

FLORIDA HOUSING FINANCE CORPORATION

Modification of Request for Applications (RFA) 2023-202 Housing Credit Financing For Affordable Housing Developments Located In Broward, Duval, Hillsborough, Orange, Palm Beach, And Pinellas Counties

**Pursuant to Rule 67-60.005, F.A.C., Modification of Terms of Competitive Solicitations, Florida Housing hereby modifies Section Four, A.5.e. of the RFA as follows:**

e. Proximity Requirements and Proximity Tiebreakers used in Funding Selection Process

The Application may earn proximity points based on the distance between the Development Location Point and the Bus or Rail Transit Service (if Private Transportation is not selected at question 5.e.(2)(a) of Exhibit A) and the Community Services stated in Exhibit A. Proximity points are awarded according to the Transit and Community Service Scoring Charts outlined in Item 2 of Exhibit C. Proximity points will not be applied towards the total score. Proximity points will only be used to determine whether the Applicant meets the required minimum proximity eligibility requirements and the preferences outlined in the chart below.

Minimum number of Transit Service Points

All Applications, with the exception of Applications that qualify for the Local Government Area of Opportunity Designation, must achieve a minimum number of Transit Service Points to be eligible for funding.

Minimum number of Total Proximity Points

All Applications, with the exception of Applications that qualify for the Local Government Area of Opportunity Designation, must achieve a minimum number of total proximity points to be eligible for funding.

Proximity Funding Preference Qualifications

All Applications, including Applications that qualify for the Local Government Area of Opportunity Designation, may also qualify for the Proximity Funding Preference described in Section Five, B.2. of the RFA.

The Proximity Funding Preference is not used when selecting the highest ranking Applications to meet the Local Government Area of Opportunity Goal, but will be used when selecting Applications in the remaining selection process.

Application Qualifications	If Eligible for PHA or RD Proximity Point Boost, Required Minimum Transit Service Points that Must be Achieved to be Eligible for Funding	If NOT Eligible for PHA or RD Proximity Point Boost, Required Minimum Transit Service Points that Must be Achieved to be Eligible for Funding	Required Minimum Total Proximity Points that Must be Achieved to be Eligible for Funding	Minimum Total Proximity Points that Must be Achieved to Receive the Proximity Funding Preference
Applications that do not qualify for the Local Government Area of Opportunity <del>Designation Goal</del>	1.5	2.0	10.5	12.5 or more
Applications that qualify for the Local Government Area of Opportunity <del>Designation Goal</del>	Qualifies automatically	Qualifies automatically	Qualifies automatically	12.5 or more

\*Criteria for meeting the Local Government Area of Opportunity Designation and Goal are outlined in Section Four, A.11.d. of this RFA.

Awarding Proximity Points

The Application may earn proximity points through the following:

- Qualifying for the PHA Proximity Point Boost or the RD 515 Proximity Point Boost;
- Providing private transportation or based on the distance between the Development Location Point and the Bus or Rail Transit Service; and
- Based on the distance between the Development Location Point and the Community Services.

**Pursuant to Rule 67-60.005, F.A.C., Modification of Terms of Competitive Solicitations, Florida Housing hereby modifies Section Four, A.11.a. – c. of the RFA as follows:**

**11. Local Government Contributions - Qualifications for Point Item and Local Government Area of Opportunity Designation and Goal**

All Applications are eligible for up to five points for Local Government contributions as described in a. or b. below.

Additionally, all Applications will qualify for the Local Government Area of Opportunity Designation if the Application demonstrates a high level of Local Government interest in the project via an increased amount of Local Government contributions in the form of cash loans and/or cash grants as **Attachment 11**, as outlined in d. below.

Applications proposing Developments located in certain counties that qualify for the Local Government Area of Opportunity Designation as outlined in d. below will may also qualify for the Local Government Area of Opportunity Funding Goals outlined in 12.c. below.

- a. Applicants Eligible for Automatic Five Points

Applicants that selected and qualified for the Development Category of Rehabilitation, with or without Acquisition, will automatically receive the maximum of five points without any requirement to demonstrate a Local Government contribution. Additionally, Applications that qualify for the Local Government Area of Opportunity Designation will automatically receive the maximum of five points.

b. Applicants Not Eligible for Automatic Five Points

In order for Applicants that selected the Development Category of New Construction to receive the maximum of five points, provide evidence of a Local Government grant, loan, fee waiver and/or fee deferral that is effective as of the Application Deadline, is in effect at least through December 31, 2023, and has a value whose dollar amount is equal to or greater than the amount listed on the County Contribution List for All Counties (set out below) for the county in which the proposed Development will be located. Applicants that do not have the necessary contribution values to achieve maximum points will be scored on a pro-rata basis.

The only Local Government contributions that will be considered for the purpose of scoring are:

- Monetary grants
- Loans with the exception of USDA RD funds
- A one-year or more deferral of a fee beyond the date that it is routinely due
- Waiver of fees

c. Evidence of the Local Government Contribution

As evidence of the Local Government contribution, provide the properly completed and executed Local Government Verification of Contribution Form(s) (Form Rev. 07-2022) as **Attachment 11** to Exhibit A. The following Local Government Contribution forms (Form Rev. 07-2022) are available at the RFA Webpage:

- Local Government Verification of Contribution - Loan Form
- Local Government Verification of Contribution - Grant Form
- Local Government Verification of Contribution - Fee Waiver Form
- Local Government Verification of Contribution - Fee Deferral Form

The ~~face amount and/or the contribution value of~~ amounts of the Local Government contribution stated on the applicable form(s) must be a precise dollar amount and cannot include words such as estimated, up to, maximum of, not to exceed, etc.

A loan with a forgiveness provision (and no accrued interest charges) requiring approval of the Local Government can be treated as a loan or a grant. Either the "Loan" or the "Grant" verification forms can be used. If the loan form is used for a loan with forgiveness provision (and no accrued interest charges), the space for entering the net present value of the loan is not applicable to this RFA and will not be considered.

Funds administered by the Local Government, including federal funds and SHIP funds, may be included in the contribution as long as the appropriate verification form is provided. For purposes of this RFA, USDA-RD funds will NOT count as a Local Government contribution.

The contribution may not be included as an expense on the Development Cost Pro Forma nor may it be considered part of Development Cost for purposes of calculating Housing Credit basis or Developer's fee. The exception to the previous sentence is deferred Local Government fees, which may be shown on the Development Cost Pro Forma.

For a contribution consisting of a loan or deferred fee to be considered complete and eligible for points, 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 stream(s) of the loan or deferred fee. Calculate the net present value of the payments using the discount rate of 6.76 percent.

NOTE: Neither the payment stream for the present value calculations (if contribution consists of a loan or deferred fee) nor the calculations by which the total amount of each waiver is determined (if contribution consists of a fee waiver) are required to be attached to the certification form or otherwise included in the Application in order for the certification form to be considered for points.

In order to be eligible to be considered for points as a Local Government contribution, the contribution must:

- Be in effect as of Application Deadline;
- Be effective at least through December 31, 2023;
- Be dedicated solely for the proposed Development;
- Provide a tangible economic benefit that results in a quantifiable cost reduction and must be given specifically to the proposed Development because the Development will provide affordable housing; and
- State, federal, or Local Government funds initially obtained by or derived from a Local Government qualify as a Local Governmental contribution even though the funds are directly administered by an intermediary such as a housing finance authority, a community reinvestment corporation, or a state-certified Community Housing Development Organization, provided that they otherwise meet the requirements set forth in this RFA, including those relating to the executed verification form.

Local Government contributions that are ineligible to be considered for points include:

- Contributions that are not specifically made for the benefit of affordable housing but are instead of general benefit to the area in which the Development is located;
- The fact that no impact fees or other such fees are levied by a local jurisdiction for ANY type of development does not constitute a Local Government contribution. If such fees are levied by the local jurisdiction but the nature of the proposed Development exempts it (e.g., typically, a Rehabilitation Development is not subject to impact fees), for purposes of this RFA, no Local Government contribution exists and no points will be awarded;
- The absence of interest on a loan or the absence of interest payments until a specific date does not constitute a deferral or waiver of fees;
- Local Government contributions that have not received final approval;
- A contribution from an Applicant or Developer or Principal, Affiliate or Financial Beneficiary of an Applicant or a Developer;
- A contribution from a PHA;
- HOPE VI funds; and

- A contribution of any portion of the Applicant's site below market value.

To be awarded points, Applications are required to 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 stream(s) of the loan or deferred fee on the Local Government Verification form. To calculate the value of a Local Government contribution below market interest rate loan or fee deferral:

- Calculate the net present value of the payments due to the Local Government. For a loan, this includes any balloon payment of principal due on a non-amortizing or non-fully amortizing loan. For a fee deferral, this includes the amount of the fee due at the end of the deferral period.
- Calculate the net present value of the loan payments using the discount rate.
- Subtract the net present value of the loan payments from the original loan principal amount. The remaining amount is the value of the Local Government contribution.

Example: If the discount rate is assumed to be 6.76 percent and the Local Government will provide a fully-amortizing \$50,000 loan with payments due monthly based on a 0.0 percent interest rate for the initial 60 months, then 2.5 percent for the next 60 months, and then 3.5 percent for the remaining term, the contribution is calculated as follows:

Calculate the monthly principal and interest payments of the \$50,000 loan at 0.0 percent (\$277.78).

Calculate the net present value of the stream of the monthly payments over 15 years (180 months) using a 6.76 percent discount rate (\$33,840.00).

Subtract the net present value amount from the original principal loan amount to arrive at the value of the contribution ( $\$50,000 - \$33,840.00 = \$16,160.00$  value).

Example: If the discount rate is assumed to be 6.76 percent and the Local Government will provide a \$50,000 loan with interest-only payments due monthly based on a 0.0 percent interest rate for the initial 60 months, then 2.5 percent for the next 60 months, and then 3.5 percent for the remaining term and principal due at maturity, the contribution is calculated as follows:

Calculate the monthly interest-only payments of the \$50,000 loan at 0.0 percent for the initial 60 months (\$0.00), then 2.5 percent for the next 60 months (\$104.17), and then 3.5 percent for the remaining term (\$145.83 per month).

Calculate the net present value of the stream of the monthly payments over 15 years (180 months) and principal due at maturity, using a 6.76 percent discount rate (\$25,741.70).

Subtract the net present value amount from the original principal loan amount to arrive at the value of the contribution (\$50,000.00 - \$25,741.70 = \$24,258.30 value).

**County Contribution List**

County in Which the Development Is to be Located	Value of Contribution Required to Achieve Maximum Points
Broward	\$100,000
Duval Hillsborough Orange Palm Beach Pinellas	\$75,000

**Pursuant to Rule 67-60.005, F.A.C., Modification of Terms of Competitive Solicitations, Florida Housing hereby modifies Section Four, A.12.c. of the RFA as follows:**

c. Local Government Area of Opportunity Designation Goal

- (1) The Corporation has a goal to fund one Application proposing a Development located in Duval, Hillsborough, Orange, and Palm Beach County that qualify for the Local Government Area of Opportunity Designation as described in 11.d. above and selects the Local Government Area of Opportunity Goal at question 12 in Exhibit A, with a preference that it is a Priority I Application.
- (2) The Corporation has a goal to fund one Application proposing a Development located in Broward County that qualifies for the Local Government Area of Opportunity Designation as described in 11.d. above and demonstrates continuous Local Government Area of Opportunity support since 2022 or earlier.

To qualify for this goal, all of the following must be met:

- The county of the proposed Development must be Broward County;
- The Local Government Area of Opportunity Goal must be selected at question 12 in Exhibit A;
- The Application must have provided a Local Government Verification of Contribution – Loan or Grant form demonstrating the minimum Local Government Area of Opportunity Funding Amount in RFAs 2022-202 and 2023-202;
- The Application must have been designated as a Priority 1 Application in RFAs 2022-202 and 2023-202;
- The Application number from RFA 2022-202 must be provided;
- The Demographic Commitment of the proposed Development must be identical to the Demographic Commitment as the Application submitted in RFA 2022-202;
- The number of units of the proposed Development must be equal to at least 90 percent of the number of units as the Application submitted in RFA 2022-202;

- The Development Location Point and, if a Scattered Sites Development, the latitude and longitude coordinates of each site submitted in RFA 2022-202 must be located on the same site(s) as the proposed Development. These coordinates do not need to be identical. Additionally, the size of the site(s) of the proposed Development does not need to be identical to the Application submitted in RFA 2022-202. The proposed Development site may be larger or smaller than the Application submitted in RFA 2022-202 if the other requirements are also met;
- At least one of the entities that is a Principal for the Applicant disclosed on the Principal Disclosure Form submitted for the proposed Development must also have been a Principal for the Applicant disclosed on the Principal Disclosure Form submitted in RFA 2022-202; and
- The Application submitted in RFA 2022-202 was not invited to enter credit underwriting.

**Pursuant to Rule 67-60.005, F.A.C., Modification of Terms of Competitive Solicitations, Florida Housing hereby modifies the first paragraph of the General Information tab of Exhibit A of the RFA as follows:**

Unless stated otherwise, all information requested pertains to the Development proposed in this Application upon completion. [The effective date of this Exhibit A is 08/15/2023.](#)

**Pursuant to Rule 67-60.005, F.A.C., Modification of Terms of Competitive Solicitations, Florida Housing hereby modifies question 3.a.(3)(a) of the General Information tab of Exhibit A of the RFA as follows:**

Does the Applicant or the General Partner or managing member of the Applicant meet the definition of Non-Profit as set forth in Rule Chapter 67-48, F.A.C. [and wish to apply as a Non-Profit Applicant?](#)

If “Yes”, provide the required information for the Non-Profit entity as **Attachment 2**.

**Pursuant to Rule 67-60.005, F.A.C., Modification of Terms of Competitive Solicitations, Florida Housing hereby modifies Item 3.e.(1) of Exhibit D of the RFA as follows:**

e. For all successful Applications, demonstrate the following elements are available to the entire proposed Development site as of the date signed by providing the following:

(1) Appropriate Zoning. Demonstrate that ~~as of the Application Deadline~~ the entire proposed Development site is appropriately zoned and consistent with local land use regulations regarding density and intended use or that the proposed Development site is legally non-conforming by providing the applicable properly completed and executed verification form:

(a) The Florida Housing Finance Corporation Local Government Verification that Development is Consistent with Zoning and Land Use Regulations form (Form Rev. 07-2022); or

(b) The Florida Housing Finance Corporation Local Government Verification that Development is Consistent with Zoning and Land Use Regulations form (Form Rev. 06-2023); or

(c) The Florida Housing Finance Corporation Local Government Verification that Permits are Not Required for this Development form (Form Rev. 07-2022).

Note: With regard to the terms “Rate of Growth Ordinance (ROGO)” and “Building Permit Allocation System (BPAS),” as used by different jurisdictions within the Florida Keys Area of Critical State Concern, for purposes of the verification forms outlined in (a) and (b) above, all references on these forms to “Rate of Growth Ordinance (ROGO)” shall be considered by the Corporation to have the same meaning as “Building Permit Allocation System (BPAS).”

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