

Florida Housing Finance Corporation
Agenda for Second Conceptual Workshop RFA 2024-214 Live Local Act Funding for Redevelopment of Properties
January 30, 2024, 2:00 p.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.
Registration information is available on RFA Webpage¹

1. Introductions and Overview

This is the second conceptual workshop in which the Corporation is presenting a proposed approach to allocate funding according to the Live Local Act set forth in Section 420.50871(1)(a), F.S. The funding is intended to both redevelop an existing affordable housing development and provide for the construction of a new development within close proximity to the existing development to be rehabilitated. Each project must provide for building the new affordable housing development first, relocating the tenants of the existing development to the new development, and then demolishing the existing development for reconstruction of an affordable housing development with more overall and affordable units.

The purpose of this workshop is to go over major items discussed at the first workshop that we were looking for public feedback on or have added since the first workshop.

2. Definitions

New Development – a newly constructed affordable multifamily Development within the same county and within 1 mile of the Occupied Development and with at least as many units as the Occupied Development.

Occupied Development – affordable multifamily development that is at least 75% occupied.

Reconstructed Development – a newly constructed affordable multifamily Development with more units than the Occupied Development. The site for the Reconstructed Development may be larger or smaller than the site for the Occupied Development, but a portion of the Reconstructed Development’s site must be on the Occupied Development’s site.

3. Concurrent New Development and Reconstruction Development Applications

Florida Housing proposes to change the approach that was discussed at the first workshop and now proposes that the New Development and Reconstruction Development applications are submitted concurrently.

a. Benefits to concurrent applications

Concurrent applications will eliminate uncertainty of the Applicant to complete both Developments in a timely manner, allow cost and pricing efficiencies, and deliver the units quickly.

b. Deal structure/underwriting

c. Application process

- (1) It is anticipated that two applications will be submitted with this RFA, one for the New Development and one for the Reconstruction Development (two separate application numbers). There will be questions in the application that will allow Florida Housing to link the two applications together as the New Development and the Reconstruction Development.
- (2) Both applications will be scored. If one application fails to be eligible for funding, the other application would also be ineligible for funding.
- (3) In the funding selection process, the highest-ranking New Developments will be selected for funding. If a New Development is selected for funding, the linked Reconstruction Development will be automatically selected for funding as well so that both Applications will be funded at the same time.

¹ References to the RFA Webpage refer to <https://www.floridahousing.org/programs/developers-multifamily-programs/competitive/2024/2024-214> which can be accessed [here](#).

- (4) We anticipate that \$20 million in Live Local Act Funding will be reserved from the 2024-2025 appropriation for the Reconstructed Developments selected for funding here.

4. Funding Sources

The Live Local SAIL funding offered in this RFA must be used in conjunction with Tax-Exempt Bonds and Non-Competitive Housing Credits. For purposes of this requirement, the Applicant will NOT utilize the Non-Competitive Application Package to apply for (i) Corporation-issued MMRB and the Non-Competitive Housing Credits or (ii) Non-Competitive Housing Credits to be used with Non-Corporation-issued Tax-Exempt Bonds (i.e. issued by a Public Housing Authority (established under Chapter 421, F.S.), a County Housing Finance Authority (established pursuant to Section 159.604, F.S.), or a Local Government). Instead, the Applicant is required to apply for the MMRB and/or Housing Credits as a part of its Application for the Live Local SAIL funding.

We are still taking public feedback on interest in being able to utilize the Live Local SAIL funding on a stand-alone basis without Tax-Exempt Bonds and 4% Housing Credits.

5. Relocation of Residents discussion

Should Florida Housing award a preference for Developments that have units or other accommodations in place to relocate tenants?

Should Florida Housing award a preference for Applicants that demonstrate successful experience in relocating tenants?

6. Priority 1 Application Limitation

Principals of the Applicant and Developer will be limited to one Priority 1 New Development/Reconstruction submission. There is no limit to the number of Priority 2 submissions.

7. Highest and Best Use of the Property

Best determined utilizing an appraisal, informed by a CNA?

8. Age of Development

The Occupied Development must have been built at least 30 years prior to the Application Deadline; however, when selecting New Development Applications in the Funding Selection Process, New Developments with an Occupied Development built at least 50 years prior to the Application Deadline will qualify for the Age of Development Preference in the selection process.

9. Number of Units

a. Minimum number of Units

The Occupied Development must consist of a minimum of 50 total units.

The New Development must consist of at least as many units as the Occupied Development. To qualify for the Number of Units preference, there must be an increase of at least 20% in the number of set-aside or naturally occurring affordable units.

The requirement presented at the last workshop that the Reconstructed Development must consist of at least 50% more set-aside or naturally occurring affordable units than the Occupied Development **will not be a requirement in the RFA.**

b. There will be no maximum number of units.

10. Unit Mix

The New Development and the Reconstructed Development may include a different Unit Mix than what is available in the Occupied Development, but must meet all RFA requirements below:

- a. If the Elderly Demographic Commitment is selected, at least 50% of the total units must be comprised of one bedroom or Zero Bedroom Units, and no more than 15% of the total units can be larger than two-bedroom units.
- b. If the Family Demographic Commitment is selected, not more than 25% of the total units in the Development may consist of Zero Bedroom units.

11. Funding Amounts

- a. The Live Local SAIL Funding request limit is limited to the lesser of the following, regardless of whether the request amount is entered for the New Development or the Reconstruction Development:
 - Live Local SAIL Base Request per unit plus the ELI Funding Amount (if applicable) as indicated below:
 - If the Applicant did not commit to the Average Income Test, a Live Local SAIL Base Request of \$125,000 per unit plus the ELI Loan Funding Amount not to exceed the lesser of (i) \$1,000,000; or (ii) the maximum amount based on the ELI Set-Aside per unit limits.
 - If the Applicant did commit to the Average Income Test, a Live Local SAIL Base Request of \$125,000 per unit.

Note: Applicants that commit to the Average Income Test will not be eligible for ELI funding.
 - A Total Live Local SAIL Request (Live Local SAIL Base Loan plus ELI) for each Development that is equal to or less than of 35% of the Total Development Cost
 - A Total Live Local SAIL Request (Live Local SAIL Base Loan plus ELI) for each Development, based on the county
 - If the Development is in a Large County, the total Live Local SAIL Request for the Development cannot exceed \$12 million
 - If the Development is in a Small or Medium County, the total Live Local SAIL Request for the Development cannot exceed \$8 million
- b. The portion of the Live Local SAIL Loan attributable to the ELI Funding shall be forgivable.
- c. Tax-Exempt Bonds:
 - (1) Corporation-issued MMRB; or
 - (2) Non-Corporation-issued Tax-Exempt Bonds (i.e., bonds obtained through a Public Housing Authority (established under Chapter 421, F.S.), a County Housing Finance Authority (established pursuant to Section 159.604, F.S.), or a Local Government
- d. Non-Competitive 4% HC
- e. Developer Fee for this RFA is based on 18% of Development Cost

12. Timing of RFA

Florida Housing is seeking public comments on these topics. The current intention is to hold an RFA Workshop late February/early March and issuing an RFA by late March/early April, pending comments received.