

Questions and Answers for

RFA 2022-101 SAIL Financing for the Preservation of Elderly Developments

RFA 2022-201 Housing Credit Financing for Affordable Housing Developments Located in Medium and Small Counties

RFA 2022-202 Housing Credit Financing for Affordable Housing Developments Located in Broward, Duval, Hillsborough, Orange, Palm Beach, and Pinellas Counties

RFA 2022-203 Housing Credit Financing for Affordable Housing Developments Located in Miami-Dade County

RFA 2022-205 SAIL Financing Of Affordable Multifamily Housing Developments To Be Used In Conjunction With Tax-Exempt Bonds And Non-Competitive Housing Credits

1. Several documents request the “FHFC Application Reference”. Is there a preference for brevity (e.g. “RFA 2022-205”) or should the response be the full name of the RFA (i.e. “SAIL Financing of Affordable Multifamily Housing...”)?

Answer:

The Development Team forms are the only forms that require a FHFC Application Reference Number and those forms are only required for funded Applications to submit during credit underwriting. Funded Applicants can work with their credit underwriter to ensure that all forms are submitted properly.

2. How do I know if a development qualifies for developer experience if it is not listed in the drop down of affordable programs in Exhibit A?

Answer:

Section Four, A.3.b.(3) of the RFA sets forth the requirement for developer experience. Section 420.0004(3), Florida Statutes, defines affordable. In the excel based Exhibit A posted to the RFA webpage, Applicants indicate the experience of the Development and the associated affordable housing program using a drop down of choices of several options including an “other.” Applicants can use the “other” option to identify an affordable program and describe that program in another box.

3. If a Principal of the Applicant is deceased and estate has been filed, how is that reflected on the Principal Disclosure Form?

Answer:

The natural person should be disclosed with a note stating “Estate of.” As always, it is the responsibility of the Applicant under Rules 67-48.002(94) and 67-48.0075(8)-(9), Fla. Admin. Code as well as the instructions of the applicable RFA, to ensure that Principals are properly disclosed at all times. This obligation continues when dealing with the estate of a natural person Principal. It is the responsibility of the Applicant to update the Principals once probate has closed.

4. A project that is looking to qualify for the Local Government Areas of Opportunity Designation/funding preference/goal with a non-forgivable loan (repayable): does the Net Present Value amount have to be filled out on the form?

Answer:

No.

For the Local Government Area of Opportunity Designation in RFAs 2022-201 and 2022-202, the RFAs state “the face amounts of any cash loans and/or cash grants shown on the aforementioned Local Government Verification of Contribution forms shall be totaled and the total of these amounts must equal or be greater than the amounts listed in the table below. Applications of proposed Developments are not required to reflect the value (difference between the face amount and the net present value of the payment streams) on any Local Government Verification forms.”

For the Local Government Contribution points in RFAs 2022-202 and 2022-203, the RFAs state “the Local Government Verification form must reflect both the total amount of the loan or deferred fee and the value (difference between the face amount and the net present value of the payment streams) of the loan or deferred fee.”

For the Local Government Contribution points in RFA 2022-205, the RFA states “the Local Government Verification form must reflect both the total amount of the loan or deferred fee and the value (difference between the face amount and the net present value of the payment streams) of the loan or deferred fee. Calculate the net present value of the payments using the discount rate of 6.22 percent. NOTE: Applications of proposed Developments located in Miami-Dade County are not required to reflect the value (difference between the face amount and the net present value of the payment streams) on any Local Government Verification forms.”

5. I see that the funding request amount has been increased for Small Counties. I already completed my application Exhibit A's in the 11-14-22 version. Do I need to start over and fill out the 12-1-22 Exhibit A or just insert the increased max amount in the FUNDING Tab in the 11-14-22 Exhibit A version "Housing Credit Request Amount Limits" line? Will my Application be ineligible if I submit the 11-14-22 version and not the 12-1-22 version?

Answer:

Submitting the 12-1-22 version of the Exhibit A form is not an eligibility issue. There is a purple box in column T of the 11-14-22 version. You can type the higher amount in this box and then the formula will update and allow the higher maximum; however, the 12-1-22 version of Exhibit A is the newest version. To ensure the Exhibit A has all updates, Applicants are advised to use the 12-1-22 version.

6. In the application should we list the total units including the superintendent unit or only the affordable rental units?

Answer:

Per Section Four, A.6.a. of the RFA, state the total number of units that will be in the proposed Development upon completion. The total units include all set-aside units, Manager Units as described in Rule Chapter 67-53, F.A.C., and if applicable, market rate units.

7. Do we need final site plan approval to be eligible to apply?

Answer:

In RFAs, 2022-201, 2022-202, 2022-203, and 2022-205, the status of site plan or plat approval as of the Application Deadline, for the entire proposed Development site, must be demonstrated by providing the applicable properly completed and executed verification form. The forms include language for options when final site plan approval has not yet been achieved.

8. Operating reserves, lease up and marketing costs are not supposed to be included in the development budget. Are they supposed to be paid from developer fee?

Answer:

The General Development Cost section of the Development Cost Pro Forma includes a line item for Marketing and Advertising. The Development Cost Pro Forma does not allow for input for Operating Deficit Reserves during the Application; however, a Development that receives an award of funding can include those costs in the Pro Forma while in Credit Underwriting.

9. Should soft cost contingency take into consideration financing costs?

Answer:

The Soft Cost Contingency can include an amount for financing costs; however, the maximum allowed for Soft Cost Contingency is five percent of the Total Cost column for A2.1. TOTAL GENERAL DEVELOPMENT COSTS.

10. In the General Information Tab of Exhibit A section 3(a)(ii) and similar questions, if a previously developed project contains multiple sources of financing described in the "Affordable Housing Program(s) that Provided Financing", such as SAIL and NHTF, which source should we select?

Answer:

In the excel based Exhibit A posted to the RFA webpage, Applicants indicate the experience of the Development and the associated affordable housing program using a drop down of choices of

several options including an “other.” Applicants can use the “other” option to identify an affordable program and describe multiple programs in the provided text box.

11. To meet the advance review criteria, do Principals of the Applicant and Developer(s) Disclosure Forms included in an application need to be dated and stamped approved/received within 12 months of the Application Deadline or do they meet the necessary criteria even if previously submitted so long as they have the correct form revision number (Form Rev. 05-2019), were stamped approved/received by the Corporation and the organizational structure has not changed?

Answer:

There is no requirement that the Principal Disclosure Form is dated within 12 months of the Application Deadline. Applicants will receive 5 points if the uploaded Principal Disclosure Form is 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.

12. Will the Corporation be publishing a list online of Principals that would meet the criteria for the “Increase in the number of Priority 1 Application submissions” and can that be done before the Application Deadline?

Answer:

Yes. The Corporation will be posting such a list prior to the Application Deadline. A listserv message will be sent when this is available.

13. At the very end of Section Four, C. Applicant Certification and Acknowledgement form (see excerpt below) it states that the “...Representative must execute...”. Are we to print out the certification from the EXCEL Exhibit A, have it executed and then add as an additional attachment?

Answer:

The Certification and Acknowledgement form is included in the certification tab of the new excel-based Exhibit A. At the bottom of the form, the instructions state that the Authorized Principal Representative must type their name indicating the acknowledgement and certification of these requirements. There is no need to submit a printed copy.

14. I have been informed that HUD is no longer permitting short term leases on the sites that have HUD Declarations of Trust for the purpose of establishing site control for FHFC competitive applications. Previously, they would provide leases that would mature in 11 months if we did not close on the construction financing. Can we provide an Option to Enter into a Ground Lease?

Answer:

Yes. The criteria for providing the Option to Enter into a Ground Lease is provided in Section Four, A.7.a.(3)(b) of each RFA.

15. I am a chief appointed official responsible for determination of issues related to site plan approval for my city. I am also aware that the site plan form needs to be signed for Developments in my jurisdiction to be eligible for funding in the Geographic RFAs and 2022-205. I have questions about this form.

The Development is new construction and has not yet had final site plan approval. I am aware of the site plan for the Development and I have no issues. I don't know what is meant by preliminary site plan approval process or conceptual site plan approval process in option 2.(i), nor do I know that whether my review of the site plan is what is meant for option 2.(ii); however, because both are within option 2, I believe I should select option 2.

Answer:

Option 2. of the Site Plan Approval form should be selected if the proposed Development does not qualify for option 1 or option 3; AND either preliminary site plan approval or conceptual site plan approval has been issued, or the site plan has been reviewed by the applicable City's or County's Director of Planning and Zoning, chief appointed official (staff) responsible for determination of issues related to site plan approval, City Manager, or County Manager/Administrator/Coordinator. Florida Housing does not dictate the substantive process of the site plan review.

Questions that are specific to RFA 2022-205

16. In connection with the SAIL RFA 2022-205 Uniform Relocation Act requirements, if you have a public housing site that will require demolition in order to build new units, is the GIN triggered if the site control is a ground lease or option to lease?

Answer:

Yes, if there are tenants that need to relocate because of the action.

17. Relating to the SAIL RFA 2022-205 Uniform Relocation Act, in connection with providing, during credit underwriting, proof of delivery by signed copy of each General Information Notice when hand delivered, please advise whose signature is required on the notices.

Answer:

The person receiving the General Information Notice needs to sign the proof of delivery.

18. HOME Uniform Relocation requirements - It seems these questions and attachments should only be required for Applicants that are not eligible for a NHTF program loan, is this correct or will this section of the application apply to all Applicants?

Answer:

The HOME Uniform Relocation requirements apply to Applicants requesting HOME funding (like in RFA 2022-206) and NHTF which has been made available in several RFAs this year.

19. Wetlands map - Is Florida Housing making available a wetlands map where you can look up a site to see if it is on a wetland or has a wetlands issue? If so, please provide the link.

Answer:

In RFAs that make HOME funding and NHTF funding available, HUD environmental requirements as provided in 24 CFR 93.301(f)(1) and (2) apply. Mapping software from the National Wetlands Inventory can be found at the webpage <https://www.fws.gov/wetlands/>. Mapping software from the FEMA Flood Map Service Center can be found at the webpage <https://msc.fema.gov/portal/home>. The Development's location within a flood zone or wetland area is subject to further verification in credit underwriting.

20. DOT site - Regarding a proposed Development to be located on a site with an existing Declaration of Trust between the PHA and HUD, are they also eligible to exclude demolition and tenant relocations costs from TDC PU Limitation calculations? We couldn't find this language in the current drafts.

Answer:

It's in the notes below the TDC charts marked with double asterisks.

21. SAIL Firm Commitments and Closing – The Rule allows up to one extension to obtain a firm loan commitment and also one extension to close but if the Applicant requires an extension to either the commitment or closing or both for 1 project, will the Principal(s) have only 1 reduction in the number of Priority I application submission allowed in the corresponding 2024/2025 RFA cycle?

Answer:

The language is only relevant to any extension of the closing deadline and is applicable to the extension provided in the Rule. This is not applicable to extensions of the firm commitment at this time. The language outlined in each current draft RFA with Priority I requirements states "If the Application fails to meet these requirements and either requires extensions or withdraws from funding, the Principals of the Application will have a reduction in the number of Priority I Application submissions allowed in the Future Corresponding 2024/2025 RFA cycle, (i.e. RFA 2024 SAIL Financing Of Affordable Multifamily Housing Developments To Be Used In Conjunction With Tax-Exempt Bonds And Non-Competitive Housing Credits). After the words "a reduction" the words "of one Priority I Application" will be added.

22. In the 11/18/22 version of Exhibit A, there is no place to enter 22% AMI units in Section 4.A.6.c(2)(a) or a NHTF Loan under Corporation Funding in Section 4.A.10.a. Section Four, A.6.d.(2)(e)(i) of the RFA says, "If the proposed Development is located in a Large County, five units that were committed to serving 60% AMI (or higher if an adequate amount of 60 percent units are not available) will be deemed 22% Units." Section Four, A.6.d.(2)(e) of the RFA says, "All non-Self-Sourced Applicants that select the Development Category of New Construction or Redevelopment (with or without Acquisition) and all Self-Sourced Applicants that request NHTF Funding will be awarded forgivable NHTF loan funding..." Exhibit I, 1.f of the RFA by which the NHTF Loan will be sized. Given that there is no place to enter the 22% AMI units or NHTF Loan, and the size of the NHTF Loan may depend on the applications funded relative to the NHTF loan pool, are we to submit Exhibit A without 22% AMI units (maintaining them as 60% AMI or higher units) and a Development Cost Proforma where sources equal or exceed uses without an NHTF Loan?

Answer:

Correct.

23. Carryover Agreements – Will Florida Housing be issuing the Carryovers in December 2023? Would it be safe to estimate that the 10% Test and the Site Control would be due on or before June 30, 2024 or within 6 months after Carryover per the Rule; and the LPA, underwriting report and construction commencement by September 30, 2024 or within 9 months after Carryover? If not, what would be the dates or number of months after Carryover required to close on the construction funding? If the Applicant requires an extension to the 10% Test, Site Control or the Underwriting Report, will the Principal(s) be penalized and have a reduction in the number of Priority I applications?

Answer:

We are still refining the timing of the Carryovers. The limitation is only applicable to the closing of the LPA.

24. There is a section in the published RFA that mentions the below:

"Applicants that are not eligible for NHTF Funding due to requirements such as the HUD environmental requirements as provided in 24 CFR 93.301(f)(1) and (2) may instead be awarded an equivalent amount of funding through Home Investment Partnerships Program (HOME) From The American Rescue Plan Act (HOME-ARP). Although the HUD environmental requirements provided in 24 CFR 93.301(f)(1) and (2) do not apply, all HOME-ARP requirements would apply such as how the units must be used for Qualifying Populations, the HUD environmental requirements provided in 24 CFR Part 92 and 24 CFR Part 58, AND Davis-Bacon requirements, if there are at least twelve 22% Units."

Yet the exhibit A application itself does not give applicants the chance to choose which funding source they would qualify for, only confirming that you would accept NHTF and you comply with HUD requirements. Will there be a revision that addresses this?

Answer:

Applicants do not need to address this within the Application.

Please Note: The Q&A process for RFAs 2022-101, 2022-201, 2022-202, 2022-203 and 2022-205 is concluded and Florida Housing does not expect to issue any further Q&As regarding RFA 2022-101, 2022-201, 2022-202, 2022-203 and 2022-205.

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The Q and A responses are based on the information presented in the question and the terms of the RFA. The responses to the Q and A are provided as a courtesy and shall not be construed as scoring of an application. If there is any conflict between the response to a Q and A and the RFA itself, the terms of the RFA control. These Q and A responses apply solely to RFAs 2022-101, 2022-201, 2022-202, 2022-203 and 2022-205.