

Florida Housing Finance Corporation
Agenda for Conceptual Workshop RFA 2024-215 Live Local Act Funding
for Multifamily Developments near Military Installations
January 18, 2024 at 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 the RFA Webpage¹

Overview

1. Introduction

This is the first conceptual workshop regarding Developments near military installations. Florida Housing has been and continues to perform due diligence in understanding military installations, personnel, and the surrounding area's needs. The Corporation encourages public comment regarding the presented materials including but not limited to services provision, feasibility, proximity to the base and community resources, and other items identified within the conceptual agenda. As part of the development of this RFA, the Corporation expects to have regional meetings to garner feedback from military and veteran stakeholders to help better guide efforts.

2. Purpose of RFA

This Request for Applications (RFA) is open to Applicants that, as stated in the Live Local Act set forth in Section 420.50871, F.S., created by the Florida Legislature under Section 32 of the Live Local Act of 2023, provide housing near military installations in this state, with preference given to projects that incorporate critical services for servicemembers, their families, and veterans, such as mental health treatment services, employment services, and assistance with transition from active-duty service to civilian life.

The work will be done utilizing State Apartment Incentive Loan (SAIL) funding as gap financing in conjunction with (a) Tax-Exempt Bond financing (i.e., Corporation-issued Multifamily Mortgage Revenue Bonds (MMRB) or Non-Corporation-issued Tax-Exempt 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); and (b) Non-Competitive Housing Credits (Housing Credits).

Funding available

A. State Apartment Incentive Loan (SAIL)

An estimated \$23 million in SAIL funding appropriated by the Live Local Act set forth in Section 420.50871, F.S., created by the Florida Legislature under Section 32 of the Live Local Act of 2023, will be made available in this RFA.

*The remaining funding appropriated through Section 420.50871 F.S. has been or will be issued through one or more separate RFAs and will address criteria in Section 420.50871(1) AND (2), F.S., that are not addressed in this RFA such as Redevelopment of properties and rural areas of opportunity.

B. Tax-Exempt Bonds and Non-Competitive Housing Credits (Housing Credit)

The 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

¹ References to the RFA Webpage refer to <https://www.floridahousing.org/programs/developers-multifamily-programs/competitive/2024/2024-215> which can be accessed [here](#).

(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 SAIL funding.

Overview of the RFA

1. Residents of Developments

a. Residents of the development will be the general population with at least 50 percent of the units serving residents that meet the definitions of Active Duty or Veterans below. Additionally, all Developments must set aside the greater of 5 units or 5 percent of the total units for Veterans Experiencing Homelessness.

- Active Duty Members/Household– Full-time duty in the active military service of the United States, including active duty or full-time training duty in the Reserve Component.
- “Homeless” or “Homeless Household” means an individual who lacks a fixed, regular, and adequate nighttime residence and also includes an individual who:

- (1) is sharing the housing of other persons due to loss of housing, economic hardship, or a similar reason;
- (2) is living in a motel, hotel, travel trailer park, or camping ground due to a lack of alternative adequate accommodations;
- (3) is living in an emergency or transitional shelter;
- (4) has a primary nighttime residence that is a public or private place not designed for, or ordinarily used as a regular sleeping accommodation for human beings;
- (5) is living in a car, park, public space, abandoned building, bus or train station, or similar setting; or
- (6) is a migratory individual who qualifies as homeless because he or she is living in circumstances described in paragraphs (1)-(6).

The terms do not refer to an individual imprisoned pursuant to state or federal law or to individuals or families who are sharing housing due to cultural preferences, voluntary arrangements, or traditional networks of support. The terms include an individual who has been released from jail, prison, the juvenile justice system, the child welfare system, a mental health and developmental disability facility, a residential addiction treatment program, or a hospital, for whom no subsequent residence has been identified, and who lacks the resources and support network to obtain housing.

- Veterans Experiencing Homelessness – Veterans, as defined below, that also meet the definition of Homeless as defined above.
- Veteran means a person who served in the active military, naval, or air service and who was discharged or released under honorable conditions only or who later received an upgraded discharge under honorable conditions, notwithstanding any action by the United States Department of Veterans Affairs on individuals discharged or released with other than honorable discharges.

b. Lead agency partnerships

The Applicant will be expected to partner with the appropriate lead agency(ies) serving the intended residents in the area where the property is located. These partners could include the military housing office, veterans affairs, Public Housing Authorities, etc.

It is expected that the Applicant will form partnerships with a lead agency(ies), so that agency may provide the Development with referrals from their pool of eligible households and/or coordinate with the Development regarding services provided by the lead agency or another provider within the lead agency’s network.

After consultation with additional stakeholders, the corporation will provide a list of lead agencies, associated demographics, and a Memorandum of Agreement template.

3. Applicant and Developer

a. Applicant Information

The Applicant must be a legally formed entity [i.e., limited partnership, limited liability company, etc.] qualified to do business in the state of Florida as of the Application Deadline.

The Applicant entity must be a Single Purpose Legal Entity as required by Section 42 of the IRC. The military installation cannot be the sole entity of the Applicant structure because it will not meet the Single Purpose Legal Entity definition.

b. Developer Information

a. Each Developer is a legally formed entity qualified to do business in Florida as of Application Deadline.

b. Required Developer Experience

A natural person Principal of at least one experienced Developer entity, which must be disclosed as a Principal of the Developer on the Principals of the Applicant and Developer(s) Disclosure Form, Rev. 05-2019, ("Principal Disclosure Form"), must have, since January 1, 2004 completed at least one multifamily rental housing development that consists of a total number of units no less than 50 percent of the total number of units in the proposed Development.

The individual meeting the Developer Experience requirements must be disclosed as a Principal of the Developer on the Principal Disclosure Form and must remain with the Development until the release of the operating deficit guarantee set forth in subsection 67-48.0072(18), F.A.C.

4. The Development must be 100% new construction.

5. Location

a. Location of military installation

The statutory language states that the housing must be near military installations. This RFA will focus on supporting the general population and identified demographics in the Northern part of the state through the funding of two developments. (Note: Florida Housing expects to rotate Regions in future years.) Military installations that meet this criteria are:

Northeast Region Military Installations

- Clay County - Camp Blanding
- Duval County - NAS Jacksonville
- Duval County - NS Mayport

Northwest Region Military Installations

- Bay County - NSA Panama City
- Bay County - Tyndall AFB
- Escambia County - NAS Pensacola
- Okaloosa County - Eglin AFB
- Okaloosa County - Hurlburt Field
- Santa Rosa County - NAS Whiting Field

The Corporation has a goal to fund one Development in the Northeast Region and one in the Northwest Region.

The Corporation proposes to define “near” as the Development must be within 5 miles of the main public gated entrance to a military installation, but cannot be on the military installation site.

- b. Preference for Applications with strong proximity to public transportation and other community services

The Transit Services Applicants may select are Public Bus Stop, Public Bus Rapid Transit Stop, Public Bus Transfer Stop, and Rail Station. The Community Services that are available to all Demographics are Grocery Store, Medical Facility, Pharmacy, and Public School; however, **only three of the four Community Services may be selected for each Application**, for a maximum 4 Points for each service.

There is no minimum eligibility requirement for transit points or total proximity score in this RFA. Application may still be eligible for funding even if the Application achieved zero proximity points. Proximity points will only be used to determine whether the Applicant meets the Proximity Funding Preference outlined in the chart below.

Application Qualifications	Minimum Total Proximity Points that Must be Achieved to Receive the Proximity Funding Preference
Large County Applications	12.5 or more
Medium County Applications	9.0 or more
Small County Applications	6.0 or more

6. Number of units

- a. Minimum number of Units

The Corporation is proposing that the Development consists of a minimum of 75 total units.

- b. Corporation Considerations regarding the Set-Aside Requirements

(1) Minimum Set-Aside Commitments per Section 42 of the IRC

Per Section 42 of the IRC, elect one of the following minimum set-aside commitments:

- 20% of the units at 50% or less of the Area Median Income (AMI)
- 40% of the units at 60% or less of the AMI
- Average Income Test

(2) Additional set-aside commitments and considerations

- (a) The Corporation intends to require additional set-aside commitments in addition to the ones required by Section 42. A frequent requirement in general occupancy RFAs is that the Corporation requires at least 80% of the total units be set-aside as affordable housing units, with at least 10% of the total units set aside to serve Extremely Low-Income Units (ELI Units).
- (b) The Corporation acknowledges that many Active Duty Households may have household incomes that exceed 60% of the AMI.
- (c) Assessing household income

- c. Unit Mix

Shared Housing, a rental dwelling unit that is shared by residents that have independent leases and who are not related or significant others, is not allowed.

- d. Compliance Period - All Applicants are required to set aside the units for 50 years.

7. Readiness to Proceed

Applicants must demonstrate site control as of Application Deadline by providing an eligible contract (effective at least 3 months after the Application Deadline), a deed, and/or a lease. If there is an existing Declaration of Trust recorded on the subject property, the Applicant may provide an Option to Enter into a Ground Lease Agreement (“eligible agreement”) between the Applicant and the owner of the property.

Leases for Active Duty Households must include clause acknowledging that the Lease may terminate without penalty if an Active Duty Household must move out of unit at any time during the lease period due to deployment or transfer.

8. Construction Features

- a. Federal Requirements and State Building Code Requirements
- b. General Features
- c. Accessibility, Adaptability, Universal Design and Visitability Features
- d. Green Building Certification

One of the Green Building Certification programs must be selected: 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

Resident Programs will be broken into two categories: General Programs and Selected Demographic Resident Services Coordination.

- a. General Programs

Applicants will be required to select three of the following resident programs: After School Program, Health and Wellness Program, Employment Assistance Program, Financial Management Program, and Homeownership Opportunity Program.

- b. Selected Demographic Resident Services Coordination

In addition to the selection of three general programs above, there must be an active component of Resident Services Coordination that links the residents to specific services located in the community.

This ensures that the tenants benefiting from this housing are served by organizations that have experience or contract with someone that connects residents to services and resources that are beneficial to the residents. The intent of these services is that they are voluntary for the residents but available onsite or are easily accessible within the community.

10. Funding

- a. SAIL

The Total SAIL Request equals the SAIL Base Request in (1) plus the ELI Request in (2) below. The **Total** SAIL Request cannot exceed the lesser of \$11,500,000 or 35% of the Total Development Cost.

- (1) Eligible SAIL Base Loan Request Amount is limited to the lesser of
 - \$11,000,000 per Development that is located in a Large County, and has a Development Category of New Construction;
 - \$9,500,000 per Development that is located in a Medium County, and has a Development Category of New Construction;
 - \$8,000,000 per Development that is located in a Small County, and has a Development Category of New Construction;
 - \$95,000 per unit.

- (2) ELI Funding Amounts

Applicants that commit to the Average Income Test will not be eligible for ELI funding.

All other Applicants are eligible for ELI funding for each ELI Set-Aside unit, not to exceed the lesser of (i) \$1,000,000; or (ii) the maximum amount based on the ELI Set-Aside per unit limits.

- (3) The amount of the loan is dependent upon the county where the proposed Development is located and the Development's unit mix.
- (4) The ELI Loan shall be forgivable and is subject to the credit underwriting and loan terms and conditions outlined in the RFA.

- b. 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

- c. Non-Competitive 4% HC

- d. Development Cost Pro Forma

- e. Developer Fee for this RFA is based on 18% of Development Cost

11. Narrative Scoring

Applicants must submit narrative descriptions of the services available to support Veterans and Active Duty Members, including those Activity Duty Members transitioning out of military service. The Corporation recognizes that services may look different depending on the demographic under consideration. The Corporation also recognizes that many services are provided either on-base or by other institutions for these demographics.

Within the narrative applicants must describe the demographic their intended service plans to support (e.g., Active Duty Members, Veterans or dependents of Active Duty Members, Veterans), and how the service will address that demographic. Applicants must select at least one demographic but may include more than one. Applicants must describe the type of services available and provide the identified provider's experience in that service area. The types of services may fall into the following categories, and appropriateness for the demographic is demonstrated:

- a. Mental Health Services, Employment Coordination, Services Coordinator; and
- b. General Needs and Services.

Narrative points will be awarded based on the information provided and will only be used to determine whether the Application is deemed Tier 1 or Tier 2. Those Applications with the highest points will be deemed Tier 1. Other Applications with lower scores will be Tier 2. Tier 1 Applications will be selected first in the selection process.

Sorting Order

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:

1. Tier Status;
2. Leveraging Classification – FHFC will deem the lowest (best) 60% of the Applications to have an “A” Leveraging. The next 20% of the Applications will be deemed a “B”, and the final 20% of the Applications will be deemed a “C”.
3. Proximity Funding Preference
4. Florida Job Creation Preference
5. Lottery

Goals

The Corporation could have a goal to fund one Development in the Northeast Region and one in the Northwest Region.

Other

1. Any remaining funding will be used in a subsequent RFA pursuant to s 420.50871. Florida Housing anticipates reviewing the Applications that were selected for funding and determining how that aligns with s. 420.50871 (1) and (2). Additional RFAs are anticipated to use remaining funding and address outstanding aspects of the statutory language.
2. The Corporation expects to have at least one additional workshop. A listserv will be sent when this information is available.