

Notice of Proposed Rulemaking

FLORIDA HOUSING FINANCE CORPORATION

RULE NO.: RULE TITLE:
67-21.002: Definitions

PURPOSE AND EFFECT: The purpose of this Rule is to establish the definitions used in Rule Chapter 67-21, F.A.C., which includes by reference the Qualified Allocation Plan.

SUMMARY: Prior to the opening of an Application process, the Corporation (1) researches the market need for affordable housing throughout the state of Florida and (2) evaluates prior Applications to determine what changes or additions should be added to the Rule and/or Application. The proposed amendments to the Rule and adopted reference material include changes that will create a formulated process for selecting Developments that will apply for Non-Competitive Housing Credits, or a combination of MMRB and Non-Competitive Housing Credits.

SUMMARY OF STATEMENT OF ESTIMATED REGULATORY COSTS AND LEGISLATIVE RATIFICATION:

The Agency has determined that this will not have an adverse impact on small business or likely increase directly or indirectly regulatory costs in excess of \$200,000 in the aggregate within one year after the implementation of the rule. A SERC has not been prepared by the Agency.

The Agency has determined that the proposed rule is not expected to require legislative ratification based on the statement of estimated regulatory costs or if no SERC is required, the information expressly relied upon and described herein: The rule is not likely to have an adverse impact on economic growth, private sector job creation or employment, or private sector investment in excess of \$1 million in the aggregate within 5 years after the implementation of the rule. The rule is not likely to have an adverse impact on business competitiveness, including the ability of persons doing business in the state to compete with persons doing business in other states or domestic markets, productivity, or innovation in excess of \$1 million in the aggregate within 5 years after the implementation of the rule. In addition, the rule is not likely to increase regulatory costs, including any transactional costs, in excess of \$1 million in the aggregate within 5 years after the implementation of the rule.

Any person who wishes to provide information regarding a statement of estimated regulatory costs, or provide a proposal for a lower cost regulatory alternative must do so in writing within 21 days of this notice.

RULEMAKING AUTHORITY: 420.507, 420.508, FS.

LAW IMPLEMENTED: 420.507, 420.508, 420.509, 420.5099 FS.

A HEARING WILL BE HELD AT THE DATE, TIME AND PLACE SHOWN BELOW:

DATE AND TIME: April 18, 2024, beginning at 10:00 a.m., Eastern Time

PLACE: The hearing will take place by webinar and the instructions for accessing the webinar will be posted on the Corporation's website <https://www.floridahousing.org/programs/developers-multifamily-programs/competitive/current-rules-and-rule-development-process/2024-rule-development-process>. Interested parties may also attend in person at the offices of Florida Housing Finance Corporation, 227 N. Bronough Street, 6th Floor Seltzer Room, Tallahassee, Florida.

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULE IS: Melissa Levy, Managing

Director of Multifamily Programs, Florida Housing Finance Corporation, 227 North Bronough Street, Suite 5000, Tallahassee, Florida 32301-1329, (850) 488-4197.

THE FULL TEXT OF THE PROPOSED RULE IS:

67-21.002 Definitions.

(1) “ACC” or “Annual Contribution Contract” means a contract between HUD and a Public Housing Authority containing the terms and conditions under which HUD assists in providing for development of housing units, modernization of housing units, operation of housing units, or a combination of the foregoing.

(2) “Acknowledgment Resolution” means the official action taken by the Corporation to reflect its intent to finance a Development provided that the requirements of the Corporation, the terms of the MMRB Loan Commitment, and the terms of the Credit Underwriting Report are met.

(3) “Act” means the Florida Housing Finance Corporation Act, Chapter 420, Part V, F.S.

(4) “Address” means the address number, street name and city or, at a minimum, street name, closest designated intersection, and whether or not the Development is located within a city or in the unincorporated area of the county. If located within a city, include the name of the city.

(5) “Affiliate” means any person that:

(a) Directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with the Applicant or Developer;

(b) Serves as an officer or director of the Applicant or Developer or of any Affiliate of the Applicant or Developer;

(c) Directly or indirectly receives or will receive a financial benefit from a Development except as further described in Rule 67-21.0025, F.A.C., or

(d) Is the spouse, parent, child, sibling, or relative by marriage of a person described in paragraph (a), (b) or (c), above.

(6) “Allocation Authority” means the total dollar volume of the state of Florida’s Housing Credit ceiling available for distribution by the Corporation and authorized pursuant to Section 42 of the IRC.

(7) “Annual Household Income” means the gross income of a person, together with the gross income of all persons who intend to permanently reside with such person in the Development to be financed by the Corporation, as of the date of occupancy shown on the income certification promulgated by the Corporation.

(8) “Applicable Fraction” means Applicable Fraction as defined in Section 42(c)(1)(B) of the IRC.

(9) “Applicant” means any person or legal entity of the type and with the management and ownership structure described herein that is seeking a loan or funding from the Corporation by submitting an Application or responding to a competitive solicitation pursuant to rule Chapter 67-60, F.A.C., for one or more of the Corporation’s programs. For purposes of Rule 67-21.031, F.A.C., Applicant also includes any assigns or successors in interest of the Applicant. Unless otherwise stated in a competitive solicitation, as used herein, a ‘legal entity’ means a corporation, limited partnership or limited liability company legally formed as of the Application deadline.

(10) “Application” means the forms and exhibits created by the Corporation for the purpose of providing the means to apply for Non-Competitive Housing Credits only, or both MMRB and Non-Competitive Housing Credits, as outlined in subsection 67-21.003(1), F.A.C. A completed Application may include additional supporting documentation provided by an Applicant.

(11) “Board” or “Board of Directors” means the Board of Directors of the Corporation.

(12) “Bond Counsel” means the attorney or law firm retained by the Corporation to provide the specialized services generally described in the industry as the role of bond counsel.

(13) “Bond” or “Bonds” means Bond as defined in Section 420.503, F.S.

(14) “Bond Trustee” or “Trustee” means a financial institution with trust powers which acts in a fiduciary capacity for the benefit of the bond holders, and in some instances the Corporation, in enforcing the terms of the Program Documents.

(15) “Building Identification Number” means, with respect to a Housing Credit Development, the number assigned by the Corporation to describe each building in a Housing Credit Development, pursuant to Internal Revenue Service Notice 88-91.

(16) “Calendar Days” means the seven (7) days of the week.

(17) “Commercial Fishing Worker” means Commercial fishing worker as defined in Section 420.503, F.S.

(18) “Competitive Housing Credits” or “Competitive HC” means those Housing Credits which come from the Corporation’s annual Allocation Authority.

(19) “Compliance Period” means a period of time that the Development shall conform to all set-aside requirements as described further in the rule chapter and agreed to by the Applicant in the Application.

(20) “Contact Person” means the person with whom the Corporation will correspond concerning the Application and the Development. This person cannot be a third-party consultant.

- (21) "Corporation" means the Florida Housing Finance Corporation as defined in Section 420.503, F.S.
- (22) "Cost of Issuance Fee" means the fee charged by the Corporation to the Applicant for the payment of the costs and expenses associated with the sale of Bonds and the loaning of the proceeds, including a fee for the Corporation.
- (23) "Credit Enhancement" means a letter of credit, third party guarantee, insurance contract or other collateral or security pledged to the Corporation or its Trustee for a minimum of ten years by a third party Credit Enhancer or financial institution securing, insuring or guaranteeing the repayment of the Mortgage Loan or Bonds under the MMRB Program.
- (24) "Credit Enhancer" means a financial institution, insurer or other third party which provides a Credit Enhancement or guarantee instrument acceptable to the Corporation securing repayment of the Mortgage Loan or Bonds issued pursuant to the MMRB Program.
- (25) "Credit Underwriter" means the independent contractor under contract with the Corporation having the responsibility for providing Credit Underwriting services.
- (26) "Credit Underwriting" means an in-depth analysis by the Credit Underwriter of all documents submitted in connection with an Application.
- (27) "Credit Underwriting Report" means the report that is a product of Credit Underwriting.
- (28) "Cross-collateralization" means the pledging of the security of one Development to the obligations of another Development.
- (29) "DDA" or "Difficult Development Area" means areas designated by the Secretary of Housing and Urban Development as having high construction, land, and utility costs relative to area median gross income in accordance with section 42(d)(5)(B) of the IRC.
- (30) "Developer" means the individual or legal entity which possesses the requisite skill, experience, and credit worthiness to successfully produce affordable housing as required in the Application. Unless otherwise stated in a competitive solicitation, as used herein, a 'legal entity' means a corporation, association, joint venturer, or partnership legally formed as of Application deadline.
- (31) "Developer Fee" means the fee earned by the Developer.
- (32) "Development" means Project as defined in Section 420.503, F.S.
- (33) "Development Cost" means the total of all costs incurred in the completion of a Development excluding Developer Fee, operating deficit reserves, and total land cost as typically shown in the Development Cost line item on the development cost pro forma.
- (34) "Development Location Point" means a single point selected by the Applicant on the proposed Development site that is located within 100 feet of a residential building existing or to be constructed as part of the proposed Development. For a Development which consists of Scattered Sites, this means a single point on the site with the most units that is located within 100 feet of a residential building existing or to be constructed as part of the proposed Development.
- (35) "Disclosure Counsel" means the Special Counsel designated by the Corporation to be responsible for the drafting and delivery of the Corporation's disclosure documents such as preliminary official statements, official statements, re-offering memorandums or private placement memorandums and continuing disclosure agreements.
- (36) "Document" means electronic media, written or graphic matter, of any kind whatsoever, however produced or reproduced, including records, reports, memoranda, minutes, notes, graphs, maps, charts, contracts, opinions, studies, analysis, photographs, financial statements and correspondence as well as any other tangible thing on which information is recorded.
- (37) "Elderly" means Elderly as defined in Section 420.503, F.S.
- (38) "Elderly Housing" means housing or a unit being occupied or reserved for qualified persons pursuant to the Federal Fair Housing Act and Section 760.29(4), F.S.
- (39) "Eligible Persons" means one or more natural persons or a family, irrespective of race, creed, national origin, or sex, determined by the Corporation to be of Low Income.
- (40) "EUA" or "Extended Use Agreement" means, with respect to the HC Program, an agreement which sets forth the set-aside requirements and other Development requirements under the HC Program.
- (41) "Executive Director" means the Executive Director of the Corporation.
- (42) "Family" means a household composed of one or more persons.
- (43) "Farmworker" means Farmworker as defined in Section 420.503, F.S.
- (44) "Farmworker Development" means a Development:
- (a) Of not greater than 80 units, at least 40 percent of the total residential units of which are occupied or reserved for Farmworker Households; and,
 - (b) For which independent market analysis demonstrates a local need for such housing.
- (45) "Farmworker Household" means a household of one or more persons wherein at least one member of the household is a Farmworker at the time of initial occupancy.

(46) “Final Housing Credit Allocation” means, with respect to a Housing Credit Development, the issuance of Housing Credits to an Applicant upon completion of construction or Rehabilitation of a Development and submission to the Corporation by the Applicant of a completed and executed Final Cost Certification Application Package pursuant to Rule 67-21.027, F.A.C.

(47) “Financial Beneficiary” means any Principal of the Developer or Applicant entity who receives or will receive any direct or indirect financial benefit from a Development, except as further described in Rule 67-21.0025, F.A.C.

(48) “Florida Keys Area” means all lands in Monroe County, except:

(a) That portion of Monroe County included within the designated exterior boundaries of the Everglades National Park and areas north of said Park;

(b) All lands more than 250 feet seaward of the mean high water line owned by local, state, or federal governments; and

(c) Federal properties.

(49) “Freddie Mac Multifamily Targeted Affordable Housing Lender” means any entity that (a) has been approved and designated by the Federal Home Loan Mortgage Corporation (“Freddie Mac”) to act as a lender and seller-servicer for Freddie Mac multifamily targeted affordable housing transactions (including those under Freddie Mac’s Tax-Exempt Loan Program) and (b) has accepted a written commitment from Freddie Mac to purchase Bonds under Freddie Mac’s Tax-Exempt Loan Program pursuant to the terms and conditions of said commitment.

(50) “General Contractor” means a person or entity duly licensed in the state of Florida with the requisite skills, experience and credit worthiness to successfully provide the units required in the Application, and which meets the criteria described in Rules 67-21.014 and 67-21.026, F.A.C.

(51) “HC” or “Housing Credit Program” means the rental housing program administered by the Corporation in accordance with section 42 of the Internal Revenue Code and Section 42.5099, F.S., under which the Corporation is designated the Housing Credit agency for the state of Florida within the meaning of the following:

(a) Section 42(h)(7)(A) of the Internal Revenue Code;

(b) This rule chapter regarding Non-Competitive Housing Credits; and,

(c) Rule Chapter 67-48, F.A.C., regarding Competitive Housing Credits.

(52) “Homeless” means Homeless as defined in Section 420.621, F.S.

(53) “Housing Credit” means the tax credit issued in exchange for the development of rental housing pursuant to the following:

(a) Section 42 of the IRC;

(b) The provisions of this rule chapter regarding Non-Competitive Housing Credits; and,

(c) The provisions of rule Chapter 67-48, F.A.C., regarding Competitive Housing Credits.

(54) “Housing Credit Allocation” means the amount of Housing Credits determined by the Corporation as necessary to make a Development financially feasible and viable throughout the Development’s Compliance Period pursuant to Section 42(m)(2)(A) of the IRC.

(55) “Housing Credit Development” means the proposed or existing rental housing Development(s) for which Housing Credits have been applied or received.

(56) “Housing Credit Extended Use Period” means, with respect to any building that is included in a Housing Credit Development, the period that begins on the first day of the Compliance Period in which such building is part of the Development and ends on the later of:

(a) The date specified by the Corporation in the Extended Use Agreement; or

(b) The date that is the fifteenth anniversary of the last day of the Compliance Period, unless earlier terminated as provided in Section 42(h)(6) of the IRC.

(57) “Housing Credit Period” means with respect to any building that is included in a Housing Credit Development, the period of 10 years beginning with:

(a) The taxable year in which such building is placed in service; or

(b) At the election of the Applicant, the succeeding taxable year.

(58) “Housing Credit Rent-Restricted Unit” means, with respect to a Housing Credit Development, a unit for which the gross monthly rent shall not exceed 30 percent of the imputed income limitation applicable to such unit as committed to by the Applicant in its Application and shall be determined in a manner consistent with Section 42(g)(2) of the IRC.

(59) “Housing Credit Set-Aside” means the number of units in a Housing Credit Development necessary to satisfy Section 42(g) of the IRC and the percentage of units set-aside by the Applicant in the Application or in response to a competitive solicitation, if applicable.

(60) “Housing Credit Syndicator” means a person, partnership, corporation, trust or other entity that regularly engages in the purchase of interests in entities that produce Qualified Low Income Housing Projects as defined in Section 42(g) of the IRC.

(61) “HUD” means the United States Department of Housing and Urban Development.

(62) “HUD Risk Sharing Program” means the program authorized by section 542(c) of the Housing and Community Development Act of 1992.

(63) “Identity of Interest” means, for the purpose of the HUD Risk Sharing Program, any person or entity that has a one percent or more financial interest in the Development and in any entity providing services for a fee to the Development.

(64) “Investment Banker” means, with respect to an issue of Bonds, an underwriter, placement agent or structuring agent who is under contract with the Corporation and whose primary purpose is to either:

(a) In the case of an underwriter, acquire the Bonds in a commercial arm’s length transaction for resale to investors, or

(b) In the case of a placement agent or structuring agent, arrange for the sale of Bonds.

In either case, the underwriter, placement agent or structuring agent assists on matters pertinent to the Bond issue, such as structure, timing, marketing, terms, Bond ratings and cash flows.

(65) “IRC” or “Internal Revenue Code” means 26 CFR Sections 42, 142, 147, 151, and 501 of the Internal Revenue Code of 1986, together with corresponding and applicable final, temporary or proposed regulations, notices, and revenue rulings issued with respect thereto by the Treasury or the Internal Revenue Service of the United States.

(66) “IRMA” or “Independent Registered Municipal Advisor” means a professional who is under contract with the Corporation to provide advice with respect to the issuance of municipal securities, which advice may include, among other things, the determination of the method of sale for one or more series of Bonds. The IRMA owes the Corporation a fiduciary duty and is obligated to place the interest of the Corporation ahead of its own and may not engage in self-dealing.

(67) “Local Government” means Local government as defined in Section 420.503, F.S.

(68) “Local Public Fact Finding Hearing” means a public hearing requested by any person residing in the county or municipality in which the proposed Development is located and which is conducted by the Corporation for the purpose of receiving public comment or input regarding the financing of a proposed Development with Bonds by the Corporation.

(69) “Low Income” means the adjusted income for a Family which does not exceed 80 percent of the area median income.

(70) “Lower Income Residents” means Families whose annual income does not exceed either 50 percent or 60 percent depending on the minimum set-aside elected of the area median income as determined by HUD with adjustments for household size. In no event shall occupants of a Development unit be considered to be Lower Income Residents if all the occupants of a unit are students as defined in section 151(c)(4) of the Internal Revenue Code or if the residents do not comply with the provisions of the Internal Revenue Code defining Lower Income Residents. (See section 142 of the Internal Revenue Code.)

(71) “MMRB” or “MMRB Program” means the Corporation’s Multifamily Mortgage Revenue Bond Program.

(72) “MMRB LURA” or “MMRB Land Use Restriction Agreement” means an agreement among the Corporation, the Bond Trustee and the Applicant which sets forth certain set-aside requirements and other Development requirements under rule Chapter 67-21, F.A.C.

(73) “MMRB Loan” means the loan made by the Corporation to the Applicant from the proceeds of the Bonds issued by the Corporation.

(74) “MMRB Loan Agreement” means the Program Documents or Loan Documents wherein the Corporation and the Applicant agree to the terms and conditions of the MMRB Loan, including the repayment of the MMRB Loan.

(75) “MMRB Loan Commitment” means the loan commitment executed by the Corporation and the Applicant after the issuance of a favorable Credit Underwriting Report that defines the conditions under which the Corporation agrees to make the MMRB Loan to the Applicant for the purpose of financing a Development.

(76) “Mortgage” means Mortgage as defined in Section 420.503, F.S.

(77) “Mortgage Loan” means Mortgage loan as defined in Section 420.503, F.S.

(78) “Non-Competitive Housing Credits” or “Non-Competitive HC” means those Housing Credits which qualify to be used with Tax-Exempt Bond-Financed Developments and do not come from the Corporation’s annual Allocation Authority.

(79) “Non-Profit” unless otherwise set forth in a competitive solicitation, means a qualified non-profit entity as defined in Section 42(h)(5)(C), subsection 501(c)(3) or 501(c)(4) of the IRC and organized under Chapter 617, F.S., if a Florida Corporation, or organized under similar state law if organized in a jurisdiction other than Florida, to provide housing and other services on a not-for-profit basis, which owns at least 51 percent of the ownership interest in the Development held by the general partner or managing member entity, which shall receive at least 25 percent

of the Developer Fee and which entity is acceptable to federal and state agencies and financial institutions as a sponsor for affordable housing, as further described in Rule 67-21.0025, F.A.C.

(80) “Note” means a unilateral agreement containing an express and absolute promise to pay to the Corporation a principal sum of money on a specified date, which provides the interest rate and is secured by a Mortgage.

(81) “PBRA” or “Project-Based Rental Assistance” means a rental subsidy through a contract with HUD or RD for a property.

(82) “Persons with Special Needs” means Person with special needs as defined in Section 420.0004(13), F.S.

(83) “PHA” or “Public Housing Authority” means a housing authority under Chapter 421, F.S.

(84) “Preliminary Determination” means an initial determination by the Corporation of the amount of Housing Credits outside the Allocation Authority needed from the Treasury to make a Tax-Exempt Bond-Financed Development financially feasible and viable.

(85) “Preservation” means rehabilitation of an existing development that is at least 20 years old as of the date the Application is submitted to the Corporation and has an active contract through one or more of the following HUD or RD programs: Sections 202 of the Housing Act of 1959 (12 U.S.C. §1701q), 236 of the National Housing Act (12 U.S.C. §1701), 514, 515, or 516 of the U.S. Housing Act of 1949 (42 U.S.C. §1484), or 811 of the U.S. Housing Act of 1937 (42 USC §1437), or either has PBRA or is public housing assisted through ACC. If funded through the Corporation, the Development must maintain at least the same number of PBRA or ACC units. Such developments must not have closed on funding from HUD or RD within the 20 years prior to when the Application is submitted to the Corporation where the budget was at least \$10,000 per unit for rehabilitation in any year.

(86) “Principal” has the meanings set forth below and any Principal other than a natural person must be a legally formed entity as of the Application deadline:

(a) For a corporation, each officer, director, executive director, and shareholder of the corporation.

(b) For a limited partnership, each general partner and each limited partner of the limited partnership.

(c) For a limited liability company, each manager and each member of the limited liability company.

(d) For a trust, each trustee of the trust and all beneficiaries of majority age (i.e.; 18 years of age) as of Application deadline.

(e) For a Public Housing Authority, each officer, director, commissioner, and executive director of the Authority.

(87) “Private Placement” means the sale of the Corporation Bonds directly or through an Investment Banker to 35 or fewer initial purchasers who are not purchasing the Bonds with the intent to offer the Bonds for retail sale and who are Qualified Institutional Buyers.

(88) “Program Documents” or “Loan Documents” means the MMRB Loan Commitment, MMRB Loan Agreement, Note, Mortgage, Credit Enhancement, MMRB Land Use Restriction Agreement, trust indenture, preliminary and final official statements, intercreditor agreement, assignments, bond purchase agreement, compliance monitoring agreement, mortgage servicing agreement and such other ordinary and customary documents necessary to issue and secure repayment of the Bonds and the MMRB Loan sufficient to protect the interests of the Bond owners and the Corporation.

(89) “QAP” or “Qualified Allocation Plan” means, with respect to the HC Program, the ~~2024~~ ~~2023~~ Qualified Allocation Plan which is adopted and incorporated herein by reference, effective upon approval by the Governor of the State of Florida, pursuant to Section 42(m)(1)(B) of the IRC and sets forth the selection criteria and the preferences of the Corporation for Developments which will receive Housing Credits. The QAP is available on the Corporation’s website under the Multifamily Programs link or by contacting the Housing Credit Program at 227 North Bronough Street, Suite 5000, Tallahassee, Florida 32301-1329, or from _____
<http://www.flrules.org/Gateway/reference.asp?No=Ref-15420>.

(90) “QCT” or “Qualified Census Tract” means any census tract which is designated by the Secretary of Housing and Urban Development as having either 50 percent or more of the households at an income which is less than 60 percent of the area median gross income, or a poverty rate of at least 25 percent, in accordance with section 42(d)(5)(B) of the Internal Revenue Code.

(91) “Qualified Institutional Buyer” is sometimes called a “sophisticated investor” and specifically includes the following:

(a) Any of the following entities, acting for its own account or the accounts of other Qualified Institutional Buyers that, in the aggregate, own and invest on a discretionary basis at least \$100 million in securities of issuers that are not affiliated with the entity:

1. Any insurance company as defined in section 2(13) of the Securities Act of 1933,

2. Any investment company registered under the Investment Company Act of 1940 or any business development company as defined in section 80a-2(a)(48) of that Act,

3. Any Small Business Investment Company licensed by the U.S. Small Business Administration under section 301(c) or (d) of the Small Business Investment Act of 1958,

4. Any plan established and maintained by a state or state agency or any of its political subdivisions, on behalf of their employees,
5. Any employee benefit plan within the meaning of Title I of the Employee Retirement Income Security Act of 1974,
6. Trust funds of various types, except for trust funds that include participants' individual retirement accounts or H.R. 10 plans,
7. Any business development company as defined in section 80b-2(a)(22) of the Investment Advisors Act of 1940,
8. Any organization described in section 501(c)(3) of the Internal Revenue Code, corporation (except a bank or savings and loan defined in section 3(a)(2) or 3(a)(5)(A) of the Securities Act of 1933, or a foreign bank or savings and loan or similar institution), partnership, Massachusetts or similar business trust, or any investment adviser registered under the Investment Advisors Act.
 - (b) Any dealer registered under section 15 of the Securities Exchange Act of 1934, acting on its own behalf or on the behalf of other Qualified Institutional Buyers who in the aggregate own and invest at least \$10 million of securities of issuers not affiliated with the dealer (not including securities held pending public offering).
 - (c) Any dealer registered under section 15 of the Securities Exchange Act of 1934 acting in a riskless principal transaction on behalf of a Qualified Institutional Buyer.
 - (d) Any investment company registered under the Investment Company Act that is part of a family of investment companies that together own at least \$100 million in securities of issuers, other than companies with which the investment company or family of investment companies is affiliated.
 - (e) Any entity, all of whose equity owners are Qualified Institutional Buyers.
 - (f) Any bank or savings and loan defined in section 3(a)(2) or 3(a)(5)(A) of the Securities Act of 1933 or foreign bank or savings and loan or similar institution that, in aggregate with the other Qualified Institutional Buyers, owns and invests in at least \$100 million in securities of affiliates that are not affiliated with it and that has an audited net worth of at least \$25 million as demonstrated during the 16 to 18 months prior to the sale.
- (92) "Qualified Lending Institution" means any lending institution designated by the Corporation.
- (93) "Qualified Project Period" means Qualified Project Period as defined in Section 142(d) of the Internal Revenue Code.
- (94) "RD" or "Rural Development" means the Rural Development (RD), Rural Housing service (RHS) agency, within the United States Department of Agriculture (USDA), or any successor agency, department, entity or instrumentality designated by law to administer the programs or exercise the powers of the USDA RD RHS.
- (95) "Redevelopment" means:
 - (a) With regard to a proposed Development that involves demolition of multifamily rental residential structures currently or previously existing that are at least 30 years old as of the date the Application is submitted to the Corporation and either originally received financing or are currently financed through one or more of the following HUD or RD programs: Sections 202 of the Housing Act of 1959 (12 U.S.C. §1701q), 236 of the National Housing Act (12 U.S.C. §1701), 514, 515 or 516 of the U.S. Housing Act of 1949 (42 U.S.C. §1484), 811 of the U.S. Housing Act of 1937 (42 USC §1437), or have PBRA; and new construction of replacement structures on the same site maintaining at least the same number of PBRA units, or
 - (b) With regard to proposed Developments that involve demolition of public housing structures currently or previously existing on a site with a Declaration of Trust that are at least 30 years old as of the date the Application is submitted to the Corporation and that are assisted through ACC; and new construction of replacement structures on the same site, providing at least 25 percent of the total new units with PBRA, ACC, or both, after Redevelopment.
- (96) "Rehabilitation" means, with respect to the Housing Credit Program, the alteration, improvement or modification of an existing structure where less than 50 percent of the proposed construction work consists of new construction, as further described in Rule 67-21.0025, F.A.C.
- (97) "Rehabilitation Expenditures," with respect to the MMRB Program, has the meaning set forth in section 147(d)(3) of the Internal Revenue Code.
- (98) "Scattered Sites," as applied to a single Development, means a Development site that, when taken as a whole, is comprised of real property that is not contiguous (each such non-contiguous site that contains, or will contain upon completion of the Development, at least one residential building within a Scattered Site Development, is considered to be a "Scattered Site.") For purposes of this definition "contiguous" means touching at a point or along a boundary. Real property is contiguous if the only intervening real property interest is an easement provided the easement is not a roadway or street. All of the Scattered Sites must be located in the same county.
- (99) "Special Counsel" means any attorney or law firm retained by the Corporation, pursuant to a Request for Qualifications (RFQ), to serve as counsel to the Corporation, including Disclosure Counsel.

(100) “State Bond Allocation” means the allocation of the state private activity bond volume limitation pursuant to Chapter 159, Part VI, F.S., administered by the Division of Bond Finance and allocated to the Corporation for the issuance of Tax-exempt Bonds by either the Single Family Mortgage Revenue Bonds or MMRB Programs.

(101) “Taxable Bonds” means those Bonds on which the interest earned is included in gross income of the owner for federal income tax purposes pursuant to the Internal Revenue Code.

(102) “Tax Exempt Bond-Financed Development” means a Development which has been financed by the issuance of Tax-exempt Bonds subject to applicable volume cap pursuant to section 42(h)(4) of the Internal Revenue Code.

(103) “Tax-exempt Bonds” means those Bonds on which all or part of the interest earned is excluded from gross income of the owner for federal income tax purposes pursuant to the Internal Revenue Code.

(104) “TEFRA Hearing” means a public hearing held pursuant to the requirements of the Internal Revenue Code and in accordance with the Tax Equity and Fiscal Responsibility Act (TEFRA), section 147(f) of the Internal Revenue Code, at which members of the public or interested persons are provided an opportunity to present evidence or written statements or make comments regarding a requested application for Tax-exempt Bond financing of a Development by the Corporation.

(105) “Total Development Cost” means the total of all costs incurred in the completion of a Development all of which shall be subject to the review and approval by the Credit Underwriter and the Corporation pursuant to this rule chapter, and as further described in Rule 67-21.0025, F.A.C.

(106) “Treasury” means the United States Department of Treasury or other agency or instrumentality created or chartered by the United States to which the powers of the Department of Treasury have been transferred.

(107) “Website” means the Florida Housing Finance Corporation’s website, the Universal Resource Locator (URL) of which is www.floridahousing.org.

Rulemaking Authority 420.507, 420.508 FS. Law Implemented 420.502, 420.503, 420.503(4), 420.507, 420.508, 420.509, 420.5099 FS. History—New 12-3-86, Amended 2-22-89, 12-4-90, 11-23-94, 2-6-97, 1-7-98, Formerly 9I-21.002, Amended 1-26-99, 11-14-99, 2-11-01, 3-17-02, 4-6-03, 10-5-03, 3-21-04, 2-7-05, 1-29-06, 4-1-07, 3-30-08, 8-6-09, 11-7-11, 7-16-13, 2-2-15, 9-15-16, 5-24-17, 7-8-18, 7-11-19, 6-23-20, 5-18-21, 7-6-22, 6-28-23, _____.

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NAME OF AGENCY HEAD WHO APPROVED THE PROPOSED RULE: Ryan Benson, Chairman of the Board, Florida Housing Finance Corporation, 227 North Bronough Street, Suite 5000, Tallahassee, Florida 32301-1329, (850) 488-4197

DATE PROPOSED RULE APPROVED BY AGENCY HEAD: March 26, 2024

DATE NOTICE OF PROPOSED RULE DEVELOPMENT PUBLISHED IN FAR: Volume 50, Number 24, February 5, 2024