

**Florida Housing Finance Corporation Workshop regarding RFA 2024-206 HOME and Live Local SAIL Financing to be used for Rental Developments in Certain Hurricane Idalia Impacted Counties
December 13, 2023, 10:00 a.m., Eastern Time**

**Workshop is held via webinar and in-person at Florida Housing at 227 N. Bronough Street, Tallahassee, FL 32301
To attend the workshop via webinar, registration is required. This information is available on RFA Webpage¹**

Overview

- A. Introductions
- B. Purpose of RFA

Hurricane Idalia, a powerful and destructive Category 4 hurricane, made landfall in late August 2023, causing significant damage across parts of the southeastern United States, especially north Florida. This Request for Applications (RFA) is open to Applicants proposing the construction of affordable housing in Florida Designated Rural Areas of Opportunity (RAOs), with a preference that the proposed Development is in a county with significant damage from Hurricane Idalia.

Funding available

Florida Housing Finance Corporation (the Corporation) expects to have an estimated \$28 million in HOME Investment Partnerships (HOME-rental) Program funding and \$7 million in State Apartment Incentive Loan appropriated by the Live Local Act set forth in Section 420.50871, F.S. (Live Local SAIL).

Outline of RFA

- A. Section One – Introduction
- B. Section Two – Definitions

Exhibit B of the RFA and Rules, which are posted on the RFA Webpage*, such as

“Florida Designated Rural Area of Opportunity” or “RAO” means per section 288.0656(2)(e), F.S., a rural community, or a region composed of rural communities, designated by the Governor, which has been adversely affected by an extraordinary economic event, severe or chronic distress, or a natural disaster or that presents a unique economic development opportunity of regional impact.

(e) “Rural community” means:

1. A county with a population of 75,000 or fewer.
2. A county with a population of 125,000 or fewer which is contiguous to a county with a population of 75,000 or fewer.
3. A municipality within a county described in subparagraph 1. or subparagraph 2.
4. An unincorporated federal enterprise community or an incorporated rural city with a population of 25,000 or fewer and an employment base focused on traditional agricultural or resource-based industries, located in a county not defined as rural, which has at least three or more of the economic distress factors identified in paragraph (c) and verified by the department.

Additional information about Rural Areas of Opportunity can be found on the Florida Department of Commerce website: <https://www.floridajobs.org/community-planning-and-development/rural-community-programs/rural-areas-of-opportunity> (also available by clicking [here](#)).

- C. Submission Requirements and Financial Arrears

¹ References to the RFA Webpage refer to <https://www.floridahousing.org/programs/developers-multifamily-programs/competitive/2024/2024-206> which can be accessed [here](#).

1. Submission Requirements

Florida Housing strongly recommends that the Application Fee of \$3,000 be submitted at least 2 business days in advance of the Application Deadline. In the event that the online submission is not received, the payments will be refunded.

At least 24 hours prior to the Application Deadline, the Corporation expects to post a list of the check numbers and wire/ACH reference numbers for all Applications that follow the above recommendation. If the online submission is not received by the Application Deadline, the payment will be refunded.

2. Financial Arrearage Requirement

3. If the Attachment document is bookmarked, the Application will be awarded 5 points.

D. Section Four of the RFA outlines instructions for completing Exhibit A

1. Review of Application

During the Review Committee scoring process, the Corporation (i) may rely on the answers submitted by the Applicant in Exhibit A, the Development Cost Pro Forma, and the Principal Disclosure Form; and (ii) may, but is not obligated to, review the substance of the documentation that is submitted as Attachments to the Application.

If it is determined that the Attachments do not meet the RFA requirements or the Applicant submitted materially incorrect information in the Application, the Corporation may take any or all of the following actions, even if the Application was not selected for funding, was deemed ineligible, or was withdrawn: deem the Application ineligible, rescind the award, and consider all Principals of the Applicant to have made a material misrepresentation subject to Section 420.518, F.S.

2. Demographic Commitment

The Demographic Commitment may be Family or Elderly, non-Assisted Living Facility.

3. Applicant/Developer/Management Company/Contact Person

a. Applicant

(1) State the name of the Applicant.

(2) Evidence that Applicant is legally formed entity qualified to do business in Florida as of Application Deadline

The Corporation is aware of the May 1st deadline for filing the annual report with the Division of Corporations and will accept a Certificate of Good Standing for the Applicant that reflects an expiration date of December 31 of either the current year or previous year.

(3) If applying as a Non-Profit, the Applicant must meet the definition of a Non-Profit as set out in Rule 67-48, F.A.C., and provide documents outlined in RFA.

Demonstration of how the Non-Profit entity is materially and substantially participating in the predevelopment, management, and operation of the proposed Development (throughout the Compliance period, within the meaning of the material participation as defined in 26 USC §469, 26 USC §42), will be demonstrated by submitting the Executive Director Certification of Non-Profit Entity Material Participation form (Rev. 09-22);

The Applicant's Non-Profit status will be verified during credit underwriting. If this cannot be verified, the Applicant will no longer be considered a Non-Profit Applicant.

(4) HOME Community Housing Development Organization (CHDO)

If applying as a CHDO, the Applicant must provide documents outlined in RFA. There is a goal to fund one CHDO Application, with a preference that it be in a Tier 1 County.

b. Developer Information

- (1) Name of Developer (including all co-Developers);
- (2) Evidence each Developer is a legally formed entity qualified to do business in Florida as of Application Deadline

The Corporation is aware of the May 1st deadline for filing the annual report with the Division of Corporations and will accept a Certificate of Good Standing for the Developer(s) that reflects an expiration date of December 31 of either the current year or previous year.

(3) Developer Experience

(a) Previous Affordable Housing Experience Funding Preference

To meet this preference, at least one natural person Principal of the Developer entity, or if more than one Developer entity, at least one natural person Principal of at least one of the Developer entities, must demonstrate experience in the completion of at least one affordable rental housing development consisting of a total number of units no less than 50 percent of the total number of units in the proposed Development.

(b) HOME Funding Experience Preference

To meet this preference, at least one development that meets the Previous Affordable Housing Experience Funding Preference must consist of at least 12 total units funded with HOME Funding.

(4) Required General Contractor Experience

The General Contractor or qualifying agent of the General Contractor identified in the Application must have all of the following:

- Must have the requisite skills, experience and credit worthiness to successfully produce the units proposed;
- Must construct the proposed Development in accordance with the design plans and specifications as prepared by the licensed Architect;
- Must not have allowed required insurance to lapse and/or had insurance force-placed by a lender on any Florida Housing Development funded within the past five years;
- Must not be a General Contractor on a Development that was awarded HOME funding from any RFA issued by the Corporation in 2017 or earlier that has not had the final draw of HOME funds by Application Deadline;
- Must have been the General Contractor on the completion* of at least two developments, where each Development consists of a total number of units of no less than 50 percent of the total number of units in the proposed Development; and
- Either (i) must have Davis-Bacon experience using federal funding in at least one project**; or (ii) at least one of the completed developments described in (b) below must have been subject to Davis Bacon Requirements.

*Completion means the certificate of occupancy has been issued for at least one building.

**Experience with using any federal funding that includes Davis-Bacon Requirements such as CDBG funding on an infrastructure project.

c. Principals of the Applicant and Developer(s) Disclosure Form

(1) Eligibility

The Principals Disclosure Form must identify the Principals of the Applicant and each Developer, pursuant to the RFA, as of the Application Deadline. Per subsection 67-48.002(94), F.A.C., any Principal other than a natural person must be a legally formed entity as of the Application Deadline.

(2) Advance Review Process (5 points)

Applicants will receive 5 points if the uploaded Principal Disclosure Form was 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.

The Advance Review Process for Disclosure of Applicant and Developer Principals is available on the RFA Webpage.

d. Management Company Information

(1) Contact information on Management Company

(2) Required General Management Company experience

The Management Company or a principal of the Management Company must have managed at least two affordable rental housing properties, at least one of which consists of a total number of units no less than 50 percent of the total number of units in the proposed Development, for at least two years each.

e. Authorized Principal Representative / Operational Contact Person

The Authorized Principal Representative (a) must be a natural person Principal of the Applicant listed on the Principal Disclosure Form; (b) must have signature authority to bind the Applicant entity; (c) must sign the Applicant Certification and Acknowledgement section of Exhibit A; and (d) if funded, will be the recipient of all future documentation that requires a signature. The Operational Contact Person is optional.

4. General Proposed Development Information

a. Development Name

b. Development Category

Development Category must be new construction, with or without acquisition. All units must consist entirely of new construction units. Rehabilitation of existing units is not allowed. Demolition of current structures is allowed, subject to Davis Bacon regulations and, if occupied, Uniform Relocation Act as described in Section Four, A.11. of this RFA.

c. Characteristics of Development

(1) Development Type (Single Family Homes including HUD-approved modular homes that are installed by certified contractors; Duplexes; Quadraplexes; Garden Apartments (a building comprised of 1, 2 or 3 stories, with or without an elevator).

Note: Any dwelling unit that consists of more than one story, (e.g. Townhouse), is prohibited for Elderly Set-Aside Units. A residential building that consists of more than one story is not prohibited for Elderly Set-Aside Units if there is a minimum of one elevator per residential building provided for all Elderly Set-Aside Units that are located on a floor higher than the first floor.

(2) Enhanced Structural Systems Construction Qualifications

To qualify as “Enhanced Structural Systems Construction” (“ESS Construction”) for purposes of the Total Development Cost Limitation calculation, the proposed Development must meet the ESS Construction qualifications outlined in the RFA.

d. Unit Characteristic Chart

Reflect the appropriate breakdown reflecting the number of units within each of Development Types or ESS/non-ESS Construction, for purposes of the Total Development Cost Per Unit Limitation calculation in the chart of Exhibit A of the RFA.

e. Applicants must state whether construction has commenced as of Application Deadline. Note: If “Yes”, all rules and regulations in 24 CFR Part 92, which includes cross-cutting Federal Regulations, will apply.

5. Location

a. County

This RFA is open to proposed Developments located within an RAO, with the highest preference for Developments that are located within Tier 1 Counties.

(1) All proposed Developments must be located in an RAO

The following areas are deemed RAOs per the Florida Department of Commerce webpage <https://www.floridajobs.org/community-planning-and-development/rural-community-programs/rural-areas-of-opportunity> (also available by clicking [here](#)):

(a) Northwest RAO

Calhoun, Gadsden, Gulf, Holmes, Jackson, Liberty, Wakulla, and Washington counties, and the area within the city limits of Freeport and Walton County north of the Choctawhatchee Bay and intercoastal waterway

(b) South Central RAO

DeSoto, Glades, Hardee, Hendry, Highlands, and Okeechobee counties, and the cities of Pahokee, Belle Glade, and South Bay (Palm Beach County), and Immokalee (Collier County).

(c) North Central RAO

Baker, Bradford, Columbia, Dixie, Gilchrist, Hamilton, Jefferson, Lafayette, Levy, Madison, Putnam, Suwannee, Taylor, and Union counties.

Note: Although Franklin County is also considered a Northwest RAO, it is not eligible in this RFA because it has been deemed a Limited Development Area (LDA) for both the Family and Elderly Demographic Commitments. Information about LDAs can be found on the webpage <https://www.floridahousing.org/programs/developers-multifamily-programs/competitive/lda-information> (also available by clicking [here](#)).

(2) Tier Levels

Each county is assigned a tier, based on estimates of damage from Hurricane Idalia, using the OpenFEMA Housing Assistance Program datasets as of Nov 11, 2023. A chart representing this is available on the RFA Webpage.

(a) Tier 1 Counties that are also RAO

Dixie, Hamilton, Madison, Suwannee, and Taylor

(b) Tier 2 Counties that are also RAO

Columbia, Lafayette, and Levy

(c) Tier 3 Counties that are also RAO

All other RAOs

In the funding selection process, Tier 1 Applications will receive higher priority than Tier 2 Applications. Tier 1 and Tier 2 Applications will receive higher priority than Tier 3 Applications.

- b. Provide the address
 - c. State whether the Development consists of Scattered Sites
 - d. Provide latitude and longitude coordinates for the Development Location Point and, if applicable, the Scattered Sites, stated in decimal degrees, rounded to at least the sixth decimal place.
6. Number of Buildings and Units
- a. Proposed Developments must consist of a minimum of 10 total units. Proposed Development are limited to 50 units.
 - b. Set-Aside Commitments
 - (1) Minimum HOME-Assisted Units

The minimum number of HOME-Assisted Units must meet the minimum requirements of 24 CFR Part 92.
 - (2) Total Number of HOME-Assisted Units Committed for HOME

Low HOME Rent units must be equal to or greater than 20 percent of the total HOME-Assisted units to which the Applicant committed. All remaining HOME-Assisted units will be High HOME Rent units.

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](#)).

The Application will include a section that will automate the calculation of the minimum number of HOME-Assisted Units, Low HOME rent units and High HOME Rent Units.
 - (3) Additional Set-Aside Commitments for proposed Developments

In addition to the HOME Set-Aside commitments in (1) and (2), Applicants must also set aside a total of at least 80 percent of the Development's total units at 60 percent AMI or less.
 - c. Unit Mix

Complete the Unit Mix Chart listing the total number of bedrooms per unit, the total number of bathrooms per unit (including half-baths, if applicable), and the total number of units per bedroom type. Any zero bedroom units must meet the definition of Zero Bedroom Unit.

If Elderly Demographic is selected, at least 50 percent of the total units must be comprised of one-bedroom units and no more than 15 percent of the total units can be larger than two bedroom units.
 - d. Number of residential buildings must be provided.
 - e. Compliance Period - All Applicants are required to set aside the units for 50 years.
7. Readiness to Proceed
- a. A Site Control form is no longer required. Site control documentation must be submitted with the Application.

Applicants must demonstrate site control as of Application Deadline by providing an eligible contract (effective at least through May 31, 2024), a deed, and/or a lease. Developments with an existing Declaration of Trust between a Public Housing Authority and HUD, may provide an Option to Enter

into a Ground Lease Agreement (“eligible agreement”) between the Applicant and the owner of the property.

b. New! - Ability to Proceed forms

The Ability to Proceed forms demonstrating zoning, electricity, roads, water, sewer/package treatment/septic tank will be required to be submitted within 21 Calendar Days of the date of an invitation to enter credit underwriting.

8. Construction Features

In addition to the required Green Building Features for all Developments, select one of the Green Building Certification programs: Leadership in Energy and Environmental Design (LEED); Florida Green Building Coalition (FGBC); Enterprise Green Communities; or ICC 700 National Green Building Standard (NGBS).

9. Resident Programs

- a. If the Family Demographic is selected, provide at least three of the resident programs: After School Program, Health and Wellness Program, Employment Assistance Program, Financial Management Program, and Homeownership Opportunity Program.

New! – Family Resident Program

Health and Wellness Program

Applicant or its Management Company must provide, at no cost to the resident, on-site health and wellness services quarterly. Services should include, but not be limited to, clinical health care needs such as blood pressure monitoring, pulse, temperature, cholesterol, glucose and other wellness screenings, as well as health education and nutrition. Applicant or its Management Company must partner with community health care providers and provide the space for services to be delivered, including offices for a service coordinator, nurse and other health or social services providers. Space must also be provided for group health education.

- b. If the Elderly Demographic is selected, provide at least three of the resident programs, in addition to the required resident programs outlined in the RFA: Financial Management for Elders, Computer Training, Daily Activities, Assistance with Light Housekeeping/Grocery Shopping/Laundry, Resident Assurance Check-In Program.

New! - Elderly Resident Program

Financial Management for Elders

Applicant or its Management Company must provide, at no cost to the resident, a series of classes to provide residents training in various aspects of personal financial management on issues appropriate to elderly households. Classes must be held at least quarterly, consisting of at least two hours of training per quarter, and must be conducted by parties that are qualified to provide training regarding the respective topic area. The topics should include, but not be limited to:

- Tax issues for elders and retirees
- Budgeting tips for fixed income households
- Avoiding scams that target elders
- Strategies to maximize Social Security benefits
- Preparing a will and estate planning

10. Funding

a. Request Amounts

(1) HOME Funding

The maximum HOME Request Amount is limited to the lesser of the Total Maximum Per Unit HOME Rental FHFC Subsidy Limit for the applicable county as calculated using chart below or \$7 million.

Per Unit FHFC Maximum Subsidy Limits					
	0 BR	1BR	2 BR	3 BR	4BR
All Counties	\$ 155,709	\$ 178,497	\$ 217,058	\$ 280,804	\$ 308,233

(2) Live Local SAIL Funding

Each successful Application will also be awarded \$1,500,000 in Live Local SAIL. This will be represented as a source on the Development Cost Pro Forma. The funding amount may increase or decrease in CU, based on overall awards. The Live Local SAIL will be a separate loan and will follow the terms and conditions outlined in Section 67-48.010, F.A.C.

b. Developer Fee for this RFA is based on 16% of Development Cost

c. New! - Total Development Cost Per Unit Limitation is no longer a scored item. A new methodology will be used in credit underwriting

d. Match Amount

Applicants with a higher percentage of Match compared to the Applicant’s Eligible HOME Request Amount will receive a funding preference in the Funding Selection process described in Section Five, B. below.

Eligible forms of Match are cash contributions from nonfederal external sources (related party Match contributions are not allowed). Cash contributions must be permanently contributed to the HOME project and will be a part of the final Sources and Uses. Cash contributions may include donations made by individuals (except for owners or Developers or prospective owners or Developers of the HOME project), private entities, or other public entities for the express purpose of affordable housing.

e. No mortgage will be allowed to have a senior lien position to Corporation funding.

11. HOME Uniform Relocation Act

D. Ranking and Funding Selection

1. Application Sorting Order

Within each Tier, the highest scoring Applications will be determined by first sorting together all eligible Applications from highest score to lowest score, with any scores that are tied separated in the following order:

- a. HOME Funding Experience Preference;
- b. Previous Affordable Housing Experience Funding Preference;
- c. Percentage resulting from the Applicant’s Eligible HOME Request Amount divided by the maximum award amount the Applicant is eligible to request (rounded to two decimal places of the percentage);
- d. Percentage of Match compared to the Applicant’s Eligible HOME Request Amount, (rounded to 2 decimal places of the percentage), by dividing the total Match Amount by the Eligible HOME Request Amount;
- e. Florida Job Creation Funding Preference;

f. Lottery number.

2. Tier Levels

Tier 1 Applications will receive higher priority than Tier 2 Applications. Tier 1 and Tier 2 Applications will receive higher priority than Tier 3 Applications.

3. Goal

There is a goal to fund one CHDO Application with a preference that it is located in a Tier 1 County.

2. County Test

No other proposed Developments within the same county will be selected for funding until all Tier 1 and Tier 2 Counties with eligible Applications have received one award. Then proposed Developments within each Tier 1 and Tier 2 County will be eligible for a second award in the selection process. Then, Tier 3 Counties will be selected.

3. Sorting Order

a. HOME Funding Experience Preference

b. Previous Affordable Housing Experience

c. Percentage resulting from the Applicant's Eligible HOME Request Amount divided by the maximum award amount the Applicant is eligible to request

d. Percentage of Match compared to the Applicant's Eligible HOME Request Amount

e. Florida Job Creation Funding Preference

f. Lottery number

3. Selection Process

a. The first Application selected for funding will be the highest-ranking eligible CHDO Application, with a preference for an Application proposing a Development in a Tier 1 County.

b. The next Applications selected for funding will be the highest-ranking eligible Applications proposing a Development in Tier 1 Counties, subject to the County Test and the Funding Test.

c. If funding remains and no eligible unfunded Applications proposing a Development in a Tier 1 County can meet the County Test and the Funding Test, then the next Applications selected for funding will be the highest-ranking eligible Applications proposing a Development in a Tier 2 County, subject to the County Test and the Funding Test.

d. If funding remains and no eligible unfunded Applications proposing a Development in a Tier 2 County can meet the County Test and the Funding Test, then the steps b. and c. will be repeated, with each county eligible for an additional award. This will be repeated until there are no eligible Applications proposing a Development in a Tier 1 or Tier 2 County that can be fully funded.

e. If funding remains and no eligible unfunded Applications proposing a Development in a Tier 1 or Tier 2 County can meet the County Test and the Funding Test, then the next Applications selected for funding will be the highest-ranking eligible Applications proposing a Development in a Tier 3 County, subject to the County Test and the Funding Test. This will be repeated until there are no eligible Applications proposing a Development in a Tier 3 County that can be fully funded.

f. If funding remains and no eligible unfunded Applications can be fully funded, no further Applications will be considered for funding and any remaining funding will be distributed as approved by the Board.

E. Credit Underwriting Process

F. Exhibits to RFA

1. Exhibit A – Application
2. Exhibit B – Definitions used in RFA that are not defined in Rule
3. Exhibit C – Additional Information
 - a. Total Development Cost Limitation Test methodology used in credit underwriting
 - b. Florida Job Creation Funding Preference
 - c. Fees
 - d. Additional Requirements
4. Exhibit D – Timeline
5. Exhibit E and F – intentionally omitted
6. Exhibit G - Tenant Application and Selection Requirements

G. Other Important Information

1. Public comment link on each RFA Webpage for viewing and submitting public comments
2. Question and Answers process outlined in Section Three, D. of the RFA
3. Expected Timeline

Issue RFA:	January 23, 2024
RFA Due Date:	February 14, 2024
Review Committee Meeting (make recommendations to Board)	March 7, 2024
Request Board Approval of Recommendations	March 26, 2024

H. Other Discussion Topics

1. Updated Davis-Bacon regulations
2. Build America, by America will be required beginning in 2025.