

FLORIDA HOUSING FINANCE CORPORATION

Modification of Request for Applications (RFA) 2023-203 Housing Credit Financing For Affordable Housing Developments Located In Miami-Dade County

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

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).

**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).”

Submitted By:

Melissa Levy  
Managing Director of Multifamily Programs  
Florida Housing Finance Corporation  
227 N. Bronough Street, Suite 5000  
Tallahassee, FL 32301  
850-488-4197 or [Melissa.Levy@floridahousing.org](mailto:Melissa.Levy@floridahousing.org)