFA constitutes a default under the NHTF Loan documents allowing the Corporation to accelerate its loan and to seek foreclosure as well as any other remedies legally available to it; and
- (8) The Compliance Period committed to in this RFA includes the NHTF Units. After 30 years, all of the NHTF Units may convert to serve residents at or below 60 percent AMI; however, the Persons with Special Needs set-aside commitment must be maintained throughout the entire affordability period.
- b. The NHTF Loan shall be assumable upon sale or transfer of the Development if the following conditions are met:
- (1) The proposed transferee meets all specific Applicant identity criteria which were required as conditions of the original loan;
- (2) The proposed transferee agrees to maintain all ELI Set-Asides and other requirements of the NHTF Loan for the period originally specified or longer; and

- (3) The proposed transferee and release of transferor receives a favorable recommendation from the Credit Underwriter and approval by the Board of Directors of the Corporation.

All assumption requests must be submitted in writing to the Director of Special Assets and contain the specific details of the transfer and assumption. In addition to any related professional fees, the Corporation shall charge a non-refundable assumption fee as outlined in this RFA.

- c. NHTF Loan construction disbursements and permanent loan servicing shall be based on the following:
 - (1) NHTF Loan proceeds shall be disbursed during the construction phase in an amount per Draw which does not exceed the ratio of the NHTF Loan to the Total Development Cost, unless approved by the Credit Underwriter;
 - (2) Ten (10) business days prior to each Draw, the Applicant shall supply the Corporation's servicer, as agent for the Corporation, with a written request executed by the Applicant for a Draw. The request shall set forth the amount to be paid and shall be accompanied by documentation specified by the Corporation's servicer including claims for labor and materials to date of the last inspection;
 - (3) The Corporation and its servicer shall review the request for a Draw, and the servicer shall provide the Corporation with approval of the request or an alternative recommendation, after the title insurer provides an endorsement to the policy of title insurance updating the policy to the date of the current Draw and increasing the insurance coverage to an amount equal to the sum of all prior Draws and the current Draw;
 - (4) The Corporation shall disburse construction Draws through Automated Clearing House (ACH). The Applicant may request disbursement of construction Draws via a wire transfer. The Applicant will be charged a fee of \$10 for each wire transfer requested. This charge will be netted against the Draw amount;
 - (5) The Corporation shall elect to withhold any Draw or portion of any Draw, notwithstanding any documentation submitted by the Applicant in connection with the request for a Draw, if:
 - (a) The Corporation or the Corporation's servicer determines at any time that the actual cost budget or progress of construction differs from that as shown on the loan documents; or
 - (b) The percentage of progress of construction of the improvements differs from that shown on the request for a Draw;
 - (6) The servicer may request submission of revised construction budgets;

- (7) Based on the Applicant's progress of construction, if the Corporation determines that further analysis by the Credit Underwriter is required prior to the release of the final Draw, the Applicant shall pay to the Credit Underwriter a fee based on an hourly rate determined pursuant to the contract between the Corporation and the Credit Underwriter; and
- (8) Retainage in the amount of 10 percent per Draw shall be held by the servicer during construction until the Development is 50 percent complete. At 50 percent completion, no additional retainage shall be held from the remaining Draws. Release of funds held by the Corporation's servicer as retainage shall occur pursuant to the NHTF Loan Agreement.

3. Additional NHTF Unit Requirements

Applicants will be required to comply with the following requirements and provide the following information:

a. General Information Notice

In accordance with the Uniform Relocation Act (URA), as part of 24 CFR Part 92, a Development receiving NHTF funds must provide a notice to all tenants informing them of their rights under the URA in accordance with Chapter 2 of the HUD Handbook 1378*. The proper manner of notice is provided in this Handbook. A copy of each General Information Notice must be provided to each tenant, not just tenants in NHTF Units. By the due date outlined in the invitation to enter credit underwriting, the Applicant must provide to the Corporation a copy of each General Information Notice for each occupied unit. Each notice must include proof of delivery by certified letter or by signed copy of the notice when hand delivered.

b. Certification of Consistency with the Consolidated Plan

During the credit underwriting process, the Applicant will be required to provide evidence demonstrating that the proposed Development is consistent with the applicable Consolidated Plan. Developments located in entitlement jurisdictions should request a certification of consistency letter from the appropriate authorities in that jurisdiction (typically, the community development staff). Developments located in non-entitlement jurisdictions (e.g. small non-entitlement cities or unincorporated areas of counties) should request a certification of consistency letter from the state. To request a certification of consistency letter from the state (or if you are not sure which Consolidated Plan applies to the location of your proposed HOME Development), please contact:

Florida Housing Finance Corporation
HOME staff
850-488-4197

c. Other Federal Requirements

(1) HUD Environmental Requirements

All Applicants awarded NHTF Funding will be required to comply with the HUD environmental requirements as provided in 24 CFR 93.301(f)(1) and (2). Applicants that qualify as Non-Profit Applicants will not be charged a fee for the environmental review.

(2) Debarment and Suspension

Owners and contractors are prohibited from employing, awarding contracts, or funding any contractors or subcontractors that have been debarred, suspended, proposed for debarment or placed on ineligibility status by HUD. In addition, any owners who are debarred, suspended, proposed for debarment, or ineligible will be ineligible for funding. Therefore, a certification must be executed by the contractor for compliance with debarment and suspension regulations. During the credit underwriting process the Applicant will be required to provide the executed certification form*.

(3) Lead Based Paint

If the Development was built before 1978, Lead Based Paint Regulations may apply. See 24 CFR Part 35 for exemptions. During the credit underwriting process, the Applicant must certify that it understands the requirements of the current HUD lead based paint regulations as identified in 24 CFR Part 92 and Rule Chapter 67-48, F.A.C.

If the Applicant is purchasing the property and the Development was built before 1978, provide a copy of the executed Disclosure of Information on Lead Based Paint and Lead Based Paint Hazards form*, signed by both the buyer and the seller.

(4) Section 3

Each Applicant shall encourage its contractors to hire qualified low- and moderate-income residents for any job openings that exist on funded projects in the community. The Applicant shall keep records to document the number of low- and moderate-income people who are hired to work on funded projects.

(5) Flood

The Applicant shall comply with the mandatory flood insurance purchase requirements of Section 102 of the Flood Disaster Protection Act of 1973, as amended by the National Flood Insurance Reform Act of 1994, 42 USC 4012a, as applicable.

(6) Historic Preservation

The Applicant shall comply with the Historic Preservation requirements set forth in the National Historic Preservation Act of 1966, as amended, codified in title

54 of the United States Code, as applicable. In general, this requires concurrence from the State Historic Preservation Officer for all rehabilitation and demolition of historic properties that are fifty years old or older or that are included on a Federal, state, or local historic property list.

*Documents can be found on the RFA Webpage.

Exhibit E – Additional Information for the HOME-ARP Loan

The applicable credit underwriting, program requirements and loan terms and conditions are outlined in Rule Chapter 67-48, F.A.C., for the SAIL loan.

The applicable credit underwriting, program requirements and loan terms and conditions for the HOME-ARP Loan are outlined below.

1. Credit Underwriting Procedures for the HOME-ARP Loan

- a. The invitation to enter credit underwriting constitutes a preliminary commitment for the HOME-ARP Loan.
- b. The credit underwriting for the HOME-ARP Loan will be accomplished along with the credit underwriting for the Active Award. The Credit Underwriter may request additional information at any time during the credit underwriting process for the HOME-ARP Loan.
- c. The Credit Underwriter's loan recommendations for the HOME-ARP Loan will be sent to the Board for approval at the time the Active Award recommendation(s) are sent.
- d. A firm loan commitment for the HOME-ARP Loan will be issued at the time the firm loan commitment(s) for the Active Award is issued.
- e. The HOME-ARP Loan must close by the deadlines outlined in Rule Chapter 67-48, F.A.C..

2. Terms and Conditions of the HOME-ARP Loan

HOME-ARP Loans will be subject to the credit underwriting provisions outlined in Section 1 above and the loan provisions outlined below:

- a. The terms and conditions of the HOME-ARP Loan shall be as follows:
 - (1) The HOME-ARP Loan may be in a first, second, or other subordinated lien position;
 - (2) The HOME-ARP Loan shall:
 - (a) Have the amount based on the funding requirements set forth in this RFA; and
 - (b) Be non-amortizing at 0 percent simple interest per annum over the life of the HOME-ARP Loan, with the principal forgivable at maturity provided the units for which the HOME-ARP Loan amount is awarded are targeted as HOME-ARP Units for the first 30 years of the Compliance Period. The minimum term of the HOME-ARP Loan is 30 years; and

- (c) Up to 33.33 percent of the HOME-ARP award can be used as an operating deficit reserve for operations associated with deeper income targeting for the HOME-ARP units over 30 years.
- (3) Any sale, conveyance, assignment, or other transfer of interest or the grant of a security interest in all or any part of the title to the Development other than a superior mortgage shall be subject to the Corporation's prior written approval. The Board shall consider the facts and circumstances of each Applicant's request and any credit underwriting report, if available, prior to determining whether to grant such request;
- (4) The HOME-ARP Loan shall be serviced either directly by the Corporation or by the Corporation's servicer on behalf of the Corporation;
- (5) The Corporation and the Corporation's servicer shall monitor compliance of all terms and conditions of the loan and shall require that certain terms and conditions be embodied in the Land Use Restriction Agreement and recorded in the public records of the county wherein the Development is located. Violation of any material term or condition of the documents evidencing or securing the loan shall constitute a default during the term of the loan if not appropriately cured. The Corporation shall take appropriate legal action to effect compliance if a violation of any material term or condition relative to the set-aside of units for HOME-ARP Units is discovered during the course of compliance monitoring or by any other means;
- (6) Rent controls for the HOME-ARP Units shall be restricted at the level applicable for federal Housing Credits;
- (7) The documents creating, evidencing or securing each HOME-ARP Loan must provide that any violation of the terms and conditions described in this Exhibit to the RFA constitutes a default under the HOME-ARP Loan documents allowing the Corporation to accelerate its loan and to seek foreclosure as well as any other remedies legally available to it; and
- (8) The Compliance Period committed to in this RFA includes the HOME-ARP Units. After 30 years, all of the HOME-ARP Units may convert to serve residents at or below 60 percent AMI; however, the Persons with Special Needs set-aside commitment must be maintained throughout the entire affordability period.
- b. The HOME-ARP Loan shall be assumable upon sale or transfer of the Development if the following conditions are met:
- (1) The proposed transferee meets all specific Applicant identity criteria which were required as conditions of the original loan;
- (2) The proposed transferee agrees to maintain all ELI Set-Asides and other requirements of the HOME-ARP Loan for the period originally specified or longer; and

- (3) The proposed transferee and release of transferor receives a favorable recommendation from the Credit Underwriter and approval by the Board of Directors of the Corporation.

All assumption requests must be submitted in writing to the Director of Special Assets and contain the specific details of the transfer and assumption. In addition to any related professional fees, the Corporation shall charge a non-refundable assumption fee as outlined in this RFA.

- c. HOME-ARP Loan construction disbursements and permanent loan servicing shall be based on the following:
 - (1) HOME-ARP Loan proceeds shall be disbursed during the construction phase in an amount per Draw which does not exceed the ratio of the HOME-ARP Loan to the Total Development Cost, unless approved by the Credit Underwriter;
 - (2) Ten (10) business days prior to each Draw, the Applicant shall supply the Corporation's servicer, as agent for the Corporation, with a written request executed by the Applicant for a Draw. The request shall set forth the amount to be paid and shall be accompanied by documentation specified by the Corporation's servicer including claims for labor and materials to date of the last inspection;
 - (3) The Corporation and its servicer shall review the request for a Draw, and the servicer shall provide the Corporation with approval of the request or an alternative recommendation, after the title insurer provides an endorsement to the policy of title insurance updating the policy to the date of the current Draw and increasing the insurance coverage to an amount equal to the sum of all prior Draws and the current Draw;
 - (4) The Corporation shall disburse construction Draws through Automated Clearing House (ACH). The Applicant may request disbursement of construction Draws via a wire transfer. The Applicant will be charged a fee of \$10 for each wire transfer requested. This charge will be netted against the Draw amount;
 - (5) The Corporation shall elect to withhold any Draw or portion of any Draw, notwithstanding any documentation submitted by the Applicant in connection with the request for a Draw, if:
 - (a) The Corporation or the Corporation's servicer determines at any time that the actual cost budget or progress of construction differs from that as shown on the loan documents; or
 - (b) The percentage of progress of construction of the improvements differs from that shown on the request for a Draw;
 - (6) The servicer may request submission of revised construction budgets;

- (7) Based on the Applicant's progress of construction, if the Corporation determines that further analysis by the Credit Underwriter is required prior to the release of the final Draw, the Applicant shall pay to the Credit Underwriter a fee based on an hourly rate determined pursuant to the contract between the Corporation and the Credit Underwriter; and
- (8) Retainage in the amount of 10 percent per Draw shall be held by the servicer during construction until the Development is 50 percent complete. At 50 percent completion, no additional retainage shall be held from the remaining Draws. Release of funds held by the Corporation's servicer as retainage shall occur pursuant to the HOME-ARP Loan Agreement.

3. Additional HOME-ARP Unit Requirements

Applicants will be required to comply with the following requirements and provide the following information:

a. General Information Notice

In accordance with the Uniform Relocation Act (URA), as part of 24 CFR Part 92, a Development receiving HOME-ARP funds must provide a notice to all tenants informing them of their rights under the URA in accordance with Chapter 2 of the HUD Handbook 1378*. The proper manner of notice is provided in this Handbook. A copy of each General Information Notice must be provided to each tenant, not just tenants in HOME-ARP Units. By the due date outlined in the invitation to enter credit underwriting, the Applicant must provide to the Corporation a copy of each General Information Notice for each occupied unit. Each notice must include proof of delivery by certified letter or by signed copy of the notice when hand delivered.

b. Certification of Consistency with the Consolidated Plan

During the credit underwriting process, the Applicant will be required to provide evidence demonstrating that the proposed Development is consistent with the applicable Consolidated Plan. Developments located in entitlement jurisdictions should request a certification of consistency letter from the appropriate authorities in that jurisdiction (typically, the community development staff). Developments located in non-entitlement jurisdictions (e.g. small non-entitlement cities or unincorporated areas of counties) should request a certification of consistency letter from the state. To request a certification of consistency letter from the state (or if you are not sure which Consolidated Plan applies to the location of your proposed HOME Development), please contact:

Florida Housing Finance Corporation
HOME staff
850-488-4197

c. Other Federal Requirements

(1) HUD Environmental Requirements

All Applicants awarded HOME-ARP Funding will be required to comply with the HUD environmental requirements as provided in 24 CFR Part 92 and 24 CFR Part 58. Applicants that qualify as Non-Profit Applicants will not be charged a fee for the environmental review.

(2) Debarment and Suspension

Owners and contractors are prohibited from employing, awarding contracts, or funding any contractors or subcontractors that have been debarred, suspended, proposed for debarment or placed on ineligibility status by HUD. In addition, any owners who are debarred, suspended, proposed for debarment, or ineligible will be ineligible for funding. Therefore, a certification must be executed by the contractor for compliance with debarment and suspension regulations. During the credit underwriting process the Applicant will be required to provide the executed certification form*.

(3) Lead Based Paint

If the Development was built before 1978, Lead Based Paint Regulations may apply. See 24 CFR Part 35 for exemptions. During the credit underwriting process, the Applicant must certify that it understands the requirements of the current HUD lead based paint regulations as identified in 24 CFR Part 92 and Rule Chapter 67-48, F.A.C.

If the Applicant is purchasing the property and the Development was built before 1978, provide a copy of the executed Disclosure of Information on Lead Based Paint and Lead Based Paint Hazards form*, signed by both the buyer and the seller.

(4) Section 3

Each Applicant shall encourage its contractors to hire qualified low- and moderate-income residents for any job openings that exist on funded projects in the community. The Applicant shall keep records to document the number of low- and moderate-income people who are hired to work on funded projects.

(5) Flood

The Applicant shall comply with the mandatory flood insurance purchase requirements of Section 102 of the Flood Disaster Protection Act of 1973, as amended by the National Flood Insurance Reform Act of 1994, 42 USC 4012a, as applicable.

(6) Historic Preservation

The Applicant shall comply with the Historic Preservation requirements set forth in the National Historic Preservation Act of 1966, as amended, codified in title

54 of the United States Code, as applicable. In general, this requires concurrence from the State Historic Preservation Officer for all rehabilitation and demolition of historic properties that are fifty years old or older or that are included on a Federal, state, or local historic property list.

HOME-ARP Qualifying Populations

From Part IV, A. of HUD Notice: CPD-21-10 Requirements for the Use of Funds in the HOME-American Rescue Plan Program

1. Homeless, as defined in 24 CFR 91.5 Homeless (1), (2), or (3):

(1) An individual or family who lacks a fixed, regular, and adequate nighttime residence, meaning: (i) An individual or family with a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings, including a car, park, abandoned building, bus or train station, airport, or camping ground; (ii) An individual or family living in a supervised publicly or privately operated shelter designated to provide temporary living arrangements (including congregate shelters, transitional housing, and hotels and motels paid for by charitable organizations or by federal, state, or local government programs for low-income individuals); or (iii) An individual who is exiting an institution where he or she resided for 90 days or less and who resided in an emergency shelter or place not meant for human habitation immediately before entering that institution;

(2) An individual or family who will imminently lose their primary nighttime residence, provided that: (i) The primary nighttime residence will be lost within 14 days of the date of application for homeless assistance; (ii) No subsequent residence has been identified; and (iii) The individual or family lacks the resources or support networks, e.g., family, friends, faith-based or other social networks needed to obtain other permanent housing;

(3) Unaccompanied youth under 25 years of age, or families with children and youth, who do not otherwise qualify as homeless under this definition, but who: (i) Are defined as homeless under section 387 of the Runaway and Homeless Youth Act (42 U.S.C. 5732a), section 637 of the Head Start Act (42 U.S.C. 9832), section 41403 of the Violence Against Women Act of 1994 (42 U.S.C. 14043e-2), section 330(h) of the Public Health Service Act (42 U.S.C. 254b(h)), section 3 of the Food and Nutrition Act of 2008 (7 U.S.C. 2012), section 17(b) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(b)), or section 725 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a); (ii) Have not had a lease, ownership interest, or occupancy agreement in permanent housing at any time during the 60 days immediately preceding the date of application for homeless assistance; (iii) Have experienced persistent instability as measured by two moves or more during the 60-day period immediately preceding the date of applying for homeless assistance; and (iv) Can be expected to continue in such status for an extended period of time because of chronic disabilities, chronic physical health or mental health conditions, substance addiction, histories of domestic violence or childhood abuse (including neglect), the presence of a child or youth with a disability, or two or more barriers to employment, which include the lack of a high school degree or General Education Development (GED), illiteracy, low English proficiency, a history of incarceration or detention for criminal activity, and a history of unstable employment;

2. At risk of Homelessness, as defined in 24 CFR 91.5 At risk of homelessness:

(1) An individual or family who: (i) Has an annual income below 30 percent of median family income for the area, as determined by HUD; (ii) Does not have sufficient resources or support networks, e.g., family, friends, faith-based or other social networks, immediately available to prevent them from moving to an emergency shelter or another place described in paragraph (1) of the “Homeless” definition in this section; and (iii) Meets one of the following conditions: (A) Has moved because of economic reasons two or more times during the 60 days immediately preceding the application for homelessness prevention assistance; (B) Is living in the home of another because of economic hardship; (C) Has been notified in writing that their right to occupy their current housing or living situation will be terminated within 21 days after the date of application for assistance; (D) Lives in a hotel or motel and the cost of the hotel or motel stay is not paid by charitable organizations or by federal, State, or local government programs for low-income individuals; (E) Lives in a single-room occupancy or efficiency apartment unit in which there reside more than two persons or lives in a larger housing unit in which there reside more than 1.5 people per room, as defined by the U.S. Census Bureau; (F) Is exiting a publicly funded institution, or system of care (such as a health-care facility, a mental health facility, foster care or other youth facility, or correction program or institution); or (G) Otherwise lives in housing that has characteristics associated with instability and an increased risk of homelessness, as identified in the recipient's approved consolidated plan;

(2) A child or youth who does not qualify as “homeless” under this section, but qualifies as “homeless” under section 387(3) of the Runaway and Homeless Youth Act (42 U.S.C. 5732a(3)), section 637(11) of the Head Start Act (42 U.S.C. 9832(11)), section 41403(6) of the Violence Against Women Act of 1994 (42 U.S.C. 14043e-2(6)), section 330(h)(5)(A) of the Public Health Service Act (42 U.S.C. 254b(h)(5)(A)), section 3(l) of the Food and Nutrition Act of 2008 (7 U.S.C. 2012(l)), or section 17(b)(15) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(b)(15)); or

(3) A child or youth who does not qualify as “homeless” under this section but qualifies as “homeless” under section 725(2) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a(2)), and the parent(s) or guardian(s) of that child or youth if living with her or him.

3. Fleeing, or Attempting to Flee, Domestic Violence, Dating Violence, Sexual Assault, Stalking, or Human Trafficking, as defined by HUD. For HOME-ARP, this population includes any individual or family who is fleeing, or is attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking. This population includes cases where an individual or family reasonably believes that there is a threat of imminent harm from further violence due to dangerous or life-threatening conditions that relate to violence against the individual or a family member, including a child, that has either taken place within the individual’s or family’s primary nighttime residence or has made the individual or family afraid to return or remain within the same dwelling unit. In the case of sexual assault, this also includes cases where an individual reasonably believes there is a threat of imminent harm from further violence if the individual remains within the same dwelling unit that the individual is currently occupying, or the sexual assault occurred on the premises during the 90-day period preceding the date of the request for transfer.

Domestic violence, which is defined in 24 CFR 5.2003 includes felony or misdemeanor crimes of violence committed by: 1) A current or former spouse or intimate partner of the victim (the term “spouse or intimate partner of the victim” includes a person who is or has been in a social relationship of a romantic or intimate nature with the victim, as determined by the length of the relationship, the type of the relationship, and the frequency of interaction between the persons involved in the relationship); 2) A person with whom the victim shares a child in common; 3) A person who is cohabitating with or has

cohabitated with the victim as a spouse or intimate partner; 4) A person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving HOME-ARP funds; or 5) Any other person against an adult or youth victim who is protected from that person's acts under the domestic or family violence laws of the jurisdiction.

Dating violence which is defined in 24 CFR 5.2003 means violence committed by a person: 1) Who is or has been in a social relationship of a romantic or intimate nature with the victim; and 2) Where the existence of such a relationship shall be determined based on a consideration of the following factors: a. The length of the relationship; b. The type of relationship; and c. The frequency of interaction between the persons involved in the relationship.

Sexual assault which is defined in 24 CFR 5.2003 means any nonconsensual sexual act proscribed by Federal, Tribal, or State law, including when the victim lacks capacity to consent.

Stalking which is defined in 24 CFR 5.2003 means engaging in a course of conduct directed at a specific person that would cause a reasonable person to: 1) Fear for the person's individual safety or the safety of others; or 2) Suffer substantial emotional distress.

Human Trafficking includes both sex and labor trafficking, as outlined in the Trafficking Victims Protection Act of 2000 (TVPA), as amended (22 U.S.C. 7102). These are defined as: 1) Sex trafficking means the recruitment, harboring, transportation, provision, obtaining, patronizing, or soliciting of a person for the purpose of a commercial sex act, in which the commercial sex act is induced by force, fraud, or coercion, or in which the person induced to perform such act has not attained 18 years of age; or 2) Labor trafficking means the recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery.

4. Other Populations where providing supportive services or assistance under section 212(a) of NAHA (42 U.S.C. 12742(a)) would prevent the family's homelessness or would serve those with the greatest risk of housing instability. HUD defines these populations as individuals and households who do not qualify under any of the populations above but meet one of the following criteria:

(1) Other Families Requiring Services or Housing Assistance to Prevent Homelessness is defined as households (i.e., individuals and families) who have previously been qualified as "homeless" as defined in 24 CFR 91.5, are currently housed due to temporary or emergency assistance, including financial assistance, services, temporary rental assistance or some type of other assistance to allow the household to be housed, and who need additional housing assistance or supportive services to avoid a return to homelessness.

(2) At Greatest Risk of Housing Instability is defined as household who meets either paragraph (i) or (ii) below: (i) has annual income that is less than or equal to 30% of the area median income, as determined by HUD and is experiencing severe cost burden (i.e., is paying more than 50% of monthly household income toward housing costs); (ii) has annual income that is less than or equal to 50% of the area median income, as determined by HUD, AND meets one of the following conditions from paragraph (iii) of the "At risk of homelessness" definition established at 24 CFR 91.5: (A) Has moved because of economic reasons two or more times during the 60 days immediately preceding the application for homelessness prevention assistance; (B) Is living in the home of another because of economic hardship; (C) Has been notified in writing that their right to occupy their current housing or living situation will be terminated within 21 days after the date of application for assistance; (D) Lives in a hotel or motel and

the cost of the hotel or motel stay is not paid by charitable organizations or by Federal, State, or local government programs for low-income individuals; (E) Lives in a single-room occupancy or efficiency apartment unit in which there reside more than two persons or lives in a larger housing unit in which there reside more than 1.5 persons reside per room, as defined by the U.S. Census Bureau; (F) Is exiting a publicly funded institution, or system of care (such as a health-care facility, a mental health facility, foster care or other youth facility, or correction program or institution); or (G) Otherwise lives in housing that has characteristics associated with instability and an increased risk of homelessness, as identified in the recipient's approved consolidated plan

Veterans and Families that include a Veteran Family Member that meet the criteria for one of the qualifying populations described above are eligible to receive HOME-ARP assistance.