

**REQUEST FOR APPLICATIONS 2024-305**

**Community Development Block Grant — Disaster Recovery  
to be used in Conjunction with Tax-Exempt Bonds and  
Non-Competitive Housing Credits in Counties  
Deemed Hurricane Sally Recovery Priorities**

**Issued By:**

**FLORIDA HOUSING FINANCE CORPORATION**

**Issued: April 24, 2024**

**Due: May 21, 2024**

## SECTION ONE INTRODUCTION

In September 2020, Hurricane Sally made landfall causing devastation in the Florida Panhandle. This Request for Applications (RFA) is open to Applicants proposing the construction of affordable housing utilizing Community Development Block Grant Disaster Recovery (CDBG-DR) funding for Developments in Hurricane Sally impacted counties and based on the available impact criteria and FEMA data. Florida was allocated CDBG-DR funding from the United States Department of Housing and Urban Development (HUD) for award under the Florida Department of Commerce Workforce Affordable Housing Construction Program. The proposed developments must help address the unmet need in the HUD-Designated Most Impacted and Distressed (“HUD-Designated MIDs”), or other areas impacted by the storms and deemed as a priority by the State that are not HUD MIDs (“State-Designated MIDs”).

- HUD-designated MIDs: Escambia and Santa Rosa
- State-designated MIDs: Bay, Okaloosa, Walton

***Applicants that are selected to receive funding will be invited to enter credit underwriting and will be expected to complete the credit underwriting process, including Board approval of the credit underwriting report, complete the Development and be occupied on or before September 22, 2027.***

### A. CDBG-DR Funding

Florida Housing Finance Corporation (the Corporation) expects to offer an estimated \$23,750,000 in funding for this RFA. The request amounts are outlined in Section 10 of this agenda.

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

Applications of proposed Developments in Okaloosa, Santa Rosa, and Walton Counties must consist of a minimum of 10 units. If a proposed Development consists of less than 50 units, the Application is only eligible for CDBG-DR Funding and not Tax-Exempt Bond Financing or Non-Competitive Housing Credits. If a proposed Development in Okaloosa, Santa Rosa, and Walton Counties consists of at least 50 units, the Application may request either (i) CDBG-DR Funding only; or (ii) utilize Tax-Exempt Bond Financing and Non-Competitive Housing Credits in conjunction with the request for CDBG-DR funding.

Applicants of proposed Developments in Bay or Escambia County must request Tax-Exempt Bond Financing and Non-Competitive Housing Credits. 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 CDBG-DR funding.

If, prior to the submission of the Applicant's Application in response to this RFA, the Applicant submits or has already submitted a Non-Competitive Application for the Development proposed in this Application, such previous Non-Competitive Application will not be considered and the Applicant will be required to request the Corporation-issued MMRB and/or Non-Competitive Housing Credits as a part of this Application request, as outlined above.

If the proposed Development is not selected for funding or if the Applicant's funding award is rescinded, and the Applicant still wishes to receive the MMRB and/or Non-Competitive Housing Credits, the Applicant will be required to submit a new Application for such funding using the Non-Competitive Application Package that is in effect at that time.

Proposed Developments are not eligible for any funding offered in this RFA if the Applicant has already closed on the Tax-Exempt Bond financing prior to the Application Deadline for this RFA. In addition, proposed Developments are not eligible to receive any funding awarded through this RFA if the Applicant closes on the Tax-Exempt Bond financing prior to the issuance of the preliminary commitment for funding awarded in this RFA. If the Bonds are closed between the Application Deadline and issuance of the preliminary commitment, the Applicant's award will be rescinded.

The Corporation is soliciting applications from qualified Applicants that commit to provide housing in accordance with the terms and conditions of this RFA, inclusive of all Exhibits, applicable laws, rules and regulations, and the Corporation's generally applicable construction and financial standards.

## **SECTION TWO DEFINITIONS**

Capitalized terms within this RFA shall have the meaning as set forth in this RFA, in Exhibit B, Rule Chapters 67-21, F.A.C. (effective June 28, 2023) and 67-60, F.A.C., (effective July 6, 2022) or in applicable federal regulations.

## **SECTION THREE PROCEDURES AND PROVISIONS**

*Unless otherwise stated within the RFA, the Application package, forms and other information related to this RFA may be found on the RFA Webpage at <https://www.floridahousing.org/programs/developers-multifamily-programs/competitive/2024/2024-305> (also available by clicking [here](#)).*

### A. Submission Requirements

#### 1. Application Deadline

The Application Deadline is **3:00 p.m., Eastern Time, on May 21, 2024.**

#### 2. Completing the Application Package

##### a. Downloading and completing the documents provided by the Corporation

Download and complete the following documents found on the RFA Webpage:

- (1) The Application/Development Cost Pro Forma (Exhibit A of the RFA); and
- (2) The Principals of the Applicant and Developer(s) Disclosure Form (Form Rev. 05-2019) (“Principals Disclosure Form”). A Principals Disclosure Form that was approved during the Advance Review Process, which is described in Section Four A.3.c. of the RFA, may be used to satisfy this requirement.

The download process may take several minutes. Applicants should save these documents with a file name that is unique to the specific Application.

b. Creating the All Attachments Document

In addition to the documents described in a. above, the Application Package also includes one copy consisting of all of the applicable completed Attachments described in the RFA (“All Attachments Document”).

Compile all of the attachments described in the RFA into one pdf file separated by pages labeling each Attachment to create the All Attachments Document. This may be accomplished by merging the documents using a computer program such as Adobe Acrobat Pro or by scanning all of the attachments together.

As described in Section Four, B.2., to be awarded 5 points, bookmark the pdf of the All Attachments Document before uploading. It is not necessary to bookmark the individual documents within the Application Package (e.g. the Exhibit A document or the Principal Disclosure Form). Acrobat Standard DC or Acrobat Pro DC are the programs required to create bookmarks. Note: The Corporation has provided instructions on how to bookmark the Attachments as well as sample pages that may be used to separate the attachments on the RFA Webpage. If any of the attachments are not applicable, the Applicant should insert a page stating “Not Applicable” behind the separation page.

3. Uploading the Application Package

To upload the Application Package described in 2.a. above:

- a. Go to the RFA Webpage.
- b. Click the link to login and upload the Application Package. Note: A username and password must be entered. If the Applicant has not previously created a username and password, the Applicant will need to create one prior to the upload process.
- c. After successfully logging in, click “Upload Application Package.” Enter the Development Name and click “Browse” to locate the following completed documents saved on the Applicant’s computer:

- (1) The Application (Exhibit A) in Excel format;
- (2) The Principals Disclosure form in Excel format. (If the Applicant received an approved Principals Disclosure Form through the Advance Review Process, the approved form is what should be uploaded);
- (3) The All Attachments Document in a pdf format.

The average file size is 1.0 MB and may take a few minutes to upload. Larger files may take longer to upload. There is a file size limit of 15 MB, but this may be reduced without reducing the number of pages submitted. Examples of factors that affect file size include the resolution of the scanner or scanning the documents in color or as a graphic/picture.

- d. After the documents are displayed in the Upload webpage, click “Upload Selected Files” to electronically submit the documents to the Corporation by the Application Deadline. Then the Uploaded Application (consisting of all four documents comprising the Application Package), and its assigned Response Number will be visible in the first column.

For scoring purposes, the Corporation will not consider any documentation beyond the Application Package that is uploaded as described above.

Note: If the Applicant clicks “Delete” prior to the Application Deadline, the Application will no longer be considered a Submitted Application and the Applicant will be required to upload the Application Package again in order for these documents to be considered an Uploaded Application. This will generate a new Response Number.

#### 4. Submitting the Application Fee

##### a. Application Fee

By the Application Deadline, provide to the Corporation the required non-refundable \$3,000 Application fee, payable to Florida Housing Finance Corporation via check, money order, ACH, or wire transfer.

To ensure that the Application Fee is processed for the correct online Application, the following is ***strongly recommended***: (i) whether paying by check, money order, ACH or wire transfer, include the Development Name, RFA number with the payment; and (ii) if paying by wire, include the Federal Reference Number, or if paying by ACH, include the Trace Number at question B.1 of Exhibit A.

To ensure that the Application Fee is received prior to the Application Deadline, the following is ***strongly recommended***: (i) provide the Application Fee at least two business days prior to the Application Deadline; (ii) if paying by check or money order, provide the payment in person or via method requiring signature upon delivery, (iii) if paying by wire or ACH, ensure with banking institution that funding has been received by Florida Housing.

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.

**ACH Instructions:**

**BANK NAME:** Wells Fargo  
One Independent Drive, 8<sup>th</sup> Floor  
Jacksonville, Florida 32202

**ABA #:** 121000248

**ACCOUNT NAME:** FHFC

**ACCOUNT #:** 4967822909

**Wire Transfer Instructions:**

**BANK NAME:** WELLS FARGO BANK, N.A.  
420 MONTGOMERY STREET  
SAN FRANCISCO 94104  
United States of America (US)

**ABA #:** 121000248

**ACCOUNT NAME:** FHFC

**ACCOUNT #:** 4967822909

**Check or Money Order Instructions:**

**Payable to:** Florida Housing Finance Corporation

**Mailing Address:** Attn: Marisa Button  
Florida Housing Finance Corporation  
227 N. Bronough Street, Suite 5000  
Tallahassee, Florida 32301

5. Assigning Lottery Numbers

After 3:00 p.m., Eastern Time, on the Application Deadline, each Application for which an electronically submitted copy is received by the Application Deadline will be assigned an Application number. In addition, these Applications will be assigned a

lottery number by having the Corporation's internal auditors run the total number of Applications received through a random number generator program.

6. Withdrawing an Application

Pursuant to subsection 67-60.004(2), F.A.C., any Applicant may request withdrawal of its Application from a competitive solicitation by filing a written notice of withdrawal with the Corporation Clerk. For purposes of the funding selection process, the Corporation shall not accept any Application withdrawal request that is submitted between 5:00 p.m., Eastern Time, on the last business day before the date the Review Committee meets to make its recommendations until after the Board has taken action on the Review Committee's recommendations, and such Application shall be included in the funding selection process as if no withdrawal request had been submitted. Any funding or allocation that becomes available after such withdrawal is accepted shall be treated as Returned Funding and disposed of according to Section Five B. of the RFA.

- B. This RFA does not commit the Corporation to award any funding to any Applicant or to pay any costs incurred in the preparation or delivery of an Application.
- C. The Corporation reserves the right to:
1. Waive Minor Irregularities; and
  2. Accept or reject any or all Applications received as a result of this RFA.
- D. Any interested party may submit any inquiry regarding this RFA in writing via e-mail at RFA\_2024-305\_Questions@floridahousing.org (also accessible by clicking [here](#)) with "Questions regarding RFA 2024-305" as the subject of the email. All inquiries are due by 5:00 p.m., Eastern Time, on May 2, 2024. Phone calls or written inquiries other than at the above e-mail address will not be accepted. The Corporation expects to respond to all inquiries by 5:00 p.m., Eastern Time, on May 9, 2024, and will post a copy of all inquiries received, and their answers, on the RFA Webpage. The Corporation will also send a copy of those inquiries and answers in writing to any interested party that requests a copy. The Corporation will determine the method of sending its answers, which may include regular United States mail, overnight delivery, fax, e-mail, or any combination of the above. No other means of communication, whether oral or written, shall be construed as an official response or statement from the Corporation.
- E. Any person who wishes to protest the specifications of this RFA must file a protest in compliance with Section 120.57(3), Fla. Stat., and Rule Chapter 28-110, F.A.C. Failure to file a protest within the time prescribed in Section 120.57(3), Fla. Stat., shall constitute a waiver of proceedings under Chapter 120, Fla. Stat.
- F. By submitting this Application, including all applicable attachments thereto, each Applicant agrees to the terms and conditions outlined in the RFA and certifies that:
1. Public Records. Any material submitted in response to this RFA is a public record. Section 119.071(1)(b)2, Fla. Stat. authorizes the Corporation to exempt this material from disclosure requirements; however, the Corporation intends to post the Applications to the RFA Webpage sooner than 30 days after the Application Deadline.

2. **Noninterference.** At no time during the review and evaluation process, commencing with the Application Deadline and continuing until the Board renders a final decision on the RFA, may Applicants or their representatives contact Board members or Corporation staff, except Corporation legal staff, concerning their own or any other Applicant's Application. If an Applicant or its representative does contact a Board or staff member in violation of this section, the Board shall, upon a determination that such contact was made in an attempt to influence the selection process, disqualify the Application.
3. **Requirements.** Proposed Developments funded under this RFA will be subject to the requirements of the RFA, inclusive of all Exhibits and all provisions of Rule Chapters 67-21, F.A.C., 67-60, F.A.C., and the Compliance requirements of Rule Chapter 67-53, F.A.C.
4. **Modifications.** Any modifications that occur to the Request for Application will be posted on the web site and may result in an extension of the deadline. It is the responsibility of the Applicant to check the website for any modifications prior to the Application Deadline.

To the extent that a modification gives rise to a protest, failure to file a protest within the time prescribed in Section 120.57(3), Florida Statutes, shall constitute a waiver of proceedings under Chapter 120, Florida Statutes.

- G. The Corporation expects to select one or more Applications to award the funding contemplated by this RFA. Any such Applications will be selected through the Corporation's review of each Application, considering the factors identified in this RFA.

#### **SECTION FOUR INFORMATION TO BE PROVIDED IN APPLICATION**

Provided below are the instructions to be used in completing Exhibit A of this RFA. Unless stated otherwise, all information requested in the RFA pertains to the Development proposed in this Application upon completion of the construction work.

#### **A. Exhibit A Items**

##### **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**



Select one of the following Demographic Commitments:

- a. Family – The proposed Development will serve the general population.
- b. Elderly, Non-Assisted Living Facility (“Non-ALF”)

If the Elderly demographic commitment is selected, the Applicant understands, acknowledges and agrees that it will comply with the Federal Fair Housing Act requirements for housing for older persons and rent at least 80 percent of the total units to residents that qualify as older persons pursuant to that Act or as provided under any state or federal program that the Secretary of HUD determines is specifically designed and operated to assist elderly persons (as defined in the state or federal program). Further, the Applicant understands, acknowledges and agrees that all such units are subject to the income restrictions committed to in the Set-Aside Commitment section of this Application.

### 3. Applicant/Developer/Management Company/Contact Person

The Applicant, Developer(s) and all Principals of the Applicant and Developers that are not a natural person must be a legally formed entity as of the Application Deadline.

#### a. Applicant Information

- (1) State the name of the Applicant.
- (2) 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. Include, as **Attachment 1** to Exhibit A, evidence from the Florida Department of State, Division of Corporations, that the Applicant satisfies the foregoing requirements. Such evidence may be in the form of a certificate of status or other reasonably reliable information or documentation issued, published or made available by the Florida Department of State, Division of Corporations.

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) Non-Profit Applicant Qualifications

Indicate whether the Applicant is applying as a Non-Profit and provide the following information for the Non-Profit entity that meets the definition stated in Rule Chapter 67-21, F.A.C. as **Attachment 2**:

- (a) 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 material participation as defined in 26

USC §469, 26 USC §42, by submitting the Executive Director Certification of Non-Profit Entity Material Participation form (Rev. 09-22); and

- (b) Demonstration of Non-Profit entity qualifications
  - (i) The IRS determination letter\* demonstrating that the Non-Profit is organized under section 501(c)(3) or 501(c)(4) of the Internal Revenue Code; and
  - (ii) The articles of incorporation demonstrating that one of the purposes of the Non-Profit entity is to foster low-income housing.

\*In the event the Non-Profit entity is subject to a group exemption under the Internal Revenue Code, provide the IRS determination letter for the parent corporation, and the list of exempt entities from the IRS which includes the Non-Profit entity in this Application. If the list of exempt entities has not yet been issued by the IRS, provide a copy of the request from the parent corporation to the IRS requesting group exemption status for the Non-Profit entity named in this Application. The IRS determination letter for the parent corporation must meet the requirements of Section Four, A.3.a.(3)(b)(i) above.

If the Applicant participated in the Non-Profit Advance Review Process through one of the Permanent Supportive Housing RFAs and received, for the Non-Profit Entity, an Executive Director Certification of Non-Profit Entity Qualifications Form (Rev. 10-2021) stamped "Approved" by the Corporation, this form may be submitted in response to this RFA in lieu of the items set forth in (3)(b)(i) and (ii) above.

If the Applicant applies as a Non-Profit entity and meets the requirements outlined above to be considered a Non-Profit for purposes of this RFA, it must remain a Non-Profit entity and the Non-Profit entity must (i) receive at least 25 percent of the Developer's fee; and (ii) contractually ensure that it substantially and materially participates in the management and operation of the Development throughout the Compliance Period. Any Applicant that applies as a Non-Profit but is not considered a Non-Profit will still be eligible for funding as a for profit entity.

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 and funding awarded under this RFA may be rescinded.

b. Developer Information

- (1) State the name of each Developer, including all co-Developers.

- (2) Each Developer entity identified (that is not a natural person, Local Government, or Public Housing Authority) must be a legally formed entity qualified to do business in the state of Florida as of the Application Deadline. For each stated Developer entity that is not a natural person, Local Government, or Public Housing Authority, provide, as **Attachment 3** to Exhibit A, evidence from the Florida Department of State, Division of Corporations, that the Developer satisfies the foregoing requirements. Such evidence may be in the form of a certificate of status or other reasonably reliable information or documentation issued, published or made available by the Florida Department of State, Division of Corporations.

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) Required Developer Experience

A natural person Principal of at least one experienced Developer entity, which must be disclosed on the Principals of the Applicant and Developer(s) Disclosure Form (Form Rev. 05-2019) outlined below, 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 on the Principals of the Applicant and Developer(s) Disclosure Form (Form Rev. 05-2019) as a Principal of the Developer and must remain with the Development until the release of the operating deficit guarantee set forth in Exhibit H.

For purposes of this provision, completed development means (i) that the temporary or final certificate of occupancy has been issued for at least one unit in one of the residential apartment buildings within the development, or (ii) that at least one IRS Form 8609 has been issued for one of the residential apartment buildings within the development. As used in this section, a Housing Credit development that contains multiple buildings is a single development regardless of the number of buildings within the development for which an IRS Form 8609 has been issued.

If the experience of a natural person Principal for a Developer entity listed in this Application was acquired from a previous affordable housing Developer entity, the natural person Principal must have also been a Principal of that previous Developer entity as the term Principal was defined by the Corporation at that time.

Required Developer Prior Experience

Complete the prior experience chart for each natural person Principal intending to meet the required Developer experience reflecting the information for the completed multifamily rental housing development.

(4) Federal Funding Experience Preference

Applications will qualify for the Federal Funding Experience Preference if at least one Principal of the Developer entity, or if more than one Developer entity, at least one Principal of at least one of the Developer entities, demonstrates experience in the completion\* of at least one rental housing development consisting of at least eight total units that was financed with federal funding and required all federal programs such as Davis Bacon requirements and Environmental Review requirements.

(5) General Contractor Experience

(a) Required General Contractor Experience for all Developments

The General Contractor or qualifying agent of the General Contractor 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.

(b) This will be verified in credit underwriting. If the General Contractor does not meet these requirements, funding awarded in this RFA may be rescinded.

\*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 Disclosure for the Applicant and for each Developer

(1) Eligibility Requirements

To meet the submission requirements, upload the Principals of the Applicant and Developer(s) Disclosure Form (Form Rev. 05-2019) (“Principals Disclosure Form”) as outlined in Section Three above. Prior versions of the Principal Disclosure Form will not be accepted.

To meet eligibility requirements, the Principals Disclosure Form must identify, pursuant to Exhibit H of the RFA and subsections 67-21.002(86), 67-21.0025(7), and 67-21.0025(8), F.A.C., if applicable, the Principals of the Applicant and Developer(s) as of the Application Deadline. A Principals Disclosure Form should not include, for any organizational structure, any type of entity that is not specifically included in the Rule definition of Principals. Per section 67-21.002(86), F.A.C., any Principal other than a natural person must be a legally formed entity as of the Application deadline.

The investor limited partner of an Applicant limited partnership or the investor member of an Applicant limited liability company (or a placeholder for the investor) must be identified on the Principal Disclosure Form.

(2) Approval during Advance Review Process (5 Points)

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

To document these dates, the Corporation will stamp the Principal Disclosure Form on the date it is received and the date it is approved. If a Principal Disclosure Form has been approved, but the Applicant must change the form for any reason, the form may be edited and resubmitted for approval, but the form will receive a new stamp reflecting the date the Corporation received the revised form. Likewise, if a form is returned to the Applicant for correction, the Applicant may make corrections and resubmit the form, but the date of the resubmission will be reflected as the date received. If a Principal Disclosure Form is submitted for an RFA with a “Received” date that is within 14 Calendar Days of the Application Deadline, the Applicant will not be eligible for the 5 Advance Review points.

The Advance Review Process for Disclosure of Applicant and Developer Principals is available on the RFA Webpage and also includes samples which may assist the Applicant in completing the required Principals Disclosure Form.

Note: It is the sole responsibility of the Applicant to review the Advance Review Process procedures and to submit any Principals Disclosure Form for review in a timely manner in order to meet the Application Deadline.

(3) Tiers

(a) Tier Assignments

**Tier 1**

Applications that are proposing Developments in this RFA that are located in HUD-Designated MIDs and meet all of the Previous Submission Criteria below will be deemed Tier 1 in the selection process.

**Tier 2**

Applications that are proposing Developments in this RFA that are located in State-Designated MIDs and meet all of the Previous Submission Criteria below will be deemed Tier 2 in the selection process.

**Tier 3**

Applications that are proposing Developments in this RFA that are located in HUD-Designated MIDs but don't meet all of the Previous Submission Criteria below will be deemed Tier 2 in the selection process.

**Tier 4**

Applications that are proposing Developments in this RFA that are located in State-Designated MIDs but don't meet all of the Previous Submission Criteria below will be deemed Tier 2 in the selection process.

(b) Previous Submission Criteria

- The question at 12.b. of Exhibit A must reflect confirmation that the Development was submitted in one or more of the following RFAs but not invited to enter into credit underwriting:
  - RFA 2022-201 Housing Credit Financing For Affordable Housing Developments Located In Medium And Small Counties;
  - RFA 2022-205 SAIL Financing Of Affordable Multifamily Housing Developments To Be Used In Conjunction With Tax-Exempt Bonds And Non-Competitive Housing Credits;

- RFA 2023-201 Housing Credit Financing For Affordable Housing Developments Located In Medium And Small Counties; or
- RFA 2023-205 SAIL Financing Of Affordable Multifamily Housing Developments To Be Used In Conjunction With Tax-Exempt Bonds And Non-Competitive Housing Credits.
- Documentation demonstrating that appropriate zoning, water and sewer are available to the entire proposed Development site is submitted as part of the Application submission in this RFA\*;
- The Development must be on the List of Previously Submitted but Unfunded Hurricane Sally Applications that is posted on the RFA Webpage;
- The Application in RFA 2022-201, 2022-205, 2023-201, or 2023-205 must have been designated as a Priority 1 Application;
- The Application number in RFA 2022-201, 2022-205, 2023-201, or 2023-205 must be provided;
- The Demographic Commitment of the proposed Development must be identical to the Demographic Commitment as the Application submitted in RFA 2022-201, 2022-205, 2023-201, or 2023-205;
- The number of units of the proposed Development must be equal to at least 90 percent of the number of units as the Application previously submitted in RFA 2022-201, 2022-205, 2023-201, or 2023-205;
- The Development Location Point and, if a Scattered Sites Development, the latitude and longitude coordinates of each site submitted in RFA 2022-201, 2022-205, 2023-201, or 2023-205 must be located on the same site(s) as the proposed Development. These coordinates do not need to be identical. Additionally, the size of the site(s) of the proposed Development does not need to be identical to the Application previously submitted in RFA 2022-201, 2022-205, 2023-201, or 2023-205. The proposed Development site may be larger or smaller than the previously submitted Application if the other requirements are also met;
- At least one of the natural person Principals for the Applicant disclosed on the Principal Disclosure Form submitted for the proposed Development must also have been a Principal for the Applicant disclosed on the Principal Disclosure Form submitted in RFA 2022-201, 2022-205, 2023-201, or 2023-205; and

- The Application submitted in RFA 2022-201, 2022-205, 2023-201, or 2023-205 was not invited to enter credit underwriting.

\*Documentation requirements are outlined in Section Four, A.7. of RFA

- (4) Material and non-material changes to the Applicant entity or Developer entity
- (a) The name of the Applicant entity or Developer entity stated in the Application may be changed only by written request of an Applicant to Corporation staff and approval of the Corporation after the Applicant has been invited to enter credit underwriting.
- (b) Changes to the Applicant entity
- (i) For Applicants requesting CDBG-DR only
- Prior to loan closing, any change (materially or non-materially\*) in the ownership structure of the named Applicant will require review and recommendation of the Corporation, as well as Board approval prior to the change. After loan closing, (i) any material\* change will require review and approval of the Credit Underwriter, as well as approval of the Board prior to the change, and (ii) any non-material\* change will require review and approval of the Corporation. The Applicant must comply with Principal disclosure requirements outlined in Rule Chapter 67-21, F.A.C. for the duration of the Compliance Period. Changes to the Applicant entity (material or non-material) prior to the loan closing or without Board approval after the loan closing may result in disqualification from receiving funding and may be deemed a material misrepresentation. Changes to the officers or directors of a Public Housing Authority or a Non-Profit entity, regardless of when they occur, shall require Corporation approval. Any allowable replacement to the natural person Principals of a Public Housing Authority or officers and/or directors of a non-profit entity will apply to all preliminarily awarded Applications and Applications pending final Board action that include the Public Housing Authority or non-profit entity.
- (ii) For Applicants requesting Tax-Exempt Bond Financing and Non-Competitive Housing Credits
- The Applicant entity shall be the recipient of the Housing Credits, and the borrowing entity for the loan(s) and, if applicable, the MMRB loan, and may only change as follows: Prior to loan closing, any change (materially or non-materially) in the ownership structure of the named Applicant will require review and recommendation of the Corporation, as well as Board approval prior to the change. After loan closing, (i) any



material\* change will require review and recommendation of the Credit Underwriter, as well as approval of the Board prior to the change, and (ii) any non-material\* change will require Corporation approval prior to the change. Changes to the Applicant entity (material or non-material\*) without Board or Corporation approval, as applicable, may result in disqualification from receiving funding and may be deemed a material misrepresentation. The Applicant must comply with Principal disclosure requirements outlined in Exhibit H of the RFA and Rule Chapter 67-21, F.A.C. for the duration of the Compliance Period. Changes to the investor limited partner of an Applicant limited partnership or the investor-member of an Applicant limited liability company owning the syndicating interest therein will not result in disqualification; however, if a change to the investor limited partner or investor member is made after the closing of the partnership agreement, the amended agreement reflecting the change must be provided to the Corporation. Changes to the officers or directors of a Public Housing Authority or a non-profit entity, regardless of when they occur, will not result in disqualification; however, the change must be approved by the Corporation. Any allowable replacement to the natural person Principals of a Public Housing Authority or officers and/or directors of a non-profit entity will apply to all preliminarily awarded Applications and Applications pending final Board action that include the Public Housing Authority or non-profit entity.

\*A material change shall mean 33.3 percent or more of the Applicant, a general partner of the Applicant, or a non-investor member of the Applicant, and a non-material change shall mean less than 33.3 percent of the Applicant, a general partner of the Applicant, or a non-investor member of the Applicant.

- (c) The Principals of each Developer identified in the Application, including all co-Developers, may be changed only by written request of an Applicant to Corporation staff and approval of the Corporation after the Applicant has been invited to enter credit underwriting.

d. General Management Company Information

Identify the Management Company and complete the prior experience chart for the Management Company or a Principal of Management Company demonstrating experience in the management of at least two affordable rental housing properties (i.e., properties funded through an affordable housing program such as Housing Credits, Tax-Exempt Bonds, HOME, SAIL, etc.), 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. Note: The Management Company contact person identified

in Exhibit A is not required to be the Principal of the Management Company identified in the Prior General Management Experience Chart.

e. Contact Person

- (1) Enter the information for the required Authorized Principal Representative. 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.
- (2) A separate Operational Contact Person may be included, if desired. If provided, the Operational Contact Person will be the recipient of any general correspondence associated with the Development activities that does not require a signature. If an Operational Contact Person is not provided, the Authorized Principal Representative will be the recipient of any such documentation.

**4. General Proposed Development Information**

- a. State the name of the proposed Development.
- b. Development Category

The proposed Development must be 100 percent new construction. Rehabilitation of existing units is not allowed.

c. Characteristics of Development

(1) Development Type

Select the Development Type for the proposed Development. For mixed-type Developments, indicate the type that will comprise the majority of the units in the Development.

- Garden Apartments (a building comprised of 1, 2 or 3 stories, with or without an elevator)
- Duplexes
- Quadraplexes
- Townhouses
- Mid-Rise, 4-stories (a building comprised of 4 stories and each residential building must have at least one elevator)
- Mid-Rise, 5 to 6-stories (a building comprised of 5 or 6 stories and each residential building must have at least one elevator)
- High-Rise (a building comprised of 7 or more stories and each residential building must have at least one elevator)

For purposes of determining the number of stories, each floor in the building(s) should be counted regardless of whether it will consist of retail, commercial, parking, utility, or residential.

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.

Also, Group homes, Assisted Living Facilities, and other specialized licensed residential facilities, or units within a condominium complex are not eligible for funding in this RFA.

(2) Enhanced Structural Systems (“ESS”) Construction Qualifications

To qualify as “Enhanced Structural Systems Construction” or “ESS Construction” for purposes of the Total Development Cost Limitation calculation and the Leveraging calculation, the proposed Development must meet at least one of the specifications listed below.

- (a) Any buildings with the Development Type of High-Rise (7 or more stories) shall qualify as “ESS Construction.”
- (b) All of the following structural elements must consist of 100 percent poured concrete/masonry, 100 percent steel, or a combination adding up to 100 percent of concrete/masonry and steel, as verified during credit underwriting: all exterior walls and other external load-bearing elements, as well as the floor of the lowest story of the building that contains residential, commercial or storage space (other than parking), and any under-floor/under-ground supports for that lowest story’s floor.
- (c) Any buildings with the Development Type of Mid-Rise (4, 5 or 6 story) that utilize a ESS Podium Structure shall qualify as “ESS Construction.” New construction buildings of other Development Types that utilize a ESS Podium Structure must meet the requirements in (b) above in order to qualify as “ESS Construction.” In this event, the top surface of the podium itself shall be considered to be the floor of the lowest story of the building that contains residential, commercial or storage space (other than parking).

For the purposes of determining “ESS Construction,” there is no requirement regarding the materials to be used in the roof of the building.

The term “ESS Podium Structure” shall mean a non-residential support structure underneath the rental units constructed solely of concrete/masonry, steel, or

some combination of concrete/masonry and steel together, and where said structure under the rental units must utilize at least 85 percent of the square footage for parking or non-commercial utility/ancillary building uses only. Up to 15 percent of the square footage can be used for other non-residential purposes.

These qualifying criteria specifically exclude face brick or brick veneer from qualifying as ESS Construction for purposes of this RFA unless the proposed Development otherwise meets the requirements in (a), (b), or (c) above.

ESS units must be designated on the Unit Characteristic Chart described below. This will be verified during the credit underwriting process. If this cannot be verified the units will no longer be considered ESS Construction, and funding awarded under this RFA may be rescinded.

d. Unit Characteristic Chart

Complete the chart in Exhibit A of the RFA reflecting the appropriate breakdown reflecting the number of units within each of the Development Types or ESS/non-ESS Construction.

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 of Proposed Development**

a. Indicate the county where the proposed Development will be located.

- HUD-designated MIDs: Escambia and Santa Rosa
- State-designated MIDs: Okaloosa, Walton, Bay

The Development’s location in either a HUD-Designated MID or State-Designated MID affects the Application’s Tier status, as described in Section Four, A.3.c.(3) above.

b. Provide the Address of the Development site

Indicate (1) the address number, street name, and name of city, and/or (2) the street name, closest designated intersection, and either name of city or unincorporated area of county. If the proposed Development consists of Scattered Sites, this information must be provided for each of the Scattered Sites.

c. State whether the Development consists of Scattered Sites.

If the proposed Development consists of Scattered Sites, the following conditions must be met:

- (1) A part of the boundary of each Scattered Site must be located within ½ mile of a part of the boundary of the Scattered Site with the most units;
  - (2) Site control and Ability to Proceed must be demonstrated in the Application for all Scattered Sites; and
  - (3) All Scattered Sites must be located within the same county.
- d. Latitude/Longitude Coordinates
- (1) Provide a Development Location Point stated in decimal degrees, rounded to at least the sixth decimal place. If the proposed Development consists of Scattered Sites, as of Application Deadline the Development Location Point must affirmatively be established on the site with the most units, as outlined in subsection 67-21.002, F.A.C., and latitude and longitude coordinates for each Scattered Site must also be provided.
  - (2) If the proposed Development consists of Scattered Sites, for each Scattered Site that is in addition to the Development Location Point information provided in (1) above, provide the latitude and longitude coordinates of one point located anywhere on the Scattered Site. The coordinates must be stated in decimal degrees and rounded to at least the sixth decimal place.

Note: 30.443900, -84.283960 is an example of decimal degrees format, represented to six decimal places.

## 6. Number of Units and Buildings

- a. State the total number of units that will be in the proposed Development upon completion. The total units include all Set-Aside Units, Manager Units as described in Rule Chapter 67-53, F.A.C., and if applicable, market rate units.

Proposed Developments located in Bay or Escambia County must (i) consist of a minimum of 50 total units and a maximum of 300 total units; and (ii) request Tax-Exempt Bond Financing and Non-Competitive Housing Credits in conjunction with the request for CDBG-DR funding.

Applications of proposed Developments in Okaloosa, Santa Rosa, and Walton must consist of a minimum of 10 units. If a proposed Development in these counties consists of less than 50 units, the Application is only eligible for CDBG-DR Funding and not Tax-Exempt Bond Financing or Non-Competitive Housing Credits. If a proposed Development in these counties consists of at least 50 units, the Development has a maximum of 300 total units and the Application is eligible for either (i) CDBG-DR Funding only; or (ii) utilize Tax-Exempt Bond Financing and Non-Competitive Housing Credits in conjunction with the request for CDBG-DR funding.

Note: The total number of units stated in the Application may be increased, up to any applicable allowable limit, after the Applicant has been invited to enter into credit underwriting if the number of HOME-Assisted units required by HUD will still be met, subject to written request of an Applicant to Corporation staff and approval of the Corporation.

b. Occupied Units

If there are existing occupied units and if the Development is funded, a plan for relocation of existing tenants will be required to be provided to the Credit Underwriter, as outlined in Exhibit D.

c. Set-Aside Commitments

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

If not requesting MMRB or local bonds with Non-Competitive Housing Credits, select "CBDG-DR only" as the set-aside commitment at question 6.c.(1) of Exhibit A.

For proposed Developments that are requesting MMRB or local bonds with Non-Competitive Housing Credits, 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

Note: Choosing the 20 percent at 50 percent AMI or less minimum set-aside will restrict ALL Set-Aside Units at 50 percent or less of the AMI. Applicants may select the 40 percent at 60 percent AMI or less minimum set-aside without committing to set aside any of the units at the 60 percent AMI level. For example, an Applicant may commit to set aside 40 percent at 50 percent AMI and this would also be considered 40 percent at 60 percent AMI or less.

The Average Income Test requires that (a) forty percent or more of the residential units in the Development be both rent-restricted and occupied by individuals whose income does not exceed the imputed income limitation designated by the Applicant with respect to the respective unit, subject to the special rules relating to income limitation which (b) require the Applicant to designate the imputed income limitation of each unit taken into account under (a) above, such that the average of the imputed income limitations of all units designated by the Applicant shall not exceed 60 percent of the area median income. The designated imputed income limitation of any such unit shall be in 10-percent increments as follows: 20 percent, 30 percent, 40 percent, 50 percent, 60 percent, 70 percent, or 80 percent of the area median income. The set-aside commitment for the Tax-Exempt Bonds will be 40 percent of the units at 60 percent or less of the AMI.

(2) **Set-Aside Commitments per Corporation Requirements – for all Applications**

The Corporation has additional minimum set-aside requirements which must be reflected on the Total Set-Aside Breakdown Chart, as outlined below:

(a) **Total Income Set-Aside Commitment**

- (i) **Income Set-Aside Commitments for proposed Developments that are requesting CDBG-DR only**

100 percent of the units shall be rented to households (person or persons) with incomes at or below 80 percent of the Area Median Income (AMI).

- (ii) **Income Set-Aside Commitments for proposed Developments that did not select the Average Income Test**

If the Average Income Test is not selected, 100 percent of the Development’s total units must be set aside at 60 percent AMI or less.

- (iii) **Income Set-Aside Commitments for proposed Developments that select the Average Income Test**

If the Average Income Test is selected, 100 percent of the Development’s total units must be set aside at 80 percent AMI or less, but the Average AMI of the Qualifying Housing Credit Units cannot exceed 60 percent.

\*The Average AMI of the Qualifying Housing Credit Units is further described in (3)(b) below.

(b) **Extremely Low Income (ELI) Set-Aside Units**

- (i) **ELI Set-Aside Commitments for proposed Developments that are requesting CDBG-DR only and those that did not select the Average Income Test**

At least 10 percent of the total units must be set aside to serve Extremely Low Income (ELI) Households. The requirement to set aside units for ELI Households refers to the ELI Area Median Income (AMI) level for the county where the proposed Development is located, as outlined on the ELI chart below:

<b>County</b>	<b>ELI%</b>
Bay	40%
Escambia	40%
Okaloosa	35%
Santa Rosa	35%

Walton	40%
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- (ii) ELI Set-Aside Commitments for proposed Developments that select the Average Income Test

If the Average Income Test is selected, at least 15 percent of total units must be set aside to serve ELI Households. The ELI AMI level will be 30%, regardless of county.

If the Set-Aside Breakdown Chart reflects more than the applicable required percentage of the total units at the ELI AMI level for the county where the proposed Development is located, during the credit underwriting process the Credit Underwriter will determine whether the Applicant's ELI Set-Aside unit commitment will need to be reduced by increasing the set aside units at AMI level(s) above the ELI level.

- (c) Link Units for Persons with Special Needs

With the exception of Developments financed with HUD Section 811, a United States Department of Agriculture RD program ("USDA RD"), Applicants must commit to set aside 50 percent of the ELI Set-Aside units as Link Units for Persons with Special Needs.

At least one member of each Link unit's household shall be referred by a Special Needs Household Referral Agency (Referral Agency) with which the owner executes a Link Memorandum of Understanding (MOU) approved by the Corporation. The current list of designated Special Needs Household Referral Agencies for each county is published on the Corporation's Website under the Quick Links section at <https://www.floridahousing.org/programs/special-needs-housing-overview/serving-special-needs> (also accessible by clicking [here](#)). The owner must execute a Link Memorandum of Understanding (MOU) with at least one of the Special Needs Household Referral Agencies serving the Development's county. The deadline for the Corporation's approval of the fully executed Link MOU is outlined in Exhibit D.

For example, Application A consists of 107 total units, but did not commit to Average Income Test. 11 units, (10 percent of the total units, rounded up), must be set-aside as ELI Set-Aside units. Six of the ELI Set-Aside units (50 percent of the ELI Set-Aside units, rounded up), must be set-aside as Link Units for Persons with Special Needs.

In another example, an Applicant submits Application B, which consists of 106 total units, and commits to the Average Income Test. 16 units, (15 percent of the total units, rounded up), must be set-aside as ELI Set-Aside units. Eight of the ELI Set-Aside units (50 percent of the ELI Set-Aside units, rounded up), must be set-aside as Link Units for Persons with Special Needs.



Additional requirements for the Link Units for Persons with Special Needs are described in Exhibit E of the RFA.

(d) Tenant Selection Plan

Unless the Development meets an exception outlined in (i) below, a Tenant Selection Plan must be submitted to the Corporation for approval within 21 Calendar Days of the date of the invitation to enter credit underwriting. The Tenant Selection Plan must be approved by the Corporation and, if required, HUD prior to the completion of the final credit underwriting report.

(i) Exceptions to Tenant Selection Plan requirements

- Developments financed with HUD Section 811; or
- Developments financed with a United States Department of Agriculture RD program.

All other Applications must achieve Corporation approval and, if required, HUD approval prior to the completion of the final credit underwriting report.

(ii) Achieving Corporation approval

To achieve approval by the Corporation, the Tenant Selection Plan must be submitted by the owner to the Corporation for approval within 21 Calendar Days of the date of the invitation to enter credit underwriting.

The Tenant Selection Plan Guidelines and Tenant Selection Plan Checklist can be found on the webpage <https://www.floridahousing.org/programs/developers-multifamily-programs/competitive> (also available by clicking [here](#)). Exhibit G of the RFA also describes requirements for tenant selection policies.

(iii) Achieving HUD approval, if required

In addition to the Corporation's approval, if HUD approval is required because a Development has a Housing Assistance Payment and/or an Annual Contributions Contract with HUD, HUD approval of the Tenant Selection Plan must be demonstrated to the Corporation prior to the completion of the final credit underwriting report.

HUD's approval process may take several months. Owner's should send the Corporation-approved Tenant Selection Plan to HUD for approval as soon as possible to meet this requirement.

(3) Total Set-Aside Breakdown Chart

Complete the applicable Total Set-Aside Breakdown Chart provided in question 6.c.(2) of Exhibit A.

- (a) Completing the Total Set-Aside Breakdown Chart if not committing to the Average Income Test

Indicate on the chart at 6.c.(2)(a) of Exhibit A the percentage of residential units, stated in whole numbers, to be set aside at each selected AMI level for CDBG-DR chart, and if applicable, the Housing Credit chart. If the Total Set-Aside Breakdown Chart reflects that either the Total Set-Aside Percentage or the ELI commitment does not meet the Set-Aside requirements, this Application will not be eligible for funding. If applicable, the MMRB chart will populate automatically to reflect 40 percent of the units at 60 percent AMI because the Average Income Test does not apply to the separate tax-exempt bond set aside requirements under Section 142 of the IRC.

Note: Although there are three Total Set-Aside Breakdown Charts which allows Applicants to have different commitments for the different programs, the most restrictive commitment will be enforced.

Methodology Used by the Corporation to Convert the Percentage of Total Units to Set-Aside Units and, if applicable, Market Rate Units

- (i) First, calculate of the number of Set-Aside Units for the lowest AMI level commitment.

The percentage associated with the lowest AMI level that the Applicant commits to will be multiplied by the total units, rounded up to the next whole unit. The result will be the number of Set-Aside Units at the lowest AMI level commitment.

- (ii) Then, calculate the number of Set-Aside Units for the second lowest AMI level.

The percentage associated with the second lowest AMI level that the Applicant commits to will be first added to the percentage associated with the lowest AMI level commitment. These percentages, added together, will be multiplied by the total units, rounded up to the next whole unit.

The number of units calculated in (i) above will be subtracted from the result to calculate the number of Set-Aside Units at the second lowest AMI level commitment.

- (iii) Then, calculate the number of Set-Aside Units for each remaining AMI level, if applicable.

Starting with the third lowest AMI level remaining, the number of Set-Aside Units for each of the remaining AMI levels will be calculated using the same methodology described in (ii) above.

- (iv) Finally, calculate market-rate units, if applicable

To calculate the number of market-rate units, the total number of Set-Aside Units will be subtracted from the total number of units.

- (b) Completing the Total Set-Aside Breakdown Chart if committing to the Average Income Test

If committing to the Average Income Test, Applicants must indicate on the chart at 6.c.(2)(b) of Exhibit A the number of Set-Aside Units, stated in whole numbers, to be set aside at each selected AMI level.

The Corporation will verify that the number of units set aside at the ELI level meets the ELI minimum requirements by dividing the number of units that are set-aside at 30 percent AMI, or less, by the total number of units. The Corporation will also verify the overall Set-Aside Commitment of all units by adding all Set-Aside Units and then dividing this sum by the total number of units. Exhibit A provides a calculation of the Average AMI of the Qualifying Housing Credit Units using the methodology below.

Note: After entering the number of units into Exhibit A, the percentage of total units is calculated, which may reflect numbers represented with decimal places instead of whole numbers. This is acceptable for the Average Income Test calculation.

If the Total Set-Aside Breakdown Chart reflects that the Average AMI of the Qualifying Housing Credit Units exceeds 60 percent, and/or if the number of Set-Aside Units set aside at 30 percent AMI, or less, is not equal to or greater than the required ELI commitment, and/or the overall Set-Aside Commitment requirement is not met, this Application will not be eligible for funding.

Calculation of the Average AMI of the Qualifying Housing Credit Units for the Average Income Test

- (i) First, state the total number of Set-Aside Units at each AMI commitment.
- (ii) Then, at each AMI commitment, multiply the number of Set-Aside Units by the AMI percentage (e.g., a commitment of 13 Set-Aside Units at 30 percent AMI would be calculated as follows:  $13 \times 0.30 = 3.9$ ).
- (iii) Repeat this calculation at each AMI level. Then add the results together.
- (iv) Divide the number calculated in (iii) by the total number of Set-Aside Units stated in (i).
- (v) This number must be equal to or less than 60 percent to meet the eligibility requirement. If the Average AMI of the Qualifying Housing Credit Units exceeds 60 percent, this Application will not be eligible for funding.

Where reasonably possible, keep the unit mix consistent across each committed AMI level.

The above ELI and all other set-aside commitments must be taken into account during any pre-leasing and leasing activities.

d. Unit Mix

(1) Completing the Unit Mix Chart

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. All units in the proposed Development must be listed, including all manager/employee units and all market rate units, if applicable. All units in the proposed Development must be listed, including all manager/employee units and all market rate units, if applicable. Units may have no more than four bedrooms.

Note: If the ELI Set-Aside units are not proportionally distributed across the unit mix, the Corporation will redistribute the ELI Set-Aside units as needed.

(2) Unit Mix requirements

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

e. Number of Buildings

State the anticipated number of residential buildings.

The number of residential buildings stated in the Application may be changed only by written request of an Applicant to Corporation staff after the Applicant has been invited to enter credit underwriting.

f. Compliance Period

All Applicants are required to set aside the units for 50 years.

In submitting its Application, the Applicant knowingly, voluntarily and irrevocably commit to waive, and do hereby waive, for the duration of the 50-year set aside period, the option to convert the Development to market rate, including any option or right to submit a request for a qualified contract, after year 14, and any other option, right or process available to the Applicant to terminate (or that would result in the termination of) the 50-year set aside period at any time prior to the expiration of its full term.

Demographic Commitments: The Compliance Period committed to in this section includes the units set aside for the Demographic Commitments made in this RFA, which includes the commitments for Link Units.

The Persons with Special Needs set-aside commitment must be maintained throughout the entire Compliance Period.

Although the percentage of units committed to must remain in effect for the entire Compliance Period, the particular units designated for the Demographic Commitment and AMI commitment must not be limited to the same units throughout the Compliance Period. Doing so may cause the Development to be in noncompliance.

**7. Readiness to Proceed**

a. Site Control

Demonstrate site control by providing, as **Attachment 6\*** to Exhibit A, the documentation required in Items (1), (2), and/or (3), as indicated below, demonstrating that it is a party to an eligible contract or lease, or is the owner of the subject property. Such documentation must include all relevant intermediate contracts, agreements, assignments, options, conveyances, intermediate leases, and subleases. If the proposed Development consists of Scattered Sites, site control must be demonstrated for all of the Scattered Sites.

\*Attachments 4 and 5 are intentionally omitted.

Note: The Corporation has no authority to, and will not, evaluate the validity or enforceability of any site control documentation.

(1) Eligible Contract

An eligible contract must meet all of the following conditions:

- (a) It must have a term that does not expire before May 31, 2024 or that contains extension options exercisable by the purchaser and conditioned solely upon payment of additional monies which, if exercised, would extend the term to a date that is not earlier than May 31, 2024;
- (b) It must specifically state that the buyer's remedy for default on the part of the seller includes or is specific performance;
- (c) The Applicant must be the buyer unless there is an assignment of the eligible contract, signed by the assignor and the assignee, which assigns all of the buyer's rights, title and interests in the eligible contract to the Applicant; and
- (d) The owner of the subject property must be the seller, or is a party to one or more intermediate contracts, agreements, assignments, options, or conveyances between or among the owner, the Applicant, or other parties, that have the effect of assigning the owner's right to sell the property to the seller. Any intermediate contract must meet the criteria for an eligible contract in (a) and (b) above.

- (2) Proof of Ownership through a recorded document such as a Deed or Certificate of Title

The documentation must be recorded in the county in which the property is located and show the Applicant as the sole Grantee.

- (3) Lease

- (a) If providing a lease, the lease must have an unexpired term of at least 50 years after the Application Deadline and the lessee must be the Applicant. The owner of the subject property must be a party to the lease, or a party to one or more intermediate leases, subleases, agreements, or assignments, between or among the owner, the Applicant, or other parties, that have the effect of assigning the owner's right to lease the property for at least 50 years to the lessee.
- (b) 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. An eligible agreement must meet the following conditions:
  - (i) It must have a term that does not expire before May 31, 2024 or that contains extension options exercisable by the Applicant and conditioned solely upon payment of additional monies

which, if exercised, would extend the term to a date that is not earlier than May 31, 2024;

- (ii) The Applicant must be a party to the eligible agreement unless there is an assignment of the eligible agreement, signed by the assignor and the assignee, which assigns all of the lessor's rights, title and interests in the eligible agreement to the Applicant; and
- (iii) The owner of the subject property must be a party to the eligible agreement, or is a party to one or more intermediate contracts, agreements, assignments, options, or conveyances between or among the owner, the Applicant, or other parties, that have the effect of assigning the owner's right to lease the property to the lessor. Any intermediate agreement must meet the criteria for an eligible agreement in (i) and (ii) above.

b. Ability to Proceed

The Ability to Proceed forms demonstrating zoning, water, sewer/package treatment/septic tank are not required to be submitted until credit underwriting; however, one of the qualifications **for Tier 1 and Tier 2 Applications** is to demonstrate the following Ability to Proceed elements as of Application Deadline, for the entire proposed Development site, including all Scattered Sites, if applicable, as outlined below by submitting these forms as part of the Application submission.

Florida Housing Ability to Proceed Verification forms are provided on the RFA Webpage. Note: The Applicant may include the Florida Housing Ability to Proceed Verification forms that were included in a previous RFA submission for the same proposed Development, provided (i) the form(s) used for this RFA are labeled Form Rev. 07-2022, (ii) the forms are dated within 12 months of the Application Deadline, (iii) none of the information entered on the form and certified to by the signatory has changed in any way, and (iv) the requirements outlined in this RFA are met. If the Applicant provides any prior version of the Florida Housing Ability to Proceed Verification form(s), the form(s) will not be considered.

- (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, as **Attachment 7** to Exhibit A, 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 Permits are Not Required for this Development form (Form Rev. 07-2022).
- (2) Availability of Water. Demonstrate that as of the Application Deadline water is available to the entire proposed Development site by providing as **Attachment 8** to Exhibit A:
- (a) The properly completed and executed Florida Housing Finance Corporation Verification of Availability of Infrastructure – Water form (Form Rev. 07-2022); or
  - (b) Documentation from the water service provider that contains the Development location and the number of units and is dated within 12 months of the Application Deadline. The documentation may not be signed by the Applicant, by any related parties of the Applicant, by any Principals or Financial Beneficiaries of the Applicant, or by any local elected officials.
- (3) Availability of Sewer. Demonstrate that as of the Application Deadline sewer capacity, package treatment or septic tank service is available to the entire proposed Development site by providing as **Attachment 9** to Exhibit A:
- (a) The properly completed and executed Florida Housing Finance Corporation Verification of Availability of Infrastructure – Sewer Capacity, Package Treatment, or Septic Tank form (Form Rev. 07-2022); or
  - (b) Documentation from the waste treatment service provider that contains the Development location, the number of units, and is dated within 12 months of the Application Deadline. The documentation may not be signed by the Applicant, by any related parties of the Applicant, by any Principals or Financial Beneficiaries of the Applicant, or by any local elected officials.

## 8. Construction Features

All units are expected to meet all requirements as outlined below. The quality of the construction features committed to by the Applicant is subject to approval of the Board of Directors.

All features and amenities committed to and proposed by the Applicant that are not unit-specific shall be located on each of the Scattered Sites, or no more than 1/16 mile from the Scattered Site with the most units, or a combination of both.

- a. Federal Requirements and State Building Code Requirements for all Developments



All proposed Developments must meet all federal requirements and state building code requirements, including the following, incorporating the most recent amendments, regulations and rules:

- Florida Accessibility Code for Building Construction as adopted pursuant to Section 553.503, Florida Statutes;
- The Fair Housing Act as implemented by 24 CFR 100;
- Section 504 of the Rehabilitation Act of 1973\*; and
- Titles II and III of the Americans with Disabilities Act of 1990 as implemented by 28 CFR 35.

The above documents are available on the RFA Webpage.

\*All Developments must comply with Section 504 of the Rehabilitation Act of 1973, as implemented by 24 CFR Part 8 (“Section 504 and its related regulations”). All Developments must meet accessibility standards of Section 504. Section 504 accessibility standards require a minimum of 5 percent of the total dwelling units, but not fewer than one unit, to be accessible for individuals with mobility impairments. An additional 2 percent of the total units, but not fewer than one unit, must be accessible for persons with hearing or vision impairments. All of the accessible units must be equally distributed among different unit sizes and Development types and must be dispersed on all accessible routes throughout the Development.

To the extent that a Development is not otherwise subject to Section 504 and its related regulations, the Development shall nevertheless comply with Section 504 and its related regulations as requirements of the Corporation funding program to the same extent as if the Development were subject to Section 504 and its related regulations in all respects. To that end, all Corporation funding shall be deemed “Federal financial assistance” within the meaning of that term as used in Section 504 and its related regulations for all Developments.

b. General Features

(1) The following General Features must be provided for all proposed Developments:

- Broadband infrastructure which includes cables, fiber optics, wiring, or other infrastructure, as long as the installation results in accessibility in each unit;
- Termite prevention;
- Pest control;
- Window covering for each window and glass door inside each unit;
- Wireless, cable or satellite TV hook-up in each unit and, if the Development offers cable or satellite TV service to the residents, the price cannot exceed the market rate for service of similar quality available to the Development’s residents from a primary provider of cable or satellite TV;
- Washer and dryer hook ups in each of the Development’s units or an on-site laundry facility for resident use. If the proposed Development will have an on-site laundry facility, the following requirements must be met:
  - There must be a minimum of one Energy Star certified washer and one Energy Star certified or commercial grade dryer per every 15 units. To determine the required number of washers and dryers for the on-site laundry facility; divide the total number of the Development’s units by

15, and then round the equation's total up to the nearest whole number;

- At least one washing machine and one dryer shall be front loading that meets the accessibility standards of Section 504;
- If the proposed Development consists of Scattered Sites, the laundry facility shall be located on each of the Scattered Sites, or no more than 1/16 mile from the Scattered Site with the most units, or a combination of both;
- At least two full bathrooms in all 3 bedroom or larger units;
- Bathtub with shower in at least one bathroom in at least 90 percent of the non-Elderly units;
- Elderly Developments must have 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; and
- Full-size range and oven in all units.

c. Required Accessibility Features, regardless of the age of the Development

Federal and state law and building code regulations requires that programs, activities, and facilities be readily accessible to and usable by persons with disabilities. The Corporation requires that the design, construction, or alteration of its financed Developments be in compliance with federal and state accessibility requirements. When more than one law and accessibility standard applies, the Applicant shall comply with the standard (2010 ADA Standards, Section 504, Fair Housing Act, or Florida Building Code, Accessibility) whichever affords the greater level of accessibility for the residents and visitors. Areas required to be made accessible to mobility-impaired residents and their visitors, including those in wheelchairs, shall include, but not be limited to, accessible routes and entrances, paths of travel, primary function areas, parking, trash bins, mail and package receiving areas for residents, pool and other amenities, including paths of travel to amenities and laundry rooms, including washers and dryers.

(1) Required Accessibility Features in all Units

- Primary entrance doors on an accessible route shall have a threshold with no more than a ½-inch rise;
- All door handles on primary entrance door and interior doors must have lever handles;
- Lever handles on all bathroom faucets and kitchen sink faucets;
- Mid-point on light switches and thermostats shall not be more than 48 inches above finished floor level; and
- Cabinet drawer handles and cabinet door handles in bathroom and kitchen shall be lever or D-pull type that operate easily using a single closed fist.

(2) In addition to the 5 percent mobility requirement outlined above, all Family Demographic Developments must provide reinforced walls for future installation of horizontal grab bars in place around each tub/shower and toilet, or a Corporation-approved alternative approach for grab bar installation. The

installation of the grab bars must meet or exceed the 2010 ADA Standards for Accessible Design.

At the request of and at no charge to a resident household, the Development shall purchase and install grab bars around each tub/shower unit and toilet in the dwelling unit. The product specifications and installation must meet or exceed 2010 ADA Standards for Accessible Design. The Development shall inform a prospective resident that the Development, upon a resident household's request and at no charge to the household, will install grab bars around a dwelling unit's tub/shower unit and toilet, pursuant to the 2010 ADA Standards. At a minimum, the Development shall inform each prospective lessee by including language in the Development's written materials listing and describing the unit's features, as well as including the language in each household's lease.

- (3) Accessibility Features in all Developments with the Elderly Demographic must also provide the following features:
- 20 percent of the units must have roll-in showers.
  - Horizontal grab bars in place around each tub and/or shower, or a Corporation-approved alternative approach for grab bar installation. The installation of the grab bars must meet or exceed the 2010 ADA Standards for Accessible Design, Section 609. In addition, the following standards for grab bars are required:
    - If a bathtub/shower combination with a permanent seat is provided, grab bars shall be installed to meet or exceed the 2010 ADA Standards for Accessible Design, Section 607.4.1.
    - If a bathtub/shower combination without a permanent seat is provided, grab bars shall be installed to meet or exceed the 2010 ADA Standards for Accessible Design, Section 607.4.2.
    - If a roll-in shower is provided, grab bars shall be installed to meet or exceed the 2010 ADA Standards for Accessible Design, Section 608.3.2;
  - Reinforced walls for future installation of horizontal grab bars in place around each toilet, or a Corporation-approved alternative approach for grab bar installation. The installation of the grab bars must meet or exceed the 2010 ADA Standards for Accessible Design;
  - All bathrooms in all units must have vanity cabinets with at least one roll-out shelf or drawer in bottom of cabinet.;
  - Adjustable shelving in master bedroom closets (must be adjustable by resident); and

- In one of the kitchen’s base cabinets, there shall be a large bottom drawer that opens beyond full extension, also referred to as an “over-travel feature.” Drawers with the over-travel feature allow drawers to extend completely past the cabinet front so all the contents can be accessed. The drawer shall be deep and wide enough to store pots and pans and the drawer slides shall have a weight load rating of a minimum of 100 pounds. The drawers shall be mounted on a pair of metal side rails that are ball-bearing.

d. Required Green Building Features in all Developments

(1) All units and, as applicable, all common areas must have the features listed below:

- Low or No-VOC paint for all interior walls (Low-VOC means 50 grams per liter or less for flat; 150 grams per liter or less for non-flat paint);
- Low-flow water fixtures in bathrooms—WaterSense labeled products or the following specifications:
  - Toilets: 1.28 gallons/flush or less,
  - Urinals: 0.5 gallons/flush,
  - Lavatory Faucets: 1.5 gallons/minute or less at 60 psi flow rate,
  - Showerheads: 2.0 gallons/minute or less at 80 psi flow rate;
- Energy Star certified refrigerator;
- Energy Star certified dishwasher;
- Energy Star certified ventilation fan in all bathrooms;
- Water heater minimum efficiency specifications:
  - Residential Electric:
    - Up to 55 gallons = 0.95 EF or 0.92 UEF; or
    - More than 55 gallons = Energy Star certified; or
    - Tankless = 0.97 EF and Max GPM of  $\geq 2.5$  over a  $77^\circ$  rise or 0.87 UEF and GPM of  $\geq 2.9$  over a  $67^\circ$  rise;
  - Residential Gas (storage or tankless/instantaneous): Energy Star certified,
  - Commercial Gas Water Heater: Energy Star certified;
- Energy Star certified ceiling fans with lighting fixtures in bedrooms and living rooms;
- Air Conditioning (in-unit or commercial):
- Air-Source Heat Pumps – Energy Star certified:
  - $\geq 7.8$  HSPF/  $\geq 15.2$  SEER2/  $\geq 11.7$  EER for split systems
  - $\geq 7.2$  HSPF  $\geq 15.2$  SEER2/  $\geq 10.6$  EER for single package equipment including gas/electric package units
- Central Air Conditioners – Energy Star certified:
  - $\geq 15.2$  SEER/  $\geq 12.0$  EER2 for split systems
  - $\geq 15.2$  SEER/  $\geq 11.5$  EER2\* for single package equipment including gas/electric package units.

NOTE: Window air conditioners and portable air conditioners are not allowed. Package Terminal Air Conditioners (PTACs) / Package Terminal Heat Pumps (PTHPs) are allowed in studio and one-bedroom units.

- (2) In addition to the required Green Building features outlined in (1) above, proposed Developments must select one of the following 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

The quality of the Resident Programs committed to by the Applicant is subject to approval of the Board of Directors. The availability of the Resident Programs must be publicized on an ongoing basis such as through community newsletters, bulletin board posts, or flyers.

### a. Family Demographic Commitment

If the Family Demographic is selected, provide at least three of the resident programs outlined below. The eligible resident programs which may be selected are as follows:

#### (1) After School Program for Children

This program requires the Applicant or its Management Company to provide supervised, structured, age-appropriate activities for children during after school hours, Monday through Friday. Activities must be on-site.

#### (2) 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.

#### (3) Employment Assistance Program

The Applicant or its Management Company must provide, at no cost to the resident, a minimum of quarterly scheduled Employment Assistance Program workshops/meetings offering employment counseling by a knowledgeable employment counselor. Such a program includes employability skills workshops providing instruction in the basic skills necessary for getting, keeping, and doing well in a job. The instruction must be held between the hours of 8:00 a.m. and 7:00 p.m. and include, but not be limited to, the following:

- Evaluation of current job skills;
- Assistance in setting job goals;

- Assistance in development of and regular review/update of an individualized plan for each participating resident;
- Resume assistance;
- Interview preparation; and
- Placement and follow-up services.

If the training is not provided on-site, transportation at no cost to the resident must be provided. Electronic media, if used, must be used in conjunction with live instruction.

(4) Financial Management Program

The Applicant or its Management Company shall provide a series of classes to provide residents training in various aspects of personal financial management. 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. If the Development consists of Scattered Sites, the Resident Program must be held on the Scattered Site with the most units. Residents residing at the other sites of a Scattered Site Development must be offered transportation, at no cost to them, to the classes. The topic areas must include, but not be limited to:

- Financial budgeting and bill-paying including training in the use of technologies and web-based applications;
- Tax preparation including do's and don'ts, common tips, and how and where to file, including electronically;
- Fraud prevention including how to prevent credit card and banking fraud, identity theft, computer hacking and avoiding common consumer scams;
- Retirement planning & savings options including preparing a will and estate planning; and
- Homebuyer education including how to prepare to buy a home, and how to access to first-time homebuyer programs in the county in which the development is located.

Different topic areas must be selected for each session, and no topic area may be repeated consecutively.

(5) Homeownership Opportunity Program - Applicant commits to provide a financial incentive which includes the following provisions:

- The incentive must be applicable to the home selected and may not be restricted to or enhanced by the purchase of a home in which the Applicant, Developer, or other related party has an interest;
- the incentive must be not less than 5 percent of the rent received by the owner for the unit during the entire occupancy by the household (Note: The incentive will be paid for all months for which the household is in compliance with the terms and conditions of the lease. Damages to the unit in excess of the security deposit will be deducted from the incentive.);

- the benefit must be in the form of a gift or grant and may not be a loan of any nature;
- the benefits of the incentive must accrue from the beginning of occupancy;
- the vesting period can be no longer than 2 years of continuous residency; and
- no fee, deposit or any other such charge can be levied against the household as a condition of participation in this program.

b. Elderly Demographic Commitment

(1) Required Resident Program for all Applicants that select the Elderly Demographic

24 Hour Support to Assist Residents In Handling Urgent Issues

An important aging in place best practice is providing the residents access to property management support 24 hours per day, 7 days a week to assist them to appropriately and efficiently handle urgent issues or incidents that may arise. These issues may include, but are not limited to, an apartment maintenance emergency, security or safety concern, or a health risk incident in their apartment or on the property. The management's assistance will include a 24/7 approach to receiving residents' requests for assistance that will include a formal written process for relevant property management staff to effectively assess and provide assistance for each request.

This assistance may include staff:

- visiting or coordinating a visit to a resident's apartment to address an urgent maintenance issue;
- responding to a resident being locked out of their apartment;
- contacting on-site security or the police to address a concern;
- providing contact information to the resident and directing or making calls on a resident's behalf to appropriate community-based emergency services or related resources to address an urgent health risk incident;
- calling the resident's informal emergency contact; or
- addressing a resident's urgent concern about another resident.

Property management staff shall be on site at least 8 hours daily, but the 24-hour support approach may include contracted services or technology to assist the management in meeting this commitment, if these methods adequately address the intent of this service. The Development's owner and/or designated property management entity shall develop and implement policies and procedures for staff to immediately receive and handle a resident's call and assess the call based on a resident's request and/or need.

At a minimum, residents shall be informed by the property management, at move-in and via a written notice(s)/instructions provided to each resident and

displayed in the Development's common or public areas, that staff are available to receive resident calls at all times. These notices shall also provide contact information and direction to first contact the community-based emergency services if they have health or safety risk concerns.

(2) Applicants who select the Elderly Demographic, must provide at least three of the resident programs outlined below:

(a) Financial Management for Elderly Residents

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

(b) Computer Training

The Applicant or its Management Company shall make available computer and internet training classes (basic and/or advanced level depending on the needs and requests of the residents). The training classes must be provided at least once a week, at no cost to the resident, in a dedicated space on site. Training must be held between the hours of 8:00 a.m. and 7:00 p.m., and electronic media, if used, must be used in conjunction with live instruction. If the Development consists of Scattered Sites, this resident program must be provided on the Scattered Site with the most units.

(c) Daily Activities

The Applicant or its Management Company must provide on-site supervised, structured activities, at no cost to the resident, at least five days per week which must be offered between the hours of 8:00 a.m. and 7:00 p.m. If the Development consists of Scattered Sites, this resident program must be provided on the Scattered Site with the most units.

(d) Assistance with Light Housekeeping, Grocery Shopping and/or Laundry

The Applicant or its Management Company must provide residents with a list of qualified service providers for (a) light housekeeping, and/or (b) grocery shopping, and/or (c) laundry and will coordinate, at no cost to



the resident, the scheduling of services. The Developer or Management Company shall verify that the services referral information is accurate and up-to-date at least once every six months.

(e) Resident Assurance Check-In Program

Provide and use an established system for checking in with each resident on a pre-determined basis not less than once per day, at no cost to the resident. Residents may opt out of this program with a written certification that they choose not to participate.

**10. Funding**

a. Corporation Funding

(1) Total CDBG-DR Request Amount

The maximum CDBG-DR Loan Request Amount is limited to the lesser of the following:

- (a) \$7,000,000 per Development; or
- (b) Per unit limit based on bedrooms per unit:

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) Non-Competitive Housing Credits, applicable to Applications in Bay or Escambia County, as well as other counties that consist of at least 50 units

- (a) The Applicant must state the anticipated amount of Housing Credits it is requesting (“Applicant’s Housing Credit Request Amount”).

The 4% Housing Credit Request Amount is not subject to a request limit; however, if the Applicant states an amount that is not a whole dollar amount, the Corporation will round the amount down to a whole dollar amount.

- (b) Declaration as First Phase of a Multiphase Development

To declare this proposed Development as the first phase of a multiphase Development, the question in Exhibit A must be answered “Yes” and at least one building must be located within the HUD-designated DDA or HUD-designated QCT stated in Exhibit A.

During the credit underwriting process, an opinion letter must be submitted to the Corporation by a licensed attorney that the

Development meets the definition of a “multiphase project” as defined in the Federal Register related to the Statutorily Mandated Designation of Difficult Development Areas and Qualified Census Tracts for the applicable year. The letter must also include: (i) the name of the declared first phase Development and the Corporation-assigned Application number, (ii) the total number of phases and the projected Development name for each phase, (iii) the total number of buildings in each phase, (iv) the expected completion date for each phase, and (v) any other information as determined by the Corporation and stated in the invitation to enter credit underwriting.

To qualify for the basis boost, subsequent phases must meet the requirements in (c)(i) below.

(c) Basis Boost Qualifications

With regard to Housing Credits, HUD provides regulatory guidance on the effective date of Difficult Development Area (DDA) and Qualified Census Tract (QCT) lists for the purpose of determining whether a Development qualifies for an increase in eligible basis in accordance with Section 42(d)(5)(B) of the IRC. HUD’s notice published on the webpage <https://www.huduser.gov/portal/datasets/qct.html> (also available by clicking [here](#)) governs the eligibility for a basis boost for the Development proposed in this RFA.

(i) Complete application for Non-Corporation-Issued Tax-Exempt Bonds submitted in a previous year

The increase in eligible basis related to non-competitive housing credits is initially tied to the submission of a complete application to the bond-issuing agency.

If the Applicant is applying for Corporation-issued MMRB in this application, the HUD criteria used to determine eligibility will be the current calendar year criteria. If the Applicant is utilizing Non-Corporation-issued Tax-Exempt Bonds, the Corporation will need to utilize the qualifying criteria tied to when the complete application was submitted to the agency issuing the County HFA-issued Tax Exempt Bonds. If applicable, provide a response to the question asking for the calendar year of the County HFA-issued Tax Exempt Bond application (current year or prior year).

If the Applicant is requesting Non-Competitive Housing Credits that will be used with County HFA-issued Tax-Exempt Bonds and the Applicant indicates that the

proposed Development is eligible for the basis boost, during the credit underwriting process the Applicant will be required to provide a letter certifying the date the bond application was deemed complete, as outlined in Exhibit D.

(ii) Subsequent Phase of a Multiphase Development

For purposes of this RFA, a subsequent phase of a multiphase Development is one where the first phase was located within a HUD-designated DDA or HUD-designated QCT and appropriately identified as such, and received an award of Housing Credits (“initial award”) in one of the following: (i) the 2011 Universal Application Cycle, (ii) a Request for Proposal or Request for Application (“RFP” or “RFA”) issued in calendar year 2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022 or (iii) a Non-Competitive Housing Credit Application (awarded through a Corporation competitive RFA process or a Non-Corporation Bond issuer’s competitive application).

For the subsequent phase to be eligible for the basis boost, after the initial award, (A) the Applicant must have submitted an Application for Housing Credits in immediately consecutive years, per the HUD requirements, (B) the 730-day period following the initial award must not end prior to the submission deadline for the Corporation’s competitive RFA or a Non-Corporation Bond issuer’s competitive application, per HUD’s requirements, and (C) the subsequent phase must have at least one building located within the boundary of the declared HUD-designated DDA or HUD-designated QCT which applied to the Development declared as the first phase by the first phase Applicant.

If the proposed Development qualifies as a subsequent phase of a multiphase Development, indicate as such in Exhibit A and provide the Corporation-assigned Application number for the Development where the first phase was declared and awarded an allocation of Housing Credits.

The proposed Development’s subsequent phase status will be confirmed during the credit underwriting process. If it is determined that the proposed Development does not meet the criteria to be designated a subsequent phase of a multiphase Development and the Housing Credit request was based on such contention, it will no longer be considered a subsequent phase of a multiphase Development.

## (iii) HUD-designated Small Area DDA (SADDA)

A proposed Development will be eligible for the basis boost if located within a HUD-designated Small Area DDA (SADDA), as defined in Section 42(d)(5)(B)(iii), IRC. The SADDA designation will only apply to the building(s) located within the applicable SADDA Zip Code Tabulation Area (ZCTA) and only those building(s) will be eligible for the basis boost.

HUD has assigned a ZCTA number to each SADDA, available on the webpage

<https://www.huduser.gov/portal/datasets/qct.html> (also available by clicking [here](#)). The applicable HUD mapping software is available at [https://www.huduser.gov/portal/sadda/sadda\\_qct.html](https://www.huduser.gov/portal/sadda/sadda_qct.html) (also available by clicking [here](#)).

To qualify, identify, in Exhibit A, the ZCTA number(s) for the proposed Development.

During credit underwriting and at the time of Final Cost Certification, if it is determined that there are buildings located outside of the applicable SADDA ZCTA, the Corporation reserves the right to reduce the Housing Credit Allocation if the eligible basis for the building(s) located in the applicable SADDA ZCTA is not sufficient to support the request amount.

## (iv) HUD-designated Non-Metropolitan DDA

The proposed Development will be eligible for the basis boost if the Development county, as stated in Exhibit A, is located within a HUD-designated non-metropolitan DDA as defined in Section 42(d)(5)(B)(iii), IRC. The HUD-designated non-metropolitan DDAs are available on the webpage <https://www.huduser.gov/portal/datasets/qct.html> (also available by clicking [here](#)).

## (v) HUD-designated QCT

The proposed Development will be eligible for the basis boost if the entire Development is located, as of Application Deadline, within a HUD-designated QCT, as defined in Section 42(d)(5)(B)(ii), IRC, as amended and based on the current census, as determined by HUD.

The HUD-designated QCTs are available on the webpage <https://www.huduser.gov/portal/datasets/qct.html> (also available by clicking [here](#)).

To qualify, indicate the HUD-designated QCT census tract number.

(d) Housing Credit Equity Proposal

A Housing Credit equity proposal must be provided as **Attachment 10**. For purposes of this RFA, to be counted as a source, an equity proposal, regardless of whether the documentation is in the form of a commitment, proposal, term sheet or letter of intent, must meet the requirements set out below:

- (i) If the Eligible Housing Credit Request Amount is less than the anticipated amount of credit allocation stated in the equity proposal, the equity proposal will be considered a source of financing and the maximum amount of Housing Credit equity to be permitted in the Development Cost Pro Forma will be adjusted downward from the amount stated in the equity proposal. This adjusted maximum Housing Credit equity will be calculated by taking the total amount of equity to be provided to the proposed Development as stated in the equity proposal letter, dividing it by the credit allocation stated in the equity proposal and multiplying that quotient by the Applicant's Eligible Housing Credit Request Amount. If the Eligible Housing Credit Request Amount is greater than the anticipated amount of credit allocation stated in the equity proposal, the equity proposal will be considered a source of financing and the maximum amount of Housing Credit equity to be permitted in the Development Cost Pro Forma will be the amount stated in the equity proposal.
- (ii) If syndicating/selling the Housing Credits, the Housing Credit equity proposal must meet the following criteria:
- Be executed by the equity provider;
  - Include specific reference to the Applicant as the beneficiary of the equity proceeds;
  - State the proposed amount of equity to be paid prior to construction completion;
  - State the anticipated Housing Credit Request Amount;
  - State the anticipated dollar amount of Housing Credit allocation to be purchased; and
  - State the anticipated total amount of equity to be provided.

If the limited partnership agreement or limited liability company operating agreement has closed, the closed agreement must be provided. To be counted as a source of financing, the partnership agreement or operating agreement must meet the requirements above or submit separate documentation, signed by the equity provider, expressly stating any required criteria not provided in the agreement.

- (iii) If not syndicating/selling the Housing Credits, the owner's commitment to provide equity must be provided. The commitment must include the following information and evidence of ability to fund must be provided as **Attachment 10** to the Application:
- The proposed amount of equity to be paid prior to construction completion;
  - The anticipated Housing Credit Request Amount;
  - The anticipated dollar amount of Housing Credit allocation to be purchased; and
  - The anticipated total amount of equity to be provided.

Note: Exhibit D to the RFA outlines the documentation required to be submitted during credit underwriting demonstrating that the equity amount to be paid prior to or simultaneous with the closing of construction financing is at least 15 percent of the total proposed equity to be provided (the 15 percent criteria).

- (3) Tax Exempt Bonds, applicable to Applications in Bay or Escambia County, as well as other counties that consist of at least 50 units

- (a) Corporation-Issued MMRB

State the amount of Corporation-Issued MMRB being requested. The MMRB Request amount must be in increments of \$5,000. The Corporation will make any necessary adjustment by rounding up to the nearest \$5,000 during credit underwriting.

There is no requirement to include any documentation regarding the MMRB in the Application. The necessary documentation that will be required after the Applicant is invited to enter credit underwriting is outlined in Exhibit D.

- (b) County HFA-issued Tax-Exempt Bonds

- (i) Provide, as **Attachment 11** to Exhibit A, a letter, executed by the chair or vice chair of the governing body, mayor, or deputy mayor, city manager or assistant city manager, county manager/administrator/coordinator or assistant county manager/administrator/coordinator, executive director or

assistant executive director, or by an individual occupying a position reasonably equivalent to any of the foregoing, as applicable, of the entity issuing the Tax-Exempt Bonds, that (a) confirms that the Applicant has submitted an application for Tax-Exempt Bonds for the Development proposed in this RFA, (b) states the amount of the Applicant's Bond request, and (c) confirms that the closing on the Bonds has not occurred and will not occur prior to the Application Deadline for this RFA; and

- (ii) The Applicant must include the anticipated amount of such Bond financing on the Construction/Rehab Analysis and the Permanent Analysis.

There is no requirement to include any other documentation regarding the County HFA-issued Tax-Exempt Bonds in the Application beyond what is required at **Attachment 11**. The necessary documentation will be required after the Applicant is invited to enter credit underwriting, as outlined in Exhibit D to the RFA.

Applicants are not eligible to apply for any funding offered in this RFA if the Applicant has already closed on the Tax-Exempt Bond financing prior to the Application Deadline for this RFA. In addition, proposed Developments are not eligible to receive any funding awarded through this RFA if the Applicant closes on the Tax-Exempt Bond financing prior to the issuance of the preliminary commitment. As part of the Applicant's acceptance of the invitation to enter credit underwriting (i.e., the preliminary commitment), the Applicant will be required to confirm that the Bonds have not closed. If the Bonds are closed between the Application Deadline and issuance of the preliminary commitment, the Applicant's award will be rescinded.

(5) Other Corporation Funding

If the Development has received funding from the Predevelopment Loan Program (PLP), the Corporation file number and amount of funding must be listed. Note: PLP funding cannot be used as a source of financing on the Construction/Rehab Analysis or the Permanent Analysis.

b. Non-Corporation Funding

- (1) If the proposed Development will be assisted with funding under the United States Department of Agriculture RD 515 Program and/or RD 538 Program, the following information must be provided:

- (a) Indicate the applicable RD Program(s) in Exhibit A.

- (b) For a proposed Development that is assisted with funding from RD 515, include the following:
- (i) Include the funding amount at the USDA RD 515 Financing line item on the Development Cost Pro Forma (Construction/Rehab Analysis and/or Permanent Analysis), and
  - (ii) Provide a letter from RD, dated within six months of the Application Deadline, as **Attachment 12** to Exhibit A, with the following information:
    - Name of Proposed Development;
    - Name of Applicant as borrower or direct recipient;
    - RD Loan amount; and
    - Acknowledgment that property is applying for Housing Credits, if applicable.
- (c) If the proposed Development will be assisted with funding under the RD 538 Program, include the following:
- (i) Include the funding amount at the USDA RD 538 Financing line item on the Development Cost Pro Forma (Construction/Rehab Analysis and/or Permanent Analysis); and
  - (ii) Provide the letter sent to the Applicant by an RD 538 approved lender certifying that the lender is prepared to make a loan consistent with the program requirements through the Section 538 Guaranteed Rural Rental Housing (“538”) Loan Program as **Attachment 12** to Exhibit A. The U.S. Department of Agriculture, Rural Development (RD), list of Section 538 Guaranteed Rural Rental Housing approved lenders is available on the RFA Webpage.

As outlined in Exhibit D, the Section 538 Selection letter from RD must be provided during credit underwriting.

(2) Non-Corporation Funding Proposals

Unless stated otherwise within this RFA, for funding, other than Corporation funding and deferred Developer Fee, to be counted as a source on the Development Cost Pro Forma, provide documentation of all financing proposals from both the construction and the permanent lender(s), equity proposals from the syndicator, and other sources of funding. The financing proposals must state whether they are for construction financing, permanent financing, or both, and all attachments and/or exhibits referenced in the proposal must be provided as **Attachment 13** to Exhibit A.



For purposes of the Application, the following will not be considered a source of financing: net operating income, capital contributions not documented in accordance with financing proposals that are not from a Regulated Mortgage Lender, fee waivers or any portion of any fees that are reimbursed by the local government. Additionally, fee waivers or any portion of any fees that are reimbursed by the local government cannot be considered as Development costs.

(a) Financing Proposal

Financing proposal documentation, regardless of whether the documentation is in the form of a commitment, proposal, term sheet, or letter of intent, must meet the following criteria.

Each financing proposal shall contain:

- Amount of the construction loan, if applicable;
- Amount of the permanent loan, if applicable;
- Specific reference to the Applicant as the borrower or direct recipient; and
- Signature of lender.

Note: Eligible Local Government financial commitments (i.e., grants and loans) can be considered a source of financing without meeting the requirements above if the Applicant provides the properly completed and executed Local Government Verification of Contribution – Grant Form (Form 07-2022) and/or the Local Government Verification of Contribution – Loan Form (Form 07-2022) and such grant and/or loan is effective at least through June 30, 2023. 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, for scoring purposes. Either the "Loan" or the "Grant" verification forms can be used. The grant and loan forms (Form 07-2022) are available on the RFA Webpage. 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.

(b) Financing that has closed:

- (i) For any financing other than Tax-Exempt Bond financing\*, if the financing has closed in the Applicant's name, provide a letter from the lender acknowledging that the loan has closed. The letter must also include the following information:
- Amount of the construction loan, if applicable;
  - Amount of the permanent loan, if applicable; and

- Specific reference to the Applicant as the borrower/direct recipient/mortgagee.

\*As stated in Section One and Section Four A.10.a. of the RFA, proposed Developments are not eligible to apply for any funding offered in this RFA if the Applicant has already closed on the Tax-Exempt Bond financing prior to the Application Deadline for this RFA. In addition, proposed Developments are not eligible to receive any funding awarded through this RFA if the Applicant closes on the Tax-Exempt Bond financing prior to the issuance of the preliminary commitment for the SAIL funding. As part of the Applicant's acceptance of the invitation to enter credit underwriting (i.e., the preliminary commitment), the Applicant will be required to confirm that the Bonds have not closed. If the Bonds are closed between the Application Deadline and issuance of the preliminary commitment, the Applicant's award will be rescinded.

- (ii) Except for HUD and RD funding, if the financing involves an assumption of debt not currently in the Applicant's name, as evidence that the lender approves of the proposal of assumption, provide a letter from the lender, dated within six months of the Application Deadline, that includes the following information:

- Specifically references the Applicant as the assuming party;
- If a permanent loan, states the amount to be assumed; and
- If a construction loan, states the maximum amount of funding capacity.

If the debt being assumed is provided by HUD, provide a letter from HUD, dated within six months of the Application Deadline, confirming the funding source. The letter must include the following information:

- Name of existing development;
- Name of proposed Development;
- Loan balance;
- Acknowledgment that property is applying for Housing Credits; and
- Applicable HUD program.

If the debt being assumed is provided by RD, the Applicant is only required to provide the information described in Item 10.b.(1)(b) above.

- (c) If the financing proposal is not from a Regulated Mortgage Lender in the business of making loans or a governmental entity, evidence of ability to fund must be provided. Evidence of ability to fund includes: (i) a copy of the lender's most current audited financial statements no more than 17 months old; or (ii) if the loan has already been funded, a copy of the note and recorded mortgage. The age of all financial statements is as of the Application Deadline. In evaluating ability to fund, the Corporation will consider the entity's unrestricted current assets typically used in the normal course of business. Assets considered restricted include, but are not limited to, pension funds, rental security deposits, and sinking

funds. Financing proposals from lenders who cannot demonstrate ability to fund will not count as a source of financing. Financial statements must be included in the Application. Note: This provision does not apply to deferred Developer Fee.

In the case where the seller (or lessor) of the Development's property is providing a seller's or lessor's note (purchase money mortgage or equivalent) to help finance the Applicant's acquisition of the property, evidence of its ability to fund the amount of the note is not needed so long as the Application includes a letter from the seller or lessor that meets the financing proposal criteria outlined in (2)(a) above and the amount of the note is equal to or less than the purchase price of the property.

- (d) If a financing proposal shows an amount less than the corresponding line item on the Development Cost Pro Forma, only the financing proposal amount will be considered as a funding source. However, if a financing proposal shows an amount greater than the corresponding line item on the Development Cost Pro Forma, up to the total amount of the financing proposal amount may be utilized as a funding source, if needed.
- (e) The loan amount may be conditioned upon an appraisal or debt service coverage ratio or any other typical due diligence required during credit underwriting.
- (f) Financing proposals may be conditioned upon the Applicant receiving the funding from the Corporation for which it is applying.
- (g) If a financing proposal has a provision for holding back funds until certain conditions are met, the amount of the hold-back will not be counted as a source of construction financing unless it can be determined that the conditions for the release of the hold-back can be met prior to or simultaneous with the closing of the Development's permanent financing.
- (h) Grant funds are contributions to the Development, other than equity, which carry no repayment provision or interest rate. A commitment for grant funds will be considered a commitment if the commitment is properly executed and, if applicable, evidence of ability to fund is provided.

c. Development Cost Pro Forma

All Applicants must complete the Development Cost Pro Forma listing the anticipated expenses or uses, the Detail/Explanation Sheet, if applicable, and the Construction or Rehab Analysis and Permanent Analysis listing the anticipated sources (both Corporation and non-Corporation funding). The sources must equal or exceed the uses. If a funding source is not considered and/or if the Applicant's

funding Request Amount is adjusted downward, this may result in a funding shortfall. If the Application has a funding shortfall in either the Construction/Rehab and/or the Permanent Analysis of the Applicant's Development Cost Pro Forma, the amount of the adjustment(s), to the extent needed and possible, will be offset by increasing the deferred Developer Fee up to the maximum eligible amount as provided below.

The Development Cost Pro Forma must include all anticipated costs of the Development construction and, if applicable, acquisition, including the Developer Fee and General Contractor fee, as outlined below. Waived or reimbursed fees or charges are not considered costs to the Development and therefore, should not be included on the Development Cost Pro Forma. Note: deferred Developer Fees are not considered "waived fees."

Developer Fee and General Contractor fee must be disclosed. In the event the Developer Fee and/or General Contractor fee are/is not disclosed on the Development Cost Pro Forma, the Corporation will assume that these fees will be the maximum allowable and will add the maximum amount(s) to Total Development Cost. If an Applicant lists a Developer Fee, General Contractor fee, or contingency reserve that exceeds the stated Application limits, the Corporation will adjust the fee to the maximum allowable. As stated below, Applicants may not enter any amounts pertaining to operating deficit reserves. The Corporation will not consider any operating deficit reserves listed on the Development Cost Pro Forma.

Unless stated otherwise in this RFA, except for deferred Developer Fee, the Application requires complete information on all sources of Development funding and the proposed uses of those funds. All loans, grants, donations, syndication proceeds, etc., should be detailed in the Application as outlined above. The total of monetary funds determined to be in funding proposals must equal or exceed uses.

(1) Developer Fee

Each Developer Fee component listed in (a) and (b) below shall not exceed the respective amounts described below:

- (a) For Applicants requesting CDBG-DR only
  - (i) Developer Fee on Acquisition Costs, is limited to 16 percent of the Total Acquisition Cost of Existing Development (excluding land) stated on the Development Cost Pro Forma in Column 3 of Item B, rounded down to the nearest dollar; and
  - (ii) Developer Fee on Non-Acquisition Costs, is limited to 16 percent of the net amount after deducting Total Acquisition Cost of Existing Development (excluding land) (Column 3 of Item B) from the Development Cost stated on

the Development Cost Pro Forma in Column 3 of Item C, rounded down to the nearest dollar.

- (b) For Applicants requesting Tax-Exempt Bond Financing and Non-Competitive Housing Credits
- (i) Developer Fee on Acquisition Costs, is limited to 18 percent of the Total Acquisition Cost of Existing Development (excluding land) stated on the Development Cost Pro Forma in Column 3 of Item B, rounded down to the nearest dollar; and
  - (ii) Developer Fee on Non-Acquisition Costs, is limited to 18 percent of the net amount after deducting Total Acquisition Cost of Existing Development (excluding land) (Column 3 of Item B) from the Development Cost stated on the Development Cost Pro Forma in Column 3 of Item C, rounded down to the nearest dollar.

If the maximums stated in (a) or (b) are exceeded, the Corporation will adjust the amount down to the maximum allowed. Additionally, the Corporation may further adjust the Developer Fee on Acquisition Costs, and/or Developer Fee on Non-Acquisition Costs stated on the Development Cost Pro Forma and used to calculate the Developer Fee in Item D of the Development Cost Pro Forma. The conditions for such adjustments are stated below:

- If the amount of Developer Fee on Acquisition Costs is more than the amount allowed in (a) above, AND if the amount of Developer Fee on Non-Acquisition Costs is less than the amount allowed in (b) above, the Corporation will reduce the amount of Developer Fee on Acquisition Costs to the maximum allowed amount, and increase the amount of Developer Fee on Non-Acquisition Costs by the amount reduced in the Developer Fee on Acquisition Costs, up to the maximum allowed amount.
- If the amount of Developer Fee on Non-Acquisition Costs is more than the amount allowed in (b) above, AND if the amount of Developer Fee on Acquisition Costs is less than the amount allowed in (a) above, the Corporation will reduce the amount of Developer Fee on Non-Acquisition Costs to the maximum allowed amount, and increase the amount of Developer Fee on Acquisition Costs by the amount reduced in the Developer Fee on Non-Acquisition Costs, up to the maximum allowed amount.

The Corporation will allow up to 100 percent of the eligible Developer Fee to be deferred and used as a source on the Development Cost Pro Forma without the requirement to show evidence of ability to fund.

Consulting fees, if any, and any financial or other guarantees required for the financing must be paid out of the Developer Fee. Consulting fees include, but are not limited to, payments for Application consultants, construction management or supervision consultants, or local government consultants.

(2) General Contractor Fee

General Contractor fee shall be limited to 14 percent of actual construction cost. The maximum allowable General Contractor fee will be tested during the scoring of the Application by multiplying the actual construction cost by 14 percent, rounded down to the nearest dollar.

(3) Contingency Reserves

For Application purposes, the maximum hard and soft cost contingencies allowed cannot exceed 5 percent of hard and soft costs, as further described in Rule Chapters 67-21, F.A.C. The determination of the contingency reserve is limited to the maximum stated percentage of total actual construction costs (hard costs) and general development costs (soft costs), as applicable.

(4) Operating Deficit Reserves

An operating deficit reserve can be included as part of Development Costs, but cannot be used in determining the maximum Developer Fee. Applicants may enter an operating deficit reserve amount that does not exceed \$3,500 per unit on the Development Cost Pro Forma as part of the Application process. A reserve, including an operating deficit reserve, if necessary as determined by an equity provider, first mortgage lender, and/or the Credit Underwriter engaged by the Corporation in its reasonable discretion, will be required and sized in credit underwriting. If any reserve other than the permitted contingency reserve(s) or the maximum operating deficit reserve is identified and included in the Development Cost Pro Forma, the Corporation will reduce it to the maximum allowed during Application scoring.

In exchange for receiving funding from the Corporation, the Corporation reserves the authority to restrict the disposition of any funds remaining in any operating deficit reserve(s) after the term of the reserve's original purpose has terminated or is near termination. Authorized disposition uses are limited to payments towards any outstanding loan balances of the Development funded from the Corporation, any outstanding Corporation fees, any unpaid costs incurred in the completion of the Development (i.e., deferred Developer Fee), the Development's capital replacement reserve account (provided, however, that any operating deficit reserve funds deposited to the replacement reserve account will not replace, negate, or otherwise be considered an advance payment or pre-funding of the Applicant's obligation to periodically fund the replacement reserve

account), the reimbursement of any loan(s) provided by a partner, member or guarantor as set forth in the Applicant's organizational agreement (i.e., operating or limited partnership agreement) whereby its final disposition remains under this same restriction. The actual direction of the disposition is at the Applicant's discretion so long as it is an option permitted by the Corporation. In no event, shall the payment of amounts to the Applicant or the Developer from any operating deficit reserve established for the Development cause the Developer Fee or General Contractor fee to exceed the applicable percentage limitations provided for in this RFA.

d. Public Housing Authority and/or an instrumentality of a Public Housing Authority

Applicants may qualify for an "Add-On Bonus" used in the Leveraging Calculation described in Item 3 of Exhibit C if at least one of the following is met:

- (1) The Applicant has either entered into a land lease with a Public Housing Authority on property where the proposed Development is to be located or the Applicant provided an Option to Enter into a Ground Lease Agreement on property where the proposed Development is to be located; AND the property has an existing Declaration of Trust between the Public Housing Authority and HUD; or
- (2) The Applicant is associated with a Public Housing Authority and/or an instrumentality of a Public Housing Authority in the ownership structure. The Applicant should state whether any Principals of the Applicant entity are a Public Housing Authority and/or an instrumentality of a Public Housing Authority and the Public Housing Authority and/or instrumentality of a Public Housing Authority must be reflected on the Principals of the Applicant and Developer(s) Disclosure Form (Form Rev. 05-2019).

Note: For purposes of the "Add-On Bonus", the Public Housing Authority and/or instrumentality of a Public Housing Authority must not be disclosed as only the Investor Limited Partner of the Applicant or Investor Member of the Applicant.

If a Public Housing Authority has one of the above-described relationships with the Applicant, state the name of the Public Housing Authority.

## 11. Uniform Relocation Act

The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA) is government-wide legislation which establishes minimum standards for federally-funded programs or projects requiring the acquisition of real property or displacement of persons from the homes, businesses, or farms as a direct result of: Acquisition, Rehabilitation or Demolition. Applicants should be prepared to familiarize themselves with URA & Section 104(d) statutes and regulations at 49 CFR 24 (URA), 24 CFR 42 (104(d)), 24 CFR 570 (CDBG) and Section 414 of the Stafford Act.

The URA is triggered at site identification or intended use of federal funds.

A General Information Notice (GIN) should be issued to all occupants at such time there exists the following:

- Documented legal intent of a project triggered by project pre-application/application, AND
- Site identification.

For land proposed for acquisition that may have occupied residential dwellings, compliance begins at the GIN issuance. Successful Applicants will be required to provide the issued GIN within 21 Calendar Days of the invitation to enter credit underwriting as outlined in Exhibit D. The questions in Exhibit A must be answered and the following required Uniform Relocation Act information must be obtained prior to application deadline. The information must be provided to the Corporation with the GIN if the Applicant is successful as outlined below:

a. Occupied Units

At question 11.a. of Exhibit A, select "Yes" if any units are occupied as of the Application Deadline.

b. Tenant Relocation Information for Existing Properties

At question 11.b.(1) through (4) of Exhibit A, answer all applicable questions.

- (1) State how many total units exist as of the Application Deadline in the proposed Development.
- (2) State how many units are occupied as of the Application Deadline.
- (3) State whether or not permanent relocation (displacement) is anticipated during or after the construction period. If "Yes", state how many units are affected.
- (4) State whether or not temporary relocation of any tenants will be required. If "Yes", state how many tenants will require temporary relocation.

Successful Applicants will be required to provide the following information within 21 Calendar Days of the invitation to enter credit underwriting as outlined in Exhibit D:

- (5) Within 21 Calendar Days of the invitation to enter credit underwriting, provide a list of all units occupied as of Application Deadline and tenant income certifications. The income of persons and households who, as of the Application Deadline, are occupying a unit that will receive assistance must be provided to determine whether they are income eligible. For all units that are occupied as of the Application Deadline, provide a summary list of all residents and income certifications for those residents in occupied units that will be assisted units. If, as of the Application Deadline, the existing residents and/or Development is/are participating in a federally subsidized program (such as Project-based Section 8, Section 8 Existing or Section 8 Voucher Programs), the residents' income certification forms required for that program may be used to meet this requirement.



- (6) Within 21 Calendar Days of the invitation to enter credit underwriting, provide a brief description of how the Development will meet the set-aside requirements. The description must indicate whether, as of the Application Deadline, the existing residents are eligible residents, or whether the residents will be evicted and replaced with income eligible residents in order to meet the set-aside requirements committed to in this Application.
- (7) Within 21 Calendar Days of the invitation to enter credit underwriting, provide a description of how the cost of relocation will be covered. Detail how the temporary and permanent relocation will be handled.

c. Uniform Relocation Act Acquisition Information

In addition to answering the questions in Exhibit A, successful Applicants will be required to provide the following information within 21 Calendar Days of the invitation to enter credit underwriting:

- (1) If the Applicant owns the Development site (i.e., holds a deed or currently has a lease with a minimum 50-year term), provide a narrative describing the acquisition. This narrative must describe how, when, and from whom the property was acquired and whether or not the property was vacant when acquired.
- (2) If the Applicant is a private company and is acquiring the property or will have a lease with a minimum 50-year term for the property, the Applicant (buyer) must provide the seller with a notice that the buyer does not have the power of eminent domain to obtain the property and a determination of market value will estimate the value of the property. This must be done prior to execution of the contract or proposed lease (with a minimum 50-year term) or may be attached as an addendum to the contract or proposed lease (with a minimum 50-year term). A copy of the required notice and confirmation of the current owner's/seller's receipt of notice must be provided.
- (3) If the Applicant is a public (government) Applicant, respond to all applicable remaining questions in this relocation section.
- (4) Eminent Domain:
  - (a) If the buyer has the power of eminent domain, the buyer must notify the seller in writing that it has such power and the determination of market value for the property is being waived. Provide a copy of the required notice.
  - (b) If the Applicant is a public (government) Applicant and does not have the power of eminent domain, provide the following: (i) notice of interest, (ii) determination of fair market value, (iii) appraisal of the property, and (iv) written offer of just compensation which includes a statement of just value, property description, and identification of buildings. Provide all required documentation.

The GIN and accompanying information set forth above will be required only after the Application is selected for funding, as outlined in Exhibit D and also in Item 6 of Exhibit C.

## 12. Additional Forms

The following forms must be completed and executed by the Authorized Principal Representative, then submitted with the Application as **Attachment 14**:

- Duplication of Benefits Calculation and Certification
- CDBG-DR Compliance Conditions

Forms are available on the RFA Webpage.

## B. Additional Information

### 1. Verifying Application Fee Payment

To ensure that the Application Fee is processed for the correct online Application, the following is ***strongly recommended***: (i) provide the Application Fee at least 48 hours prior to the Application Deadline; and (ii) whether paying by check, money order, ACH or wire transfer, include the Development Name, RFA number with the payment.

Additionally, include the following at question B.1. of Exhibit A:

- If submitting a check or money order, provide the check or money order number.
- If submitting an ACH, provide the trace number.
- If submitting a wire transfer, provide the wire service reference number (i.e. Fed/CHIPS/SWIFT Reference Number) and the Fed Wire Transfer Number.

### 2. Bookmarking the All Attachments Document before uploading (5 points)

To be awarded 5 points, bookmark the pdf of the All Attachments Document before uploading. Instructions are provided on the RFA Webpage. Acrobat Standard DC or Acrobat Pro DC are the programs required to create bookmarks.

### 3. Addenda

Use the Addenda section of Exhibit A to provide any additional information or explanatory addendum for items described in the Application. Please specify the particular item to which the additional information or explanatory addendum applies.

## C. Applicant Certification and Acknowledgement form

The Authorized Principal Representative must execute the Applicant Certification and Acknowledgement form to indicate the Applicant's certification and acknowledgement of the provisions and requirements of the RFA.

## SECTION FIVE SCORING AND EVALUATION PROCESS

**A. Scoring the RFA****1. Determining Eligibility**

Only Applications that meet all of the following Eligibility Items will be eligible for funding and considered for funding selection.

<b>Eligibility Items</b>
Submission Requirements met*
Verification that the Applicant has not closed on the Tax-Exempt Bond financing prior to the Application Deadline, if applicable
Demographic Commitment selected
Name of Applicant provided
Evidence Applicant is a legally formed entity qualified to do business in the state of Florida as of the Application Deadline provided
Name of Each Developer provided
Evidence that each Developer entity is a legally formed entity qualified to do business in the state of Florida as of the Application Deadline provided
Developer Experience Requirement met
Principals for Applicant and Developer(s) Disclosure Form provided and meets requirements
Contact information for Management Company provided
Prior Management Company Experience requirement met
Authorized Principal Representative provided and meets requirements
Name of Proposed Development provided
Development Type provided
Unit Characteristic Chart reflecting the breakdown of number of units associated with each Development Type, Development Category and ESS/Non-ESS provided
Question whether physical construction activity has commenced answered
County identified
Address of Development Site provided
Question whether a Scattered Sites Development answered
Development Location Point provided
Latitude and Longitude Coordinates for any Scattered Sites provided, if applicable
Total Number of Units provided and within limits
Minimum Set-Aside election provided
Total Set-Aside Breakdown Chart properly completed
Unit Mix provided and meets requirements
Number of residential buildings provided
Evidence of Site Control provided
Green Building Certification selected
Minimum Resident Programs selected
Applicant's CDBG-DR Funding Request Amount
Applicant's Non-Competitive Housing Credit Request Amount, if applicable

Applicant’s MMRB Request Amount (if Corporation-issued Bonds) or Bond Request Amount and Other Required Information (if Non-Corporation-issued Bonds), if applicable
Development Cost Pro Forma provided showing sources that equal or exceed uses
Uniform Relocation Act questions answers
Applicant Certification and Acknowledgement signed by Authorized Principal Representative
Financial Arrearage Requirement **
Verification of no prior acceptance to an invitation to enter credit underwriting for the same Development ***
Verification of no recent de-obligations ****

\* Submission Requirement

To be eligible for funding, the following submission requirements must be met: (i) the Application must be submitted online by the Application Deadline, and (ii) the required Application fee must be submitted as of the Application Deadline.

\*\* Financial Arrearage Requirement

An Application will be deemed ineligible for funding if, as of close of business **two business days\*** before the Committee meets to make a recommendation to the Board, there remains any financial obligations for which an Applicant or Developer or Principal, Affiliate or Financial Beneficiary of the Applicant or Developer is in arrears to the Corporation or any agent or assignee of the Corporation as reflected on the most recently published Past Due Report.

The Past Due Report contains the financial arrearages to the Corporation. The most recently published Past Due Report is posted to the Corporation’s Website under the link <https://www.floridahousing.org/data-docs-reports/past-due-reports> (also accessible by clicking [here](#)), but not more recently than seven business days prior to the date the Committee meets to make a recommendation to the Board.

\* For example, if a review committee meeting is held on a Wednesday, regardless of the time of the meeting, the arrearages must be paid by Monday close of business.

\*\*\* Previous Funding Requirements

Requirement that there can be no prior acceptance to an invitation to enter credit underwriting for the same Development

An Application will be deemed ineligible for funding if the Applicant has accepted an invitation to enter credit underwriting for the same Development (with the exception of funding awarded under the Predevelopment Loan

Program (PLP) and/or the Elderly Housing Community Loan (EHCL) program) and, as of Application Deadline for this RFA, the funding has not been returned to the Corporation. If the acceptance to an invitation to enter credit underwriting occurs after the Application Deadline and before the Review Committee Meeting for this RFA, the proposed Development will be considered ineligible for funding in this RFA. If the acceptance to an invitation to enter credit underwriting occurs after the Review Committee Meeting for this RFA, the proposed Development will be considered ineligible for funding in this RFA and any funding awarded in this RFA will be rescinded and considered Returned Funding.

\*\*\*\* Verification of no recent de-obligations

An Application will be deemed ineligible to be considered for funding if, as of the close of business the day before the Committee meets to make a recommendation to the Board, an Applicant or Developer or Principal, Affiliate or Financial Beneficiary of the Applicant or Developer has received an award of any funding from any RFA issued by Florida Housing Finance Corporation but such funding has been de-obligated by the Florida Housing Finance Corporation Board of Directors within the ten years prior to this RFA Application Deadline, with the exception of de-obligations that resulted from the termination of the Multifamily Energy Retrofit Program (MERP) funding awarded through RFA 2015-115.

**2. Awarding Points**

Point Items	Maximum Points
Submission of Principal Disclosure Form that is 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	5
Bookmarking Attachments prior to submission	5
<b>Total Possible Points</b>	<b>10</b>

**B. Selection Process**

**1. Tiers**

The Application’s Tier status is described in Section Four, A.3.c.(3) above. Tier 1 Applications will receive the highest priority, followed by Tier 2 Applications, then Tier 3 Applications, and finally by Tier 4 Applications.

No Tier 2, Tier 3, or Tier 4 Applications will be selected until all Tier 1 Applications that can be fully funded have been selected for funding.

No Tier 3 or Tier 4 Applications will be selected until all Tier 1 and 2 Applications that can be fully funded have been selected for funding.

No Tier 4 Applications will be selected until all Tier 1, 2 and 3 Applications that can be fully funded have been selected for funding.

## **2. Application Sorting Order**

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

- a. First, preference will be given to Applications that qualify for the Federal Funding Experience Preference which is outlined in Section Four, A.3.b.(4) of the RFA (with Applications that qualify for the preference listed above Applications that do not qualify for the preference);
- b. Next, by the Application's Leveraging Classification, applying the multipliers outlined in Item 3 of Exhibit C of the RFA (with Applications having the Classification of A listed above Applications having the Classification of B);
- c. Next, preference will be given to Applications that qualify for the Florida Job Creation Funding Preference which is outlined in Item 4 of Exhibit C (with Applications that qualify for the preference listed above Applications that do not qualify for the preference);
- d. Finally, by lottery number, with Applications that have a lower lottery number listed above Applications with a higher lottery number.

## **3. County Award Tally**

Within each Tier, as each Application is selected for tentative funding, the county where the proposed Development is located will have one Application credited towards the County Award Tally. The Corporation will prioritize eligible unfunded Applications that meet the Funding Test and are located within counties that have the lowest County Award Tally above other eligible unfunded Applications with a higher County Award Tally that also meet the Funding Test, even if the Applications with a higher County Award Tally are higher ranked.

## **4. Funding Test**

Florida Housing Finance Corporation (the Corporation) expects to have an estimated \$23,750,000 in CDBG-DR funding available for award.

Funding Test means that Applications will be selected for funding only if there is enough CDBG-DR funding available to fully fund the Eligible CDBG-DR Request Amount.

## **5. Selection Process**

- a. Eligible Tier 1 Applications will be selected first, subject to the County Award Tally and Funding Test.

- b. If there are no Tier 1 Applications that meet the Funding Test, Tier 2 Applications will be selected for funding, subject to the County Award Tally and Funding Test.
- c. If funding remains and no eligible unfunded Tier 2 Applications can be fully funded, eligible Tier 3 Applications will be selected, subject to the County Award Tally and Funding Test.
- d. If there are no Tier 3 Applications that meet the Funding Test, Tier 4 Applications will be selected for funding, subject to the County Award Tally and Funding Test.
- e. Remaining Funding

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.

## **6. Returned Funding**

Funding that becomes available after the Board takes action on the Committee's recommendation(s), due to an Applicant withdrawing, an Applicant declining its invitation to enter credit underwriting or the Applicant's inability to satisfy a requirement outlined in this RFA, and/or provisions outlined in Rule Chapter 67-21, F.A.C., will be distributed as approved by the Board.

## **SECTION SIX AWARD PROCESS**

Committee members shall independently evaluate and score their assigned portions of the submitted Applications, consulting with non-committee Corporation staff and legal counsel as necessary and appropriate.

The Committee shall conduct at least one public meeting during which the Committee members may discuss their evaluations, select Applicants to be considered for award, and make any adjustments deemed necessary to best serve the interests of the Corporation's mission. The Committee will list the Applications deemed eligible for funding in order applying the funding selection criteria outlined in Section Five above and develop a recommendation or series of recommendations to the Board.

The Board may use the Applications, the Committee's scoring, any other information or recommendation provided by the Committee or staff, and any other information the Board deems relevant in its selection of Applicants to whom to award funding. Notwithstanding an award by the Board pursuant to this RFA, funding will be subject to a positive recommendation from the Credit Underwriter based on criteria outlined in the credit underwriting provisions in Exhibit H of the RFA, and Rule Chapter 67-21, F.A.C.

The Corporation shall provide notice of its decision, or intended decision, for this RFA on the Corporation's Website the day of the applicable Board vote. After posting, an unsuccessful Applicant may file a notice of protest and a formal written protest in accordance with Section 120.57(3), Fla. Stat.,

et. Al. Failure to file a protest within the time prescribed in Section 120.57(3), Fla. Stat., et. Al. shall constitute a waiver of proceedings under Chapter 120, Fla. Stat.

After the Board's decision to select Applicants for funding in this RFA has become final action, the Corporation shall offer all Applicants within the funding range an invitation to enter credit underwriting. The Corporation shall select the Credit Underwriter for each Development.



## Exhibit A to RFA 2024-305 – CDBG-DR Funding For Developments In Conjunction With Tax-Exempt Bonds And Non-Competitive Housing Credits

Unless stated otherwise, all information requested pertains to the Development proposed in this Application upon completion.

### 1. Review of Attachments

Provide all attachments as required below. 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

Select one of the following Demographic Commitments: [Choose an item.](#)

### 3. Applicant, Developer, Management Company, and Contact Person

#### a. Applicant

- (1) State the name of the Applicant:

[Click here to enter text.](#)

- (2) Provide the required documentation to demonstrate that the Applicant is a legally formed entity qualified to do business in the state of Florida as of the Application Deadline as **Attachment 1**.

- (3) Non-Profit Applicant qualifications

Does the Applicant or the General Partner or managing member of the Applicant meet the definition of Non-Profit as set forth in Rule Chapters 67-21, F.A.C.?

[Choose an item.](#)

If “Yes”, provide the required information for the Non-Profit entity as **Attachment 2**.

#### b. Developer Information

- (1) Name of each Developer (including all co-Developers)

[Click here to enter text.](#)

[Click here to enter text.](#)

[Click here to enter text.](#)

(2) For each Developer entity listed in question (1) above (that is not a natural person, Local Government, or Public Housing Authority), provide, as **Attachment 3**, the required documentation demonstrating that the Developer is a legally formed entity qualified to do business in the state of Florida as of the Application Deadline.

(3) Required Developer Experience

At least one Developer entity named in (1) above must meet the Developer experience outlined in Section Four of the RFA.

Name of the natural person Principal with the required experience:

\_\_\_\_\_

Name of Developer Entity (for the proposed Development) for which the above individual is a Principal: \_\_\_\_\_

Name of Development: \_\_\_\_\_

Location (city and state): \_\_\_\_\_

Total Number of Units: \_\_\_\_\_

Year Completed: \_\_\_\_\_ (must be 2004 or later)

(4) Federal Funding Experience Preference

Does the Application qualify for the Federal Funding Experience Preference?

Yes/No

To qualify for this funding preference, the prior experience chart outlined in (3) above must reflect that the Development consisted of at least eight total units that was funded with Federal Funding described in Section Four, A.3.b.(4) of the RFA.

(5) Required General Contractor Experience

(a) General Contractor Required Experience

At least one natural person Principal of the General Contractor or Qualifying Agent of the General Contractor must meet the eligibility requirements.

Choose an item.

(b) General Contractor Experience Chart

If “Yes”, complete information below for the completed affordable rental housing development that meets the experience requirement outlined in Section Four, A.3.b.(4) of the RFA:

Name of Development: \_\_\_\_\_

Location (city and state): \_\_\_\_\_

Affordable Housing Program that Provided Financing (e.g., Housing Credits, Tax-Exempt Bonds, HOME, SAIL, etc.) \_\_\_\_\_

Total Number of Units: \_\_\_\_\_

Was property subject to Davis-Bacon requirements or does General Contractor meet experience requirement because of experience using any federal funding that includes Davis-Bacon Requirements such as CDBG funding on an infrastructure project? \_\_\_\_\_

c. Principals Disclosure for the Applicant and for each Developer (5 points)

(1) Eligibility Requirement

The Principals of the Applicant and Developer(s) Disclosure Form (Form Rev. 05-19) (“Principals Disclosure Form”) must be uploaded with the Application, as outlined in Section Three of the RFA, and meet the requirements of Section Four of the RFA.

(2) Advance Review of Principals Disclosure Form (5 points)

Applicants will receive five 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.

(3) Previous Submission Funding Preference

Does the Application qualify for the Previous Submission Funding Preference?

Yes/No

d. Management Company

(1) Contact Information

First Name: [Click here to enter text.](#)

Middle Initial: [Click here to enter text.](#)

Last Name: [Click here to enter text.](#)

Management Company: [Click here to enter text.](#)

Street Address: [Click here to enter text.](#)

City: [Click here to enter text.](#)

State: [Choose a state.](#)

Zip: [Click here to enter text.](#)

Telephone: [Area Code](#) [7 digit number](#) [extension](#)

E-Mail Address: [Click here to enter text.](#)

- (2) The Management Company named in (1) above used must meet the experience outlined in Section Four of the RFA.

Name of the Management Company or a Principal of the Management Company with the required experience: \_\_\_\_\_

- (a) First completed affordable rental housing development that meets the experience requirement outlined in Section Four, A.3.d. of the RFA:

Name of Development: \_\_\_\_\_

Location (city and state): \_\_\_\_\_

Currently Managing or Formerly Managed? \_\_\_\_\_

Length of time (number of years): \_\_\_\_\_

Total Number of Units: \_\_\_\_\_

- (b) Second completed affordable rental housing development that meets the experience requirement outlined in Section Four, A.3.d. of the RFA:

Name of Development: \_\_\_\_\_

Location (city and state): \_\_\_\_\_

Currently Managing or Formerly Managed? \_\_\_\_\_

Length of time (number of years): \_\_\_\_\_

Total Number of Units: \_\_\_\_\_

e. Contact Person

- (1) Provide the contact information for the person that meets the Authorized Principal Representative criteria outlined in Section Four (required).

First Name: [Click here to enter text.](#)

Middle Initial: [Click here to enter text.](#)

Last Name: [Click here to enter text.](#)

Organization: [Click here to enter text.](#)

Street Address: [Click here to enter text.](#)

City: [Click here to enter text.](#)  
State: [Choose a state.](#)  
Zip: [Click here to enter text.](#)  
Telephone: [Area Code 7 digit number extension](#)  
E-Mail Address: [Click here to enter text.](#)

(2) Operational Contact Person information (optional)

First Name: [Click here to enter text.](#)  
Middle Initial: [Click here to enter text.](#)  
Last Name: [Click here to enter text.](#)  
Organization: [Click here to enter text.](#)  
Street Address: [Click here to enter text.](#)  
City: [Click here to enter text.](#)  
State: [Choose a state.](#)  
Zip: [Click here to enter text.](#)  
Telephone: [Area Code 7 digit number extension](#)  
E-Mail Address: [Click here to enter text.](#)

**4. General Proposed Development Information**

a. Name of the proposed Development

[Click here to enter text.](#)

b. Development Category

(1) Select the Development Category

(2) The Development Category requirements are outlined in Section Four.

c. Characteristics of Development

(1) Development Type

[Choose an item.](#)

(2) Enhanced Structural Systems (“ESS”) Construction Qualifications are outlined in Section Four, A.4.c.(2) of RFA.

d. Unit Characteristic Chart

Complete the chart below reflecting the number of units for each of the Development Categories, Development Types, or ESS/non-ESS Construction, for purposes of the Leveraging Calculation.

Measure		Enter the applicable number of units
<b>New Construction Units</b>	<b>Other Dev. Type, ESS Construction, NC Units</b>	<a href="#">Enter the number of units</a>
	<b>Other Dev. Type, Non-ESS Construction, NC Units</b>	<a href="#">Enter the number of units</a>
	<b>Garden, ESS Construction, NC Units</b>	<a href="#">Enter the number of units</a>
	<b>Garden, Non-ESS Construction, NC Units</b>	<a href="#">Enter the number of units</a>
	<b>Mid-Rise, ESS Construction, NC Units</b>	<a href="#">Enter the number of units</a>
	<b>Mid-Rise, Non-ESS Construction, NC Units</b>	<a href="#">Enter the number of units</a>
	<b>High-Rise, NC Units</b>	<a href="#">Enter the number of units</a>

Other Development Type means any Development Type that is not listed in the chart.

- e. Has any physical construction activity commenced on the proposed Development?

[Choose an item.](#)

Note: If “Yes”, all rules and regulations in 24 CFR Part 92, which includes cross-cutting Federal Regulations, will apply.

**5. Location of proposed Development**

- a. County: [Choose a county.](#)
- b. Development Location
  - (1) Address of Development Site:

[Click here to enter text.](#)

- (2) City of Development Site\*:

[Click here to enter text.](#)

\*If the proposed Development is located in the unincorporated area of a county, provide that information.

- c. Does the proposed Development consist of Scattered Sites?

[Choose an item.](#)

- d. Latitude and Longitude Coordinates

(1) Development Location Point

Latitude in decimal degrees, rounded to at least the sixth decimal place

[Click here to enter text.](#)

Longitude in decimal degrees, rounded to at least the sixth decimal place

[Click here to enter text.](#)

(2) If the proposed Development consists of Scattered Sites, for each Scattered Site that is in addition to the Development Location Point information provided in (1) above, identify the latitude and longitude coordinate, rounded to at least the sixth decimal place:

[Click here to enter text.](#)

**6. Number of Units and Buildings**

- a. Total number of units that will be in the proposed Development upon completion: [Click here to enter text.](#)
- b. If there are existing occupied units and if the Development is funded, a plan for relocation of existing tenants will be required to be provided to the Credit Underwriter, as outlined in Exhibit D.
- c. Set-Aside Commitments

(1) Select one of the following minimum set-aside commitments:

[Choose an item.](#)

(2) Total Set-Aside Breakdown Chart

- (a) Applicants committing to the minimum set-aside commitment of 20 percent of the total units at 50 percent of the Area Median Income or less or 40 percent of the total units at 60 percent of the Area Median Income or less must complete the following chart:

Total Set-Aside Breakdown Chart	
Percentage of Residential Units	AMI Level
<a href="#">Enter Number</a> %	At or Below 25%
<a href="#">Enter Number</a> %	At or Below 28%
<a href="#">Enter Number</a> %	At or Below 30%
<a href="#">Enter Number</a> %	At or Below 33%
<a href="#">Enter Number</a> %	At or Below 35%
<a href="#">Enter Number</a> %	At or Below 40%
<a href="#">Enter Number</a> %	At or Below 45%

<u>Enter Number</u> %	At or Below 50%
<u>Enter Number</u> %	At or Below 60%
<u>Enter Number</u> %	<b>Total Set-Aside Percentage</b>

(b) Applicants committing to the Average Income Test must complete this chart:

Total Set-Aside Breakdown Chart	
Number of Residential Units for 50-year commitment	AMI Level
<u>Enter Number</u>	At or Below 20%
<u>Enter Number</u>	At or Below 30%
<u>Enter Number</u>	At or Below 40%
<u>Enter Number</u>	At or Below 50%
<u>Enter Number</u>	At or Below 60%
<u>Enter Number</u>	At or Below 70%
<u>Enter Number</u>	At or Below 80%
<u>Enter Number</u>	Market Rate Units
<b><u>Enter Number</u> % (Total Set-Aside Percentage)</b>	

State the Average AMI of all Qualifying Housing Credit Units:

\_\_\_\_\_

Note: The Development Cost Pro Forma includes an Average Income Test worksheet to assist Applicants in this calculation. If the Total Set-Aside Breakdown Chart reflects that the Average AMI of all Qualifying Housing Credit Units exceeds 60 percent, and/or if the number of Set-Aside Units set aside at 30 percent AMI or less, is not equal to or greater than the required ELI commitment, and/or the overall Set-Aside Commitment requirement is not met, the Application will not be eligible for funding.

D. Unit Mix Chart

(1) Complete the chart below:



Number of Bedrooms/Bathrooms per Unit	Number of Units per Bedroom Type	Number of Units that are ELI Set-Aside Units
<a href="#">Choose an item.</a>	<a href="#">Enter Number</a>	<a href="#">Enter Number</a>
<a href="#">Choose an item.</a>	<a href="#">Enter Number</a>	<a href="#">Enter Number</a>
<a href="#">Choose an item.</a>	<a href="#">Enter Number</a>	<a href="#">Enter Number</a>
<a href="#">Choose an item.</a>	<a href="#">Enter Number</a>	<a href="#">Enter Number</a>
<a href="#">Choose an item.</a>	<a href="#">Enter Number</a>	<a href="#">Enter Number</a>
<a href="#">Choose an item.</a>	<a href="#">Enter Number</a>	<a href="#">Enter Number</a>

e. Number of Buildings

Number of anticipated residential buildings: [Enter Number](#)

f. Compliance Period

All Applicants are required to set aside the units for 50 years as further described in Section Four of the RFA.

**7. Readiness to Proceed**

a. Site Control

The attachments must be provided as **Attachment 6** to demonstrate site control as of Application Deadline.

b. Ability to Proceed documents

The Ability to Proceed forms demonstrating zoning, water, sewer/package treatment/septic tank are not required to be submitted until credit underwriting; however, one of the qualifications for the Previous Submission Funding Preference is to demonstrate the following Ability to Proceed elements as of Application Deadline, for the entire proposed Development site, including all Scattered Sites, if applicable, as outlined below by submitting these forms as part of the Application submission.

- (1) Provide the required documentation to demonstrate zoning as **Attachment 7**.
- (2) Provide the required documentation to demonstrate availability of water as **Attachment 8**.
- (3) Provide the required documentation to demonstrate availability of sewer as **Attachment 9**.

**8. Construction Features**

- a. Federal requirements and State Building Code requirements for all Developments are outlined in Section Four.
- b. General feature requirements for all Developments are outlined in Section Four.
- c. Accessibility feature requirements for all Developments are outlined in Section Four.
- d. Green Building Features
  - (1) Green Building feature requirements for all Developments are outlined in Section Four.
  - (2) Proposed Developments must select one of the following Green Building Certification programs described in Section Four.

Choose an item.

## 9. Resident Programs

- a. Applicants that select the Family Demographic must commit to provide at least two of the following resident programs:
  - After School Program for Children
  - Adult Literacy
  - Employment Assistance Program
  - Family Support Coordinator
  - Financial Management Program
  - Homeownership Opportunity Program
- b. Developments serving the Elderly Demographic:
  - (1) Required Resident Programs for all Applicants that select the Elderly Demographic are outlined in Section Four.
  - (2) Applicants that select the Elderly Demographic must commit to at least three of the following resident programs, in addition to the required resident programs stated in Section Four:
    - Adult Literacy
    - Computer Training
    - Daily Activities
    - Assistance with Light Housekeeping, Grocery Shopping and/or Laundry
    - Resident Assurance Check-In Program

## 10. Funding

- a. Corporation Funding
- (1) Total CDBG-DR Loan
- (a) CDBG-DR Base Loan Request Amount: \$ [Click here to enter text.](#)
- (b) ELI Request Amount: \$ [Click here to enter text.](#)
- (2) Non-Competitive Housing Credits
- (a) Housing Credit Request Amount (annual amount): \$ [Click here to enter text.](#)
- (b) Is the proposed Development the first phase of a multiphase Development?
- [Choose an item.](#)
- (c) Basis Boost Qualifications
- (i) If the Applicant is utilizing Non-Corporation-issued Tax-Exempt Bonds as provided in the RFA, indicate which calendar year the complete bond application was submitted to the bond-issuing agency:
- [Click here to enter text.](#)
- (ii) Is the proposed Development a subsequent phase of a multiphase Development and eligible for the basis boost?
- [Choose an item.](#)
- If “Yes”, state the Corporation-assigned Application Number for the Development where the first phase was declared: [Click here to enter text.](#)
- (iii) Are any buildings in the proposed Development located in a SADDA?
- [Choose an item.](#)
- If “Yes”, provide the SADDA ZCTA Number(s): [Click here to enter text.](#)
- (The Applicant should separate multiple SADDA ZCTA Numbers by a comma.)
- (iv) Is the proposed Development located in a non-metropolitan DDA?

[Choose an item.](#)

- (v) Is the proposed Development located in a QCT?

[Choose an item.](#)

If “Yes”, indicate the HUD-designated QCT census tract number:  
[Click here to enter text.](#)

- (d) The Housing Credit equity proposal must be provided as **Attachment 10**.

- (3) Bond information

Corporation-Issued MMRB Loan Request Amount (if applicable): \$ [Click here to enter text.](#)

If the Applicant intends to utilize County HFA-issued Tax-Exempt Bonds for the proposed Development, provide the required documentation as **Attachment 11**.

- b. Non-Corporation Funding Proposals

- (1) If the proposed Development is assisted with funding under the United States Department of Agriculture RD 515 Program and/or the RD 538 Program, indicate the applicable program(s) below and provide the required documentation as **Attachment 12** to Exhibit A.

RD 515       RD 538

- (2) Non-Corporation Funding Proposals

Attach all funding proposals executed by the lender(s) or by any other source as **Attachment 13**.

- c. Development Cost Pro Forma

Complete the Development Cost Pro Forma tab of Exhibit A.

- d. Public Housing Authority and/or an instrumentality of a Public Housing Authority

- (1) Has the Applicant entered into a land lease with a Public Housing Authority on property where the proposed Development is to be located or the Applicant provided an Option to Enter into a Ground Lease Agreement on property where the proposed Development is to be located; AND the property has an existing Declaration of Trust between the Public Housing Authority and HUD?

[Choose an item.](#)

- (2) Is the Applicant associated with a Public Housing Authority and/or an instrumentality of a Public Housing Authority in the ownership structure?

[Choose an item.](#)

If the Principal of the Applicant Entity is an instrumentality of a Public Housing Authority, state the name of the Public Housing Authority:

[Click here to enter text.](#)

**11. Uniform Relocation Act**

- a. Are there any units occupied?

[Choose an item.](#)

If “Yes” – Go to question b. below.

If “No” – Go to question c. below.

- b. Tenant Relocation Information for Existing Properties

- (1) How many total units now exist in the development? [Click here to enter text.](#)

- (2) How many units are occupied? [Click here to enter text.](#)

- (3) Is permanent relocation (displacement) anticipated during or after the construction/redevelopment period?

[Choose an item.](#)

If “Yes”, how many units are affected? [Click here to enter text.](#)

- (4) Will temporary relocation of any tenants be required?

[Choose an item.](#)

If “Yes”, how many tenants will require temporary relocation? [Click here to enter text.](#)

- c. Uniform Relocation Act (URA) Acquisition Information

- (1) Does the Applicant own the Development site?

[Choose an item.](#)

If “Yes” - skip questions (2) through (4) below.

If “No” - Answer question (2) below.

- (2) Is Applicant a private company?

Choose an item.

If “Yes” - skip questions (3) and (4) below.

If “No” - Answer question (3) below.

- (3) Is the Applicant a public (government) Applicant?

Choose an item.

If “Yes” - Answer question (4) below.

If “No” - Skip question (4) below.

- (4) Does the Applicant have eminent domain power?

Choose an item.

12. The following forms need to be provided as **Attachment 14**:

- Duplication of Benefits Calculation and Certification
- CDBG-DR Compliance Conditions

**B. Other Information**

1. Verifying Application Fee Payment

To ensure that the Application Fee is processed for the correct online Application, the following is ***strongly recommended***: (i) provide the Application Fee at least 48 hours prior to the Application Deadline; and (ii) whether paying by check, money order, ACH or wire transfer, include the Development Name, RFA number with the payment.

Additionally, include the following:

- If submitting a check or money order, provide the check or money order number.
- If submitting an ACH, provide the trace number.
- If submitting a wire transfer, provide the wire service reference number (i.e. Fed/CHIPS/SWIFT Reference Number) and the Fed Wire Transfer Number.

[Click here to enter text.](#)

2. Bookmarking the All Attachments Document before uploading (5 points)

To be awarded 5 points, bookmark the pdf of the All Attachments Document before uploading.

3. Addenda

Use the space below to provide any additional information or explanatory addendum for items in the Application. Please specify the particular item to which the additional information or explanatory addendum applies.

[Click here to enter text.](#)

**C. Applicant Certification and Acknowledgement Form**

1. The Applicant and all Financial Beneficiaries have read all applicable Corporation rules governing this RFA and have read the instructions for completing this RFA and will abide by the applicable Florida Statutes and the credit underwriting and program provisions outlined in Exhibit H and Rule Chapter 67-21, F.A.C. The Applicant and all Financial Beneficiaries have read, understand and will comply with Section 42 of the Internal Revenue Code, as amended, and all related federal regulations.
2. The Applicant has reviewed Part D of Exhibit H and certifies to its eligibility to apply for the funding offered in this RFA.
3. The Applicant certifies that the proposed Development can be completed and operating within the development schedule and budget submitted to the Corporation.
4. The Applicant acknowledges and certifies that it will abide by all commitments, requirements, and due dates outlined in the RFA, inclusive of all exhibits. Failure to provide the required information by any stated deadlines may result in the withdrawal of the invitation to enter credit underwriting, unless an extension is approved by the Corporation.
5. By submitting the Application, the Applicant acknowledges and certifies that the proposed Development will meet all state building codes, including the Florida Accessibility Code for Building Construction, adopted pursuant to Section 553.503, F.S., the Fair Housing Act as implemented by 24 CFR Part 100, including the Affirmative Fair Housing Marketing Plan; Violence Against Women Act Reauthorization Act of 2013; Section 504 of the Rehabilitation Act of 1973 as outlined in Section Four, A.8. of the RFA; and the Americans with Disabilities Act of 1990 as implemented by 28 CFR Part 35, incorporating the most recent amendments, regulations and rules.
6. The Applicant acknowledges that any funding preliminarily secured by the Applicant is expressly conditioned upon any independent review, analysis and verification of all information contained in this Application that may be conducted by the Corporation, the successful completion of credit underwriting, and all necessary approvals by the Board of Directors, Corporation or other legal counsel, the Credit Underwriter, and Corporation staff.
7. If preliminary funding is approved, the Applicant will promptly furnish such other supporting information, documents, and fees as may be requested or required. The Applicant understands and agrees that the Corporation is not responsible for actions taken by the undersigned in reliance on a preliminary commitment by the Corporation. The Applicant commits that no qualified residents will be refused occupancy because

they have Section 8 vouchers or certificates. The Applicant further commits to actively seek tenants from public housing authority waiting lists and tenants who are participating in and/or have successfully completed the training provided by welfare to work or self-sufficiency type programs.

8. The success of an Applicant in being selected for funding is not an indication that the Applicant will receive a positive recommendation from the Credit Underwriter or that the Development Team's experience, past performance or financial capacity is satisfactory. The past performance record, financial capacity, and any and all other matters relating to the Development Team (which consists of Developer, Management Company, General Contractor, Architect, Attorney, and Accountant) will be reviewed during credit underwriting. The Credit Underwriter may require additional information from any member of the Development Team including, without limitation, documentation on other past projects and financials. Development Teams with an unsatisfactory past performance record, inadequate financial capacity or any other unsatisfactory matters relating to their suitability may result in a negative recommendation from the Credit Underwriter.
9. The Applicant's commitments will be included in (i) a Land Use Restriction Agreement(s) for the loan and, if applicable, the MMRB loan, and (ii) an Extended Use Agreement for the Housing Credits, and must be maintained in order for the Development to remain in compliance, unless the Board approves a change.
10. The Applicant certifies that there are no agreements, other than the letter of intent provided with this Application or the Limited Partnership Agreement, or Operating Agreement, between the Applicant and the Housing Credit Syndicator/equity provider, if applicable.
11. The Applicant certifies that the complete Limited Partnership Agreement or Operating Agreement, including any amendments thereto, will be divulged to the Corporation and the credit underwriter, if applicable.
12. The Applicant understands and agrees that it will ensure that (i) none of the General Contractor duties to manage and control the construction of the Development are subcontracted; (ii) no construction or inspection work is performed by the General Contractor, with the following exceptions: (a) The General Contractor may perform its duties to manage and control the construction of the Development; and (b) the General Contractor may self-perform work of a de minimis amount, defined for purposes of this subparagraph as the lesser of \$350,000 or 5 percent of the construction contract; (iii) no construction cost is subcontracted to any entity that has common ownership or is an Affiliate of the General Contractor or the Developer, as further described in Exhibit H and Rule Chapter 67-21, F.A.C.; and (iv) a provision is provided in the contract with the General Contractor that it will comply Exhibit H and Rule Chapter 67-21, F.A.C.
13. The Applicant, the Developer and all Principals are in good standing among all other state agencies and have not been prohibited from applying for funding.
14. In eliciting information from third parties required by and/or included in this Application, the Applicant has provided such parties information that accurately



describes the Development as proposed in this Application. The Applicant has reviewed the third-party information included in this Application and/or provided during the credit underwriting process and the information provided by any such party is based upon, and accurate with respect to, the Development as proposed in this Application.

- 15. During the credit underwriting process, demonstrate that the Development meets the requirements of this RFA and Section 42 of the IRC.
- 16. The invitation to enter credit underwriting will be rescinded if it is determined that the proposed Development was placed in-service prior to the year in which it received its allocation, if applicable.
- 17. The Applicant understands and agrees to cooperate with any audits conducted in accordance with the provisions set forth in Section 20.055(5), F.S.
- 18. The Applicant has read, understands and will comply with the Tenant Selection Plan requirements outlined in Exhibit G.
- 19. The undersigned is authorized to bind the Applicant entity to this certification and warranty of truthfulness and completeness of the Application.
- 20. The Applicant understands and acknowledges that Florida Housing may make all Applications in this RFA public sooner than 30 days after the Application Deadline.
- 21. The Corporation has included several warning messages throughout the Excel-based application to help alert an Applicant that there may be an issue with the data. This is a helpful guide but is not intended to be an all-inclusive list. Eligibility, points awarded, qualifications for goals, preferences, etc., are all solely determined by the criteria outlined in the RFA. If there are any inconsistencies between the Exhibit A and the RFA itself, such as formulas used in calculations or the warning messages, Applicants are instructed to rely solely on the RFA.
- 22. Applicants that are selected to receive funding will be invited to enter credit underwriting and will be expected to complete the credit underwriting process, including Board approval of the credit underwriting report, complete the Development and be occupied on or before September 22, 2027.

Under the penalties of perjury, I declare and certify that the Application for the proposed Development meets all applicable requirements of the RFA. I have read the foregoing and the information is true, correct and complete.

\_\_\_\_\_  
Signature of Authorized Principal Representative\*

\_\_\_\_\_  
Name (typed or printed)

\_\_\_\_\_  
Title (typed or printed)

\* The Authorized Principal Representative must type their name indicating the acknowledgement and certification of these requirements.

**Exhibit B – Definitions**

Capitalized terms within this RFA shall have the meaning as set forth in this RFA, in this Exhibit, Rule Chapter 67-60, F.A.C., and Rule Chapter 67-21, F.A.C., (effective July 6, 2022), or in applicable federal regulations.

“Application”	The sealed response submitted to participate in a competitive solicitation for funding pursuant to rule Chapter 67-60, F.A.C.
“Development Cash Flow”	Cash transactions of the Development as calculated in the statement of cash flows prepared in accordance with generally accepted accounting principles (“GAAP”), as adjusted for any cash transactions that are subordinate to the CDBG-DR loan interest payment including any distribution or payment to the Applicant or Developer, Principal(s) of the Applicant or Developer or any Affiliate of the Principal(s) of the Applicant or Developer, or to the Developer or any Affiliate of the Developer, whether paid directly or indirectly, which was not expressly disclosed in determining the annual debt service coverage in the Board approved final credit underwriting report.
“Development Expenses”	Usual and customary operating and financial costs, such as the compliance monitoring fee, the financial monitoring fee, replacement reserves, the servicing fee and the debt service reserves. As it relates to CDBG-DR Developments and to the application of Development Cash Flow described in Exhibit H, the term includes only those expenses disclosed in the operating pro forma on an annual basis included in the final credit underwriting report, as approved by the Board, and maximum of 20 percent Developer Fee per year.
“Domestic Violence”	Domestic violence as defined in Section 741.28, F.S.
“Draw”	The disbursement of funds to a Development.
“ELI Household” or “Extremely Low Income Household”	A household of one or more persons wherein the annual adjusted gross income for the Family is equal to or below the percentage of area median income for ELI Persons.
“ELI Set-Aside” or “Extremely Low Income Set-Aside”	Extremely low income persons as defined in Section 420.0004(9), F.S., or in the RFA.
“Financial Institution”	A Lending institution as defined in Section 420.503, F.S.
“LURA” or “Land Use Restriction Agreement”	An agreement which sets forth the set-aside requirements and other Development requirements under a Corporation program.

“Project” or “Property”	A Project as defined in Section 420.503, F.S.
“Regulated Mortgage Lender”	<p>(a) A state or federally chartered entity authorized to transact business in this state that regularly engages in the business of making mortgage loans secured by real property in this state, whose mortgage lending activities subject it to the jurisdiction of the State of Florida Office of Financial Regulation, the Board of Governors of the Federal Reserve, Office of the Comptroller of the Currency, the National Credit Union Administration, or the Federal Deposit Insurance Corporation; (b) A Fannie Mae-approved lender whose name appears on the Fannie Mae list of Delegated Underwriting and Servicing (DUS®) Lenders*; (c) A HUD-approved lender whose name appears on the U.S. Department of Housing and Urban Development (HUD) list of Multifamily Accelerated Processing (MAP) Approved Lenders*; (d) A RD-approved lender whose name appears on the U.S. Department of Agriculture, Rural Development (RD), list of Section 538 Guaranteed Rural Rental Housing approved lenders*; or (e) A Freddie Mac-approved multifamily lender whose name appears on Freddie Mac’s lists of Program Plus (Florida region) lenders, Targeted Affordable Housing lenders or Seniors Housing lenders*; or (f) a mortgage lender that is a certified Community Development Financial Institution (CDFI) in the State of Florida that has been awarded funding from the CDFI Fund in a cumulative amount of at least \$5,000,000, exclusive of New Market Tax Credit (NMTC) awards, whose name and CDFI awards can be confirmed on the CDFI Fund’s web site (Qualified CDFI, and the affiliate(s) of such Qualified CDFI. As used herein, the affiliate(s) of a Qualified CDFI means the parent, subsidiary or successor of the Qualified CDFI, or an entity that shares common ownership or management with the Qualified CDFI. If the lender is an affiliate of the Qualified CDFI, the funding letter(s) being considered by the Corporation must include the name of the Qualified CDFI and a statement that the lender is an affiliate of the Qualified CDFI.</p> <p>*These documents are available on the RFA Webpage.</p>
“Review Committee” or “Committee”	A committee established pursuant to rule Chapter 67-60, F.A.C.
“CDBG-DR Development”	A residential Development comprised of one or more residential buildings proposed to be constructed with CDBG-DR funds for Eligible Persons.
“CDBG-DR Minimum Set-Aside Requirement”	The least number of set-aside units in a CDBG-DR Development which must be held for Very Low-Income persons or households pursuant to the category under which the Application has been made, as further described in Exhibit H.
“CDBG-DR Rent-Restricted Unit”	With respect to a CDBG-DR 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.
"Set-Aside Units"	<p>When not committing to the Average Income Test, Set-Aside Units are units set aside at or below 60 percent of the Area Median Income for the county in which the Development is located. The total number of Set-Aside Units is then calculated as follows:</p> <p style="padding-left: 40px;">The total number of units within the proposed Development multiplied by the highest Total Set-Aside Percentage the Applicant committed to as stated in the last row of the set-aside breakdown chart in the Set-Aside Commitment section of the Application. Results that are not a whole number will be rounded up to the next whole number.</p> <p>When committing to the Average Income Test, Set-Aside Units are units set aside at or below 80 percent of the Area Median Income for the county in which the Development is located, but the average AMI shall not exceed 60 percent. The total number of Set-Aside Units is calculated by adding together the number of units at or below 80 percent AMI represented on the Total Set-Aside Breakdown Chart.</p>
"Very Low-Income"	<p>With respect to the CDBG-DR Program,</p> <ol style="list-style-type: none"> <li>1. If using tax-exempt bond financing for the first mortgage, income which meets the income eligibility requirements of Section 8 of the United States Housing Act of 1937, as in effect on the date of this rule chapter, or</li> <li>2. If using taxable financing for the first mortgage, total annual gross household income which does not exceed 50 percent of the median income adjusted for family size, or 50 percent of the median income adjusted for family size for households within the metropolitan statistical area (MSA), within the county in which the Family resides, or within the state of Florida, whichever is greater, or</li> <li>3. If used in a Development using Housing Credits, income which meets the income eligibility requirements of Section 42 of the IRC.</li> </ol>
"Zero Bedroom Unit"	A single person occupancy unit of at least 350 square feet that includes a private full bathroom and a vertical closet for clothing. The unit shall include a kitchen with a refrigerator, stove and sink.

## Exhibit C – Additional Information

### 1. Total Development Cost Limitation Test

There is a maximum Developer Fee that can be earned which is tailored for the characteristics of each Development.

#### a. Overview

(1) Maximum Developer Fee based on Percentage of Development Cost as outlined in Rule 67-21, F.A.C.

(2) Maximum Developer Fee Amount based on Maximum Development Cost

The Corporation will calculate the Maximum Developer Fee for each proposed Development, then compare it to the proposed Development's stated Developer Fee. The Maximum Developer Fee Amount will be the sum of the maximum Developer Fee on non-Acquisition Costs calculated in (a) below and, if applicable, the maximum Developer Fee on Building Allocation portion of Acquisition Costs ("Building Allocation") as calculated in (b) below.

(a) Maximum Development Cost upon which a Developer Fee can be Earned when there are no Building Allocation Costs

(i) Hard Cost Factor Per Unit Chart plus estimate of Soft Costs Per Unit

The Non-Acquisition Costs for purposes of determining the maximum Developer Fee are calculated by first selecting the applicable hard cost factor for each unit in the chart below then incorporating an estimate of soft costs per unit.

Hard costs are defined as the total of the actual construction costs (includes the General Contractor Construction Contract and any construction costs to be incurred outside of the General Contractor Construction Contract), the General Contractor Fee and the approved Hard Cost Contingency. These costs are representative of what is normally reported on lines A1.3 and A1.4 in the Development Cost Pro Forma in the Application. The Hard Cost Factor per Unit amounts in the chart are not a limit of the actual hard costs allowed in each Development. Each Development's actual costs may exceed these amounts, but these are the maximums used in the Developer Fee calculation.

Measure	Hard Cost Factor per New Construction Unit				
	Garden Non-ESS*	Garden ESS*	Mid-Rise-Non-ESS*	Mid-Rise-ESS*	High-Rise*
Hard Cost Factor Per Unit for all counties except Broward, Miami-Dade and Palm Beach counties	\$220,000	\$240,000	\$240,000	\$270,000	\$290,000
Hard Cost Factor Per Unit for Broward, Miami-Dade and Palm Beach counties	\$240,000	\$260,000	\$260,000	\$290,000	\$310,000

\* Garden includes all Development Types other than Mid-Rise and High-Rise; Non-Garden includes Development Types of Mid-Rise with elevator (4 stories, 5 stories, or 6 stories) and High-Rise (7 or more stories); Mid-Rise includes Development Types of Mid-Rise with elevator (4 stories, 5 stories, or 6 stories); and High-Rise includes Development Type of High-Rise (7 or more stories). ESS means Enhanced Structural Systems Construction.

If there is only one unit type for the entire proposed Development, the number in the chart associated with the unit type is the Hard Cost Factor Per Unit for the Development.

If there are multiple unit types, the amount associated for each unique unit type is multiplied by the number of units for that unit type, added together, and then divided by the total number of units (i.e. pro rata distribution). The result of that calculation is the Hard Cost Factor Per Unit for the Development.

**Incorporate an Estimate of Soft Costs Per Unit**

The Hard Cost Factor Per Unit for the Development is then divided by 75 percent (resulting in a maximum of hard costs and soft costs per unit when calculating the Maximum Developer Fee, prior to Add-Ons, Multipliers, and Escalation Rate.)

- (ii) Then add applicable per unit TDC Add-On(s) to the result of (i) above

PHA Add-On for means (i) Applicants that either have a land lease with a PHA for the proposed Development's location or the Applicant provided an Option to Enter into a Ground Lease Agreement on property where the proposed Development is to be located; AND the property which has a Declaration of Trust between the PHA and HUD; or (ii) Applicants that have a PHA/instrumentality of a PHA as a Principal	\$7,500 of additional per unit costs will be added to the above Maximum TDC Per Unit to Applications that qualify for the PHA Add-On
For Applications that do not qualify for the PHA Add-On, TDC Add-on for all Applicants due to known expenses related to Davis-Bacon costs	\$7,500 of additional per unit costs will be added to the above Maximum TDC Per Unit
TDC Add-on for All Applicants due to known expenses related to tax-exempt bond transactions	\$7,500 of additional per unit costs will be added to the above Maximum TDC Per Unit

(iii) Then divide the result of (ii) above by the applicable TDC Multiplier(s)

Geographic TDC Multiplier – Developments located north of Plantation Key (i.e., north of Tavernier Creek) in the Florida Keys Area	65%
Geographic TDC Multiplier – Developments located south of Plantation Key (i.e., north of Tavernier Creek) in the Florida Keys Area	50%*

\*If the proposed Development consists of Scattered Sites, the 50% TDC Multiplier applies only if all the sites are located south of Tavernier Creek.

- (iv) Then multiply the result of (iii) above by the sum of 1 plus 6 percent, which represents the Escalation Factor
- (v) Then multiply this result by the total number of units within the proposed Development to achieve the Maximum Development Cost upon which a Developer Fee can be Earned when there are no Building Allocation Costs (“**Maximum Non-Acquisition Development Cost for Developer Fee**”).

To obtain the **Maximum Developer Fee Amount on non-Acquisition Costs**, multiply the result of (v) by the maximum Developer Fee percentage allowed in the RFA as described below:

- If the maximum Developer Fee percentage stated in the RFA is 16 percent, the result of the calculation above is then multiplied by 16 percent, rounded down to the nearest dollar.
- If the maximum Developer Fee percentage stated in the RFA is 18 percent, the result of the calculation above is then multiplied by 18 percent, rounded down to the nearest dollar.
- If the maximum Developer Fee percentage stated in the RFA is 21 percent, the result of the two calculations below are added together:
  - the result of the calculation is then multiplied by 16 percent, rounded down to the nearest dollar; AND
  - the result of the calculation is then multiplied by 5 percent, rounded down to the nearest dollar.

If there is no Building Allocation costs, this **Maximum Developer Fee Amount on non-Acquisition Costs** is also the **Development’s Maximum Developer Fee**. If there is Building Allocation costs, the result of the fee calculation above is added to the result of the fee calculation below to determine the **Development’s Maximum Developer Fee**.

(b) Maximum Developer Fee Amount on Building Allocation costs, if applicable

The Building Allocation costs are comprised of a Building Allocation plus Other building acquisition related costs of the existing Development, together are typically represented by line B. in the Development Cost

Pro Forma in the Application. The maximum Building Allocation is a structured calculation. Start by taking the lesser of either the appraised value of the entire property or the actual property purchase price. The lowest land cost allocation is then subtracted from this amount. The lowest land cost allocation methodology is determined as follows:

- (i) Appraised “as is” market value of the land, as if vacant;
- (i) Assessed value of the land as provided by the county property appraiser; or
- (iii) Discount the value provided in the option (a) above to account for the LURA/EUA rent restrictions existing on the property. This is done by taking the lesser of the subject property’s acquisition price, or the subject property’s appraised “as is” restricted value and dividing this amount by the “as is” market value of the property as if unrestricted. The resulting discount factor is then multiplied by the value provided in option (a).

The lesser of the result of this maximum Building Allocation calculation or the Applicant’s stated Building Allocation is then added to any other separate acquisition costs associated with the Building Allocation and this total is multiplied further based on the maximum Developer Fee percentage allowed in the RFA as described below to obtain the Maximum Developer Fee Amount on Building Allocation:

- If the maximum Developer Fee percentage stated in the RFA is 16 percent, the result of the calculation above is then multiplied by 16 percent, rounded down to the nearest dollar.
- If the maximum Developer Fee percentage stated in the RFA is 18 percent, the result of the calculation above is then multiplied by 18 percent, rounded down to the nearest dollar.
- If the maximum Developer Fee percentage stated in the RFA is 21 percent, the result of the two calculations below are added together:
  - the result of the calculation is then multiplied by 16 percent, rounded down to the nearest dollar; AND
  - the result of the calculation is then multiplied by 5 percent, rounded down to the nearest dollar.

(3) Maximum TDC Component

The Maximum TDC Component equals the Maximum Non-Acquisition Development Cost for Developer Fee (as calculated in (2)(v) above) plus the maximum Developer Fee amount on non-acquisition costs (as calculated in (a) above) and then adding, if applicable, the maximum Developer Fee amount on Building Allocation (as calculated in (b) above). The Maximum TDC Component is unique to each Development and will not change once it is calculated. It will be used for calculations described in b. below. However, the maximum



Developer Fee amount on Building Allocation costs, if applicable, can be updated at time of Final Cost Certification Application Package review when the Other building acquisition related costs of the existing Development have changed since credit underwriting. At no time will the proposed Developer Fee be allowed to exceed the total maximum Developer Fee.

- b. Determining whether adjustments to the Developer Fee and the Total Development Cost of the proposed Development are needed during Credit Underwriting

The Total Development Cost of the proposed Development (“TDC of the Proposed Development”) is often adjusted during credit underwriting and Final Cost Certification process. The steps below are performed first during the credit underwriting process and then a similar process is completed during the Final Cost Certification process as presented in c. below. Any such adjustments that occurred during these processes may affect the maximum Developer Fee allowed for the proposed Development to fluctuate.

- (1) First Review of the Developer Fee and the TDC of the Proposed Development

To review the maximum Developer Fee for the proposed Development, the Corporation will first determine if the stated Developer Fee is in compliance with the percentage Developer Fee limit and then compare the results of the calculation in a. above to the Developer Fee stated by the Applicant.

If the maximum Developer Fee calculated by the percentage Developer Fee on stated Development Costs and the maximum Developer Fee calculated in a. above is equal to or greater than the proposed Development’s stated Developer Fee, there will be no resulting deduction to the stated Developer Fee or the TDC of the Proposed Development from this first review.

If this step creates a maximum Developer Fee that is less than the proposed Development’s stated Developer Fee, the stated Developer Fee will be reduced to the maximum Developer Fee provided in this step, and the TDC of the Proposed Development will be equally reduced to incorporate this mandated cost reduction.

- (2) Second Review of the Developer Fee and the TDC of the Proposed Development

The second review will compare the proposed Development’s Maximum TDC Component and the Net TDC of the Proposed Development for these limitation purposes.

*Calculating the Net TDC of the Proposed Development*

The Net TDC of the Proposed Development is determined by taking the TDC of the Proposed Development (after any reduction in the initially stated Developer Fee as provided above) and deducting the following qualifying costs:

- the property acquisition price (building and land, which are subject to their own limits)
- demolition costs
- tenant relocation costs

- construction costs associated with the delivery of commercial/retail space, and
- any approved operating deficit reserves (ODR) that are part of the permanent phase (i.e., non-construction) financing for the Development which have not been included within the Developer fee.

*Comparison of the Development's Maximum TDC Component and the Net TDC of the Proposed Development*

If the proposed Development's Maximum TDC Component is equal to or greater than the Net TDC of the Proposed Development, the review of the Developer Fee is complete and no other reduction to the proposed Development's Developer Fee is required.

If the proposed Development's Maximum TDC Component is less than the Net TDC of the Proposed Development, the maximum Developer Fee will be reduced by the lesser of:

- the actual amount that the Net TDC of the Proposed Development exceeds the Maximum TDC Component,
- \$750,000, or
- 25 percent of the Maximum Developer Fee calculated in a. above.

If the maximum Developer Fee calculated in this step is equal to or greater than the proposed Development's Developer Fee calculated in b.(1) above, there will be no resulting deduction to the proposed Development's Developer Fee after step b.(1) nor to the Net TDC of the Proposed Development from this second review.

If this step causes the maximum Developer Fee to be less than the proposed Development's Developer Fee calculated in b.(1) above, the proposed Development's Developer Fee will be reduced to the maximum Developer Fee calculated in this step, and the Net TDC of the Proposed Development will be equally reduced to incorporate the second mandated cost reduction.

This is the final review of the Developer Fee during credit underwriting.

- Reviewing the Developer Fee and the Net TDC of the Proposed Development stated in the Final Cost Certification Application Package ("FCCAP")

The Developer Fee and the Net TDC of the Proposed Development may be further adjusted when the FCCAP is processed. Any such adjustments that occur with the FCCAP may cause the maximum Developer Fee allowed for the proposed Development to either increase, as described in (3) below, or decrease, as described in (2) and (4) below. Any increase or decrease to the proposed Development's Developer Fee will cause the Net TDC of the Proposed Development to be equally increased or decreased, respectively.

Before each item below, the stated/updated Developer Fee will be tested to make sure it doesn't exceed the amount determined by multiplying the proposed Development's stated Development Costs by the maximum Developer Fee percentage, rounded down

to the nearest dollar and then tested for compliance with the total maximum Developer Fee.

(1) First Review of the Developer Fee and the TDC of the Proposed Development

*Policy when the Developer Fee was not reduced by the credit underwriting process described in b. above*

The proposed Development's Developer Fee initially presented in the FCCAP will be tested for compliance with the maximum Developer Fee percentage requirement.

- (a) If the Net TDC of the Proposed Development preliminarily stated in the FCCAP (after any Developer Fee compliance adjustments from above) is less than or equal to the Maximum TDC Component calculated in a. above, no adjustment to the proposed Development's Developer Fee will be required and there will not be a need for the second review.
- (b) If the Net TDC of the Proposed Development preliminarily stated in the FCCAP (after any Developer Fee compliance adjustments from above) is greater than the Maximum TDC Component calculated in a. above there will be a need for the second review process below.

*Policy when the Developer Fee was reduced by the credit underwriting process described in b. above*

- (c) If the Net TDC of the Proposed Development preliminarily stated in the FCCAP is less than the Net TDC reported in the final credit underwriting report, the calculations in b. above will be repeated using the Net TDC of the Proposed Development preliminarily stated in the FCCAP. This may result in an increase to the final Developer Fee from the limit imposed at time of credit underwriting during steps b.(1)-(2).
- (d) If the Net TDC of the Proposed Development preliminarily stated in the FCCAP is equal to or greater than the Net TDC of the Proposed Development reported in the final credit underwriting report, the Developer Fee stated in the FCCAP is initially capped at the maximum Developer Fee determined in b.(2) above. If the Developer Fee stated in the FCCAP is greater than the maximum Developer Fee determined in b.(2) above, the Developer Fee will be reduced to match the maximum Developer Fee and any reduction in the stated Developer Fee will have a corresponding reduction in the Net TDC of the Proposed Development. If the resulting Net TDC of the Proposed Development consequently stated in the FCCAP is greater than the Net TDC of the Proposed Development reported in the final credit underwriting report, there will be a need for the second review process below. If the resulting Net TDC of the Proposed Development consequently stated in the FCCAP is equal to or less than the Net TDC of the Proposed Development reported in the final credit underwriting report, there will not be a need for any further review.

(2) Second Review of the Developer Fee and the TDC of the Proposed Development

After the applicable step above in c.(1)(b) or c.(1)(d) is complete, the calculations described below will determine the final Developer Fee.

If the Net TDC of the Proposed Development after step (1) above is greater than the Maximum TDC Component calculated in a. above, the maximum Developer Fee determined in b.(2) above, will be reduced by the lesser of:

- (i) the actual amount that the Net TDC of the Proposed Development exceeds the Maximum TDC Component,
- (ii) \$350,000, or
- (iii) 10 percent of the Maximum Developer Fee calculated in (b) above.

If the maximum Developer Fee calculated in this step is equal to or greater than the Developer Fee stated in the FCCAP after c.(1) above, there will be no resulting deduction to the stated Developer Fee or the Net TDC of the Proposed Development from this review.

If this step causes the maximum Developer Fee to be less than the Developer Fee stated in the FCCAP after c.(1) above, the stated Developer Fee will be reduced to the maximum Developer Fee calculated in this step, and the Net TDC of the Proposed Development will be equally reduced to incorporate this cost reduction.

A template and training video regarding the Total Development Cost Per Unit Limitation have been made available. A link has been added to the RFA Webpage called "Total Development Cost Per Unit Limitation Information Used In RFAs". This link will take users to a new webpage with examples of this process, as well as a template, training video, and, for assistance after the review and evaluation process as explained in Section Three, F.2. of this RFA, contact information for available Florida Housing staff.

## **2. Transit and Community Service Scoring Charts – intentionally omitted in this RFA**

## **3. Leveraging Classification**

Each eligible Application will be assigned as either Group A or Group B, based on the Eligible CDBG-DR Base Loan Funding amount relative to all other Application's CDBG-DR Base Loan Funding amount using the following methodology.

The CDBG-DR Base Loan Funding amount is calculated only using the Applicant's Eligible CDBG-DR Request. The ELI Funding Amount, MMRB, and Non-Competitive Housing Credit funding, if applicable, will all be excluded from the following leveraging calculation.

- a. If the Development qualifies for a Housing Credit basis boost, the Eligible CDBG-DR Base Loan Request Amount will be multiplied by 1.15; and
- b. If the Applicant has either (i) entered into a land lease with a Public Housing Authority on property where the proposed Development is to be located or the Applicant provided an Option to Enter into a Ground Lease Agreement on property where the proposed Development is to be located; AND the property has an existing Declaration of Trust between the Public Housing Authority and HUD; or (ii) a PHA/instrumentality of a

PHA as a Principal, the Application will qualify for the PHA Multiplier and the amount will also be multiplied by 0.93.

Note: More than one of the above may apply. For instance, if a. and b. apply, the Eligible CDBG-DR Base Loan Request will be multiplied by 1.15, then multiplied by 0.93.

- c. If the Development consists of any new construction units, the total Corporation funding amount calculated above will also be multiplied by a Leveraging Factor. The Leveraging Factor is calculated as follows:

Development Leveraging Multipliers							
# of new construction units	NC Garden Non-ESS	NC Garden ESS	NC Mid-Rise Non-ESS	NC Mid-Rise ESS	NC High-Rise	NC Other Non-ESS	NC Other ESS
Combined Dev Type / ESSC Multipliers	x 0.92	x 0.8004	x 0.85	x 0.7395	x 0.7134	x 1.0	x 0.87
Results of multiplication of each category							

To calculate the Leveraging Factor, the chart above will be used. The number of units for each category stated at 4.e. of Exhibit A will be multiplied by the applicable multiplier. The results of the multiplication will then be added together, then divided by the total number of units in the Development. The result of this calculation is the Leveraging Factor.

The Leveraging Factor is then multiplied by the total Corporation funding amount as calculated in a. – b. above. This result is the total Corporation funding amount used in d. below.

- d. The total Corporation funding amount will then be divided by the number of Set-Aside Units, resulting in the total Corporation funding per Set-Aside Unit.
- e. The Applications will be listed in ascending order beginning with the Application that has the lowest amount of total Corporation CDBG-DR funding per Set-Aside Unit and ending with the Application that has the highest amount. If any Applications have identical total Corporation funding per set-aside unit amounts, the Applications will be further sorted using lottery number, with the HIGHEST (worst) lottery number being listed first.

The total number of Applications on the list will be multiplied by will be multiplied by 80 percent and the resulting figure will be rounded up to the next whole number (the resulting figure after rounding will be referred to as the "A/B Cut-Off"). A line will be

drawn below the Application whose place on the list is equal to the A/B Cut-Off. Applications above the A/B Cut-Off will be classified as Group A and Applications below the A/B Cut-Off will be classified as Group B.

#### 4. Florida Job Creation Funding Preference

Each Application will be measured to determine whether it qualifies for the Florida Job Creation Funding Preference. To determine eligibility for the preference, the Corporation will calculate the Application's Florida Job Creation score, which will reflect the number of Florida jobs per \$1 million of CDBG-DR funding. To qualify for the Florida Job Creation Funding Preference in Section Five of the RFA, all Applications must earn a Florida Job Creation score equal to or greater than the minimum requirement of 9.55.

Determination of the Florida Job Creation score will be based on the following information:

- The number of new construction units committed to by the Applicant (as stated by the Applicant in Exhibit A);
- The applicable Florida job creation rate for the type of units:
  - Rate of 2.944 Florida Jobs per unit for proposed new construction units; and
- The Eligible CDBG-DR Request Amount.

The score for the Florida Rate of Job Creation per \$1 million of CDBG-DR funding will be measured using one of the following calculations:

Number of new construction units x 2.944 Florida Jobs per unit x 1,000,000 / (the CDBG-DR Request Amount x 9.0) = Florida Jobs per \$1 million of CDBG-DR funding.

For example:

Application A consists of 25 new construction units and has an Eligible CDBG-DR Request Amount of \$3,700,000.

$25 \times 2.944 \times 1,000,000 / 3,700,000 \times 9.0 =$  Florida Job Creation score of 19.89.

In above example, the Application will qualify for the Job Creation Funding Preference because it has a Florida Job Creation score that is equal to or greater than the minimum required.

#### 5. Fees

The Corporation and, if applicable, the Credit Underwriter shall collect via check or money order from the Applicant the following fees and charges in conjunction with this RFA. Failure to pay any fee shall cause the funding awarded to be withdrawn as outlined in the credit underwriting and program requirements outlined in this RFA and Rule Chapter 67-21, F.A.C.

All fees set forth below, except for Compliance Monitoring Fees and Loan Servicing Fees, are part of Development Cost and can be included in the Development Cost Pro Forma and paid with loan proceeds.

a. Application Fee

All Applicants requesting funding in this RFA shall submit to the Corporation as a part of the Application submission a non-refundable Application fee of \$3,000.

b. TEFRA Fee

Applicants awarded Corporation-issued MMRB shall submit a non-refundable TEFRA fee to the Corporation in the amount of \$1,000 within seven Calendar Days of the date of the invitation to enter Credit Underwriting. This fee shall be applied to the actual cost of publishing required newspaper advertisements and Florida Administrative Register notices of TEFRA Hearings. If the actual cost of the required publishing exceeds \$1,000, Applicant shall be invoiced for the difference. If a Local Public Fact Finding Hearing is requested, the Applicant shall be responsible for payment of any fees incurred by the Corporation. If the first TEFRA approval period has expired and a second TEFRA notice and hearing are required, Applicant is responsible for all costs associated with the additional TEFRA process.

c. Credit Underwriting Fees

The following fees are not the fees that will be charged but are listed below for estimation purposes of completing the Development Cost Pro-Forma in the Application. The actual fees will be determined based on the current contract, including any addendum, for services between the Corporation and the Credit Underwriter(s) in effect at the time underwriting begins.

(1) Program fee

Programs	Primary Program Fee		Multiple Program Fees	Total
CDBG-DR only	\$15,360 – CDBG-DR Loan funding		N/A	\$15,360
Corporation-issued Tax-Exempt Bonds (MMRB), Non-Competitive Housing Credit, CDBG-DR Loan funding	\$16,489– MMRB	+	\$5,146– CDBG-DR Loan funding + \$5,146 - Non-Competitive Housing Credit	\$26,781
Non-Competitive Housing Credit (to be used with Non-Corporation-issued Tax-Exempt Bonds), CDBG-DR Loan funding	\$15,360 – CDBG-DR Loan funding	+	\$5,146– Non-Competitive Housing Credit	\$20,506

(2) Re-underwriting fee: \$198 per hour, not to exceed \$8,715.

If a Housing Credit Development involves Scattered Sites of units within a single market area, a single credit underwriting fee shall be charged. Any Housing Credit Development requiring further analysis by the Credit Underwriter pursuant to Section 42(m)(2) of the IRC will be subject to an hourly fee of \$198. All credit underwriting fees shall be paid by the Applicant prior to the performance of the analysis by the Credit Underwriter.

- (3) Extraordinary Services fee: \$198 per hour.
- (4) Credit Underwriting Extension Fees

Credit underwriting extension fees are outlined in Exhibit H.

d. Administrative Fees

With respect to the Housing Credit Program, each for-profit Applicant shall submit to the Corporation a non-refundable administrative fee in the amount of 9 percent of the annual Housing Credit Allocation amount stated in the Preliminary Allocation. The administrative fee shall be 5.5 percent of the stated annual Housing Credit Allocation for Non-Profit Applicants. The administrative fee must be received by the Corporation as stated in the Preliminary Allocation. In the event the Final Housing Credit Allocation amount exceeds the annual Housing Credit Allocation amount stated in the Preliminary Determination, the Applicant is responsible for paying the applicable administrative fee on the excess amount before IRS Forms 8609 are issued for the Development.

e. Compliance Monitoring Fees

The following fees are not the fees that will be charged but are listed below for estimation purposes of completing the Development Cost Pro-Forma in the Application. The actual fees and percentage increases will be determined based on the current contract, including any addendum, for services between the Corporation and the Compliance Monitor(s).

(1) Program Fees

Programs	Primary Program Fee		Multiple Program Fees
CDBG-DR Only	A total annual fee comprised of a base fee of \$183 per month + an additional fee per set-aside unit of \$11.24 per year, subject to a minimum of \$286 per month, and subject to an automatic annual increase of 3 percent of the prior year’s fee.		
Corporation-issued MMRB/Non-Competitive Housing Credit, with CDBG-DR funding	MMRB and Non-Competitive Housing Credit:  A total annual fee comprised of a base fee of \$183 per month + an additional fee per set-aside unit of \$11.24 per year, subject to a minimum of \$286 per month, and subject to an automatic annual increase of 3 percent of the prior year’s fee. Where a difference exists between set-aside requirements for MMRB and Housing Credit, the fees collected will be based upon the higher number of Set-Aside Units Set-Aside Units.	+	\$1,023 – CDBG-DR
Non-Competitive Housing Credit (to be used with Non-Corporation-issued Bonds), CDBG-DR funding	Non-Competitive Housing Credit:  A total annual fee comprised of a base fee of \$183 per month + an additional fee per set-aside unit of \$11.24 per year, subject to a minimum of \$286 per month, and subject to an automatic annual increase of 3 percent of the prior year’s fee. Since fees for the full Housing Credit Extended Use Period will be collected at final allocation, the fee amount is discounted at a rate of 2 percent.	+	\$1,023 – CDBG-DR



- (2) Follow-up Reviews/Extraordinary Services fee: \$198 per hour
- (3) Link Monitoring Fee: \$1,000

f. Commitment Fees

With respect to the CDBG-DR Program funding, each Applicant to which a firm commitment is granted shall submit to the Corporation a non-refundable commitment fee of 1 percent of the CDBG-DR loan amount upon acceptance of the firm commitment. The Applicant's award of non-competitive Housing Credits, or, if applicable, the MMRB funding will not affect the amount of the Applicant's commitment fee.

- (1) Non-Profit sponsors who provide a certification indicating that funds will not be available prior to closing shall be permitted to pay the commitment fee at closing.
- (2) All Applicants shall remit the commitment fee payable to the Florida Housing Finance Corporation.

g. Firm Loan Commitment and Loan Closing Extension Fees

In the event the CDBG-DR loan does not close within the timeframes prescribed, extension fees will be assessed as outlined in Exhibit H.

h. Loan Servicing Fees

The following fees are not the fees that will be charged but are listed below for estimation purposes of completing the Development Cost Pro Forma in the Application. The actual fees will be based on the current contract, including any addendum, for services between the Corporation and the Servicer(s).

(1) Construction Loan Servicing Fees

The CDBG-DR Loan, and, if applicable, the MMRB Loan, each have a Construction Loan Servicing Fee to be paid as indicated. The following fees are listed for estimation purposes only; the actual fees will be determined based on the current contract, including any addendum, for services between the Corporation and Servicer(s) in effect at the time of loan closing.

- \$198 per hour for an in-house review of a draw request
- \$198 per hour for on-site inspection fees, up to a maximum of \$1,956 per draw
- \$198 per hour for extraordinary services

(2) Permanent Loan Servicing Fees

- (a) The CDBG-DR Loan has a Permanent Loan Servicing Fee to be paid annually. The following fee is listed for estimation purposes only; the actual fees will be determined based on the current contract, including any addendum, for services between the Corporation and Servicer(s) in effect at the time of loan closing.
- Annual fee of 25 bps of the outstanding loan amount, with a minimum monthly fee of \$236 and a maximum monthly fee of \$936, and an hourly fee of \$198 for extraordinary services.
- (b) MMRB loans have a Permanent Loan Servicing Fee to be paid annually. The following fee is listed for estimation purposes only; the actual fees will be determined based on the current contract, including any addendum, for services between the Corporation and Servicer(s) in effect at the time of loan closing.
- 2.3 bps of the outstanding bond balance annually, subject to a minimum monthly fee of \$236, and an hourly fee of \$198 for extraordinary services.

Additional legal, cost of issuance, bond underwriting, credit enhancement, liquidity facility and servicing fees associated with the financing shall also be paid by the Applicant.

i. Additional Loan Fees

Applicants will be responsible for all fees associated with the Corporation's legal counsel related to the CDBG-DR Program based on the current contract for services between the Corporation and the legal counsel.

j. Additional CDBG-DR Loan Fees

Applicants receiving CDBG-DR funding will be responsible for all fees associated with the Corporation's legal counsel related to the CDBG-DR Funding.

k. Corporation-issued MMRB Fees

(1) Refundable Good Faith Deposit and Cost of Issuance Fees

- (a) Good Faith Deposit: Good faith deposit means a total deposit equal to one percent of the loan amount reflected in the loan commitment paid by the Applicant to the Corporation. The Applicant shall pay a total deposit equal to one percent of the aggregate principal amount of proposed Taxable and Tax-exempt Bonds, or \$75,000, whichever is greater, to the Corporation, which deposit may be applied toward the Cost of Issuance Fee. The maximum good faith deposit required is \$175,000. The good faith deposit is payable in one installment and is due within 14 Calendar Days of the date the Board of Directors

approves the Credit Underwriting Report. If the good faith deposit is exhausted, the Applicant shall be required to pay, within three business days of notice, an additional deposit to ensure payment of the expenses associated with the processing of the Application, the sale of the Bonds, including document production and the securitization of the loan. The good faith deposit shall be remitted by certified check or wire transfer. In the event the MMRB Loan does not close, the unused portion of the good faith deposit shall be refunded to the Applicant. Notwithstanding the foregoing, the Applicant is responsible for all expenses incurred in preparation for loan closing. Any and all costs of the Corporation will be deducted from the good faith deposit prior to refunding any unused funds to the Applicant. In the event that additional invoices are received by the Corporation subsequent to a determination that the MMRB Loan will not close and refunding any unused funds to the Applicant, which invoices related to costs incurred prior to such determination and refunding, Applicant shall be responsible for payment of the balance due as invoiced.

- (b) Cost of Issuance Fee: the Corporation shall require Applicants or participating Qualified Lending Institutions selected for participation in the program, to deliver to the Corporation, or, at the request of the Corporation, directly to the Trustee, before the date of delivery of the Bonds, a Cost of Issuance Fee in an amount determined by the Corporation to be sufficient to pay the costs and expenses relating to issuance of the Bonds, which amount shall be deposited into an account to be held by the Trustee. The Corporation shall provide the Applicant with a good faith estimate of the Cost of Issuance Fee prior to closing. The Applicant shall pay all costs and expenses incurred by the Corporation in connection with the issuance of the Bonds, the expenditure of the MMRB Loan proceeds, and provision of Credit Enhancement, if any, even if such costs and expenses exceed the Cost of Issuance Fee. Any amounts remaining in this account at the time the balance is transferred and the account closed pursuant to the trust indenture shall be returned to the Applicant.

(2) Non-refundable TEFRA, HUD Risk Sharing and Appraisal fees

- (a) TEFRA Fee: Applicants shall submit a non-refundable TEFRA fee to the Corporation in the amount of \$1,000 within seven Calendar Days of the date of the invitation to enter Credit Underwriting. This fee shall be applied to the actual cost of publishing required newspaper advertisements and Florida Administrative Register notices of TEFRA Hearings. If the actual cost of the required publishing exceeds \$1,000, Applicant shall be invoiced for the difference. If a Local Public Fact Finding Hearing is requested, the Applicant shall be responsible for payment of any fees incurred by the Corporation. If the first TEFRA approval period has expired and a second TEFRA notice and hearing are required, Applicant is responsible for all costs associated with the

additional TEFRA process.

- (b) Appraisal Fee: Applicants shall submit the required appraisal fee within seven Calendar Days of being invoiced by the Credit Underwriter.
- (c) HUD Risk Sharing Fees: Applicants also using the HUD Risk Sharing Program for the Development shall be responsible for associated fees, as follows:
  - (i) Format II environmental review fee – The fee the Applicant shall pay will be determined by contract between the Corporation and the environmental professional.
  - (ii) Subsidy layering review fee – The fee the Applicant shall pay will be determined by the contract between the Corporation and the Credit Underwriter.

(3) Short-Term Bond Redemption and Ongoing Fees

The following fees may not be the fees that will be charged but are listed below for estimation purposes of completing the Development Cost Pro Forma in the Application. The actual fees will be based on the current contracts, including any addendum, for services between Florida Housing Finance Corporation and the professionals involved, as well as on the loan commitment signed by the Applicant and the Corporation.

(a) Short-Term Bond Redemption Fees

Bond Amount	≤ 18-Month	18+ to 24-Month	24+ to 36-Month
Up to \$15 million	33 bps	25 bps	18 bps
Above \$15 million, up to \$20 million	32 bps	24 bps	17 bps
Above \$20 million, up to \$25 million	31 bps	23 bps	16 bps
Above \$25 million, up to \$30 million	30 bps	22 bps	15 bps
Above \$30 million, up to \$40 million	29 bps	21 bps	14 bps
Above \$40 million	28 bps	20 bps	13 bps

Note: The minimum Short-Term Bond Redemption Fee is \$25,000.

(b) Ongoing Fees

Program Administration Fee will be an annual fee of 24 basis points based on the amount of bonds outstanding, but not less than \$10,000 per annum.

Note: The ongoing Program Administration Fee does not include compliance monitoring fees, loan servicing fees, and trustee fees.

**l. Construction Inspection Fees**

The following fees are not the fees that will be charged but are listed below for estimation purposes of completing the Development Cost Pro Forma in the Application. The actual fees will be based on the current contract, including any addendum, for services between the Corporation and the Servicer(s).

On-site construction inspection - \$198 per hour, not to exceed \$1,956 per inspection.

**m. Additional Housing Credit Fees**

Housing Credit Applicants shall be responsible for all processing fees related to the Housing Credit Program.

**n. Assumption/Renegotiation/ Subordination Fees**

For all loans, excluding MMRB, where the Applicant is requesting a sale and/or transfer and assumption of the loan, the borrower or purchaser shall submit to the Corporation a non-refundable assumption fee of one-tenth of one percent of the loan amount.

For all loans, excluding MMRB, where the Applicant is requesting a renegotiation of the loan, the borrower shall submit to the Corporation a non-refundable renegotiation fee of one-half of one percent of the loan amount.

For all loans, excluding MMRB, where the Applicant is requesting an extension of the loan term, the borrower shall submit to the Corporation a non-refundable extension fee of one-tenth of one percent of the loan amount. If the extension is associated with a renegotiation of the loan, then only the renegotiation fee will be charged.

For all regulatory agreements, the Corporation shall charge a non-refundable subordination fee of \$1,000 for each regulatory agreement to be subordinated.

**6. Additional Requirements**

By submitting its Application, the Applicant acknowledges and agrees that it will conform to the following requirements:

**a. Eligible Reserve for Replacement Items**

The replacement reserve funds required by Exhibit H and subsections 67-21.026(11), F.A.C., and, 67-21.014(2), F.A.C., are not to be used by the Applicant for normal maintenance and repairs, but shall be used for structural building repairs, major building systems replacements and other items included on the Eligible Reserve for Replacement Items list, effective October 15, 2010.

The list is available on the RFA Webpage.

b. Final Cost Certification Application Package (Form FCCAP)

In accordance with subsection 67-21.027(6), F.A.C., the Final Cost Certification Application Package (Form FCCAP), Rev. April 2022, shall be used by an Applicant to itemize all expenses incurred in association with construction or Rehabilitation of a Housing Credit Development, including Developer and General Contractor fees as described in Rule 67-21.026, F.A.C., and shall be submitted to the Corporation by the earlier of the following two dates:

- (1) The date that is 90 Calendar Days after all the buildings in the Development have been placed in service, as evidenced by the required documentation outlined in the Final Cost Certification Package, or
- (2) The date that is 30 Calendar Days before the end of the calendar year for which the Final Housing Credit Allocation is requested.

The Corporation may grant extensions for good cause upon written request.

The FCCAP shall be completed, executed and submitted to the Corporation for the Housing Credit Development Final Cost Certification (DFCC) and the General Contractor Cost Certification (GCCC) included in the form package, along with the executed Extended Use Agreement and appropriate recording fees, IRS Tax Information Authorization Form 8821 for all Financial Beneficiaries (if requested by the Corporation), a copy of the syndication agreement disclosing the rate and all terms, the required certified public accountant opinion letter for both the DFCC and GCCC, an unmodified audit report prepared by an independent certified public accountant for both the DFCC and GCCC, photographs of the completed Development, the monitoring fee, and documentation of the placed-in-service date as specified in the Form FCCAP instructions. The Final Housing Credit Allocation will not be issued until such time as all required items are received and processed by the Corporation.

Form FCCAP, Rev. April 2022, is available on the RFA Webpage.

c. Financial Reporting Form SR-1

Following the end of the CDBG-DR loan term, within 151 Calendar Days following the Applicant's fiscal year end the Applicant shall continue to provide the Corporation with an audited financial statement and a fully completed and executed Financial Reporting Form SR-1, Rev. 01-23 pursuant to subsection 67-21.027(8), F.A.C., with regard to the Non-Competitive Housing Credits and, if applicable, subsection 67-21.008(16), F.A.C., with regard to MMRB. The audited financial statement and a copy of the signed Form

SR-1, with Parts 1, 2, and 5 completed, shall be submitted in both PDF format and in electronic form as a Microsoft Excel spreadsheet to the Corporation at the following web address: [financial.reporting@floridahousing.org](mailto:financial.reporting@floridahousing.org).

The Financial Reporting Form SR-1 is available on the Corporation's Website <http://www.floridahousing.org/owners-and-managers/compliance/forms> (also accessible by clicking [here](#)).

- d. Part IIIA, Sections 401 through 408 and 410, of the Fannie Mae Multifamily Selling and Servicing Guide, in effect as of June 10, 2015

The financial statements and information provided for review (pursuant Exhibit H for CDBG-DR, and, if applicable, sub-paragraph 67-21.014(2)(j)2., F.A.C. for MMRB) should be in satisfactory form (inclusive of the substitution of the Multifamily Underwriting Certificate referenced in Section 407 with a similar certification meeting the same criteria) and shall be reviewed in accordance with Part IIIA, Sections 401 through 408 and 410, of Fannie Mae's Multifamily Selling and Servicing Guide, in effect as of June 10, 2015, which is available on the RFA Webpage.

When referring to the Multifamily Selling and Servicing Guide, any references to "Lender" means the "Corporation-assigned Credit Underwriter" and any references to "Fannie Mae" means "Florida Housing Finance Corporation."

- e. Florida Housing Finance Corporation (FHFC) Insurance Guide

The Corporation shall require adequate insurance to be maintained on the Development as determined by the first mortgage lender, the Corporation, or the Corporation's servicer, sufficient to meet the standards established in the Florida Housing Finance Corporation (FHFC) Insurance Guide (and as amended from time to time). The most recently published FHFC Insurance Guide is available on the Corporation's Website <http://www.floridahousing.org/owners-and-managers/compliance/forms> (also accessible by clicking [here](#)).

- f. Tax-Exempt Bond-Financed Developments receiving bonds issued by a Public Housing Authority (established under Chapter 421, F.A.C.) or a Local Government (as defined in Section 420.503, F.S.) shall:

- (1) Be subject to the Credit Underwriting fees as set forth in the RFA. Failure to submit the required Credit Underwriting fee to the Credit Underwriter within seven Calendar Days of the date of the invitation to enter Credit Underwriting shall result in withdrawal of the invitation;
- (2) Participate in the Credit Underwriting process pursuant to Rule 67-21.026, F.A.C.;
- (3) Receive a Preliminary Determination prior to the bonds being issued if the Corporation receives a Credit Underwriting report prepared by one of the Corporation's contracted Credit Underwriters which meets the criteria required pursuant to Rule Chapter 67-21, F.A.C., and recommends a Housing Credit

Allocation and the issuance of Tax-exempt Bonds, and receives evidence of a loan commitment in reference to the Tax-exempt Bonds where the amount of the Bonds is at least 50 percent or more of the aggregate basis of any building and the land on which the building is located;

- (4) Be subject to the administrative fee specified in the RFA. The administrative fee must be paid within seven Calendar Days of the date of the Preliminary Determination;
  - (5) Be subject to a Developer Fee limitation as specified in Rule Chapter 67-21, F.A.C., and the RFA;
  - (6) Be subject to the provisions of Part I (administration) and Part III (Housing Credit Program) of Rule Chapter 67-21, F.A.C.;
  - (7) If requested by the Corporation, provide an IRS Form 8821 for each Financial Beneficiary of the Development, as defined in Rule Chapter 67-21, F.A.C., prior to Final Housing Credit Allocation;
  - (8) Be subject to the provisions of Rule Chapter 67-21, F.A.C., pertaining to the required Extended Use Agreement;
  - (9) Be subject to the monitoring fee specified in the RFA; and
  - (10) Receive Building Identification Numbers from the Corporation upon satisfying the above requirements and the Final Cost Certification Application Package requirements of Rule 67-21.027, F.A.C.
- g. Term of the CDBG-DR Loan, Affordability Period, and Land Use Restriction Agreement (LURA)
- (1) Exhibit H applies to the CDBG-DR Loan.
  - (2) Affordability Commitment and Compliance Period will be 50 years for all Applicants as set forth in the LURA.
  - (4) If Applicant is using Housing Credits, Applicants will waive the right to seek a qualified contract.
- If the Corporation does not provide a qualified contract within the one-year period, and the Applicant repays the Loan principal and interest in full, the LURA will terminate in conjunction with the Housing Credit Extended Use Agreement (EUA), upon full repayment of loan. Additionally, the corresponding three-year tail for termination of tenancy and any increase in gross rent will apply to the proposed development. The LURA will not terminate until the Loan is paid in full.
- h. General Information Notice



In accordance with the Uniform Relocation Act (URA), as part of 24 CFR Part 92, a Development receiving NHTF funds must provide a notice to all tenants informing them of their rights under the URA in accordance with Chapter 2 of the HUD Handbook 1378\*. The proper manner of notice is provided in this Handbook. A copy of each General Information Notice must be provided to each tenant, not just tenants in 22% Units. By the due date outlined in the invitation to enter credit underwriting, the Applicant must provide to the Corporation a copy of each General Information Notice for each occupied unit. Each notice must include proof of delivery by certified letter or by signed copy of the notice when hand delivered.

i. Certification of Consistency with the Consolidated Plan

During the credit underwriting process, the Applicant will be required to provide evidence demonstrating that the proposed Development is consistent with the applicable Consolidated Plan. Developments located in entitlement jurisdictions should request a certification of consistency letter from the appropriate authorities in that jurisdiction (typically, the community development staff). Developments located in non-entitlement jurisdictions (e.g. small non-entitlement cities or unincorporated areas of counties) should request a certification of consistency letter from the state. To request a certification of consistency letter from the state (or if you are not sure which Consolidated Plan applies to the location of your proposed Development), please contact:

Florida Housing Finance Corporation  
Federal Programs staff  
850-488-4197

j. Other Federal Requirements

(1) Federal Labor Requirements (Davis-Bacon)

Owners of a building or buildings which consist of 8 or more CDBG-DR-Assisted Units which are to be constructed or redeveloped by the same contractor under a single contract (including Scattered Site Developments) must comply with the Federal Labor Standards requirements as identified in 24 CFR Part 92 and Rule Chapter 67-21, F.A.C.

Federal Labor Standards require that all persons working on the site be paid an hourly rate not less than the minimum rate specified in the Wage Determination issued by HUD for each particular property. The owner will be required to submit to the Corporation, or its representative servicer, payroll reports and certifications to verify wage payments. Conformance with Labor Standards will be monitored during the construction/redevelopment period in conjunction with the draw inspections by the consulting engineer/architect engaged by the underwriter/servicer. If the Development contains 8 or more CDBG-DR-Assisted Units to be redeveloped or constructed under a single contract, the Corporation will require, prior to the start of construction, certification by the Applicant that it has been advised by the Corporation of its responsibilities and obligations

regarding the federal labor and wage requirements and that it agrees to comply with the guidelines.

(2) HUD Environmental Requirements

All Applicants awarded CDBG-DR funds will be required to comply with the HUD environmental requirements as provided in 24 CFR Part 92 and 24 CFR Part 58.

(3) Debarment and Suspension

Owners and contractors are prohibited from employing, awarding contracts, or funding any contractors or subcontractors that have been debarred, suspended, proposed for debarment or placed on ineligibility status by HUD. In addition, any owners who are debarred, suspended, proposed for debarment, or ineligible will be ineligible for funding. Therefore, a certification must be executed by the contractor for compliance with debarment and suspension regulations. During the credit underwriting process the Applicant will be required to provide the executed certification form\*.

(4) Lead Based Paint

If the Development was built before 1978, Lead Based Paint Regulations may apply. See 24 CFR Part 35 for exemptions. During the credit underwriting process, the Applicant must certify that it understands the requirements of the current HUD lead based paint regulations as identified in 24 CFR Part 92 and Rule Chapter 67-21, F.A.C.

If the Applicant is purchasing the property and the Development was built before 1978, provide a copy of the executed Disclosure of Information on Lead Based Paint and Lead Based Paint Hazards form\*, signed by both the buyer and the seller.

(5) Section 3

The Section 3 program requires recipients of HUD funding to direct employment, training, and contracting opportunities to low-income individuals and the businesses that employ these persons within their community. Section 3 is a provision of the HUD Act of 1968 and is found at 12 U.S.C. 1701u. The regulations are found at 24 CFR Part 75.

Applicants are to ensure “to the greatest extent feasible,” when certain HUD funds are used to assist housing and community development projects, preference for construction-related training, jobs, and contracting opportunities go to low- and very-low income people and to businesses that are owned by low- and very-low income persons or businesses that hire them.

(6) Flood

The Applicant shall comply with the mandatory flood insurance purchase requirements of Section 102 of the Flood Disaster Protection Act of 1973, as amended by the National Flood Insurance Reform Act of 1994, 42 USC 4012a, as applicable.

(7) Historic Preservation

The Applicant shall comply with the Historic Preservation requirements set forth in the National Historic Preservation Act of 1966, as amended, codified in title 54 of the United States Code, as applicable. In general, this requires concurrence from the State Historic Preservation Officer for all rehabilitation and demolition of historic properties that are fifty years old or older or that are included on a Federal, state, or local historic property list.

\*Documents can be found on the RFA Webpage.

## Exhibit D – Timeline

The Applicant acknowledges and certifies that the following information will be provided by the due date outlined below, or as otherwise outlined in the invitation to enter credit underwriting. Failure to provide the required information by the stated deadline may result in the withdrawal of the invitation to enter credit underwriting, unless an extension is approved by the Corporation:

1. Within seven Calendar Days of the date of the invitation to enter credit underwriting:
  - a. Respond to the invitation by accessing the development work center through the Procorem secure portal and submit the credit underwriting fee(s), which includes the TEFRA Fee, if applicable, as outlined in Item 4 of Exhibit C, pursuant to this RFA; and
  - b. If the Applicant is receiving Housing Credits, verification that the Development either qualifies as a USDA-eligible rural address or does not qualify as a USDA-eligible rural address. Addresses can be verified by visiting <https://eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do>
  - c. If the Applicant is receiving Corporation-issued MMRB, the Credit Enhancer’s Commitment or Bond Purchaser’s Letter of Interest, including a contact person’s name, address and telephone number, credit underwriting standards and an outline of proposed terms, must be provided. The stated amount of the Commitment or Letter of Interest shall not be less than the proposed principal amount of the bonds (including any proposed Taxable Bonds);
  - d. If the Applicant is using Non-Corporation-issued Tax-Exempt Bonds, a copy of the following documentation must be provided, as applicable:
    - (1) If the Credit Underwriting for the bonds is complete and it was prepared by a Credit Underwriter under contract with the Corporation, provide a complete copy of the final Credit Underwriting Report; or
    - (2) If the Credit Underwriting for the bonds has not been completed or has been completed by a credit underwriter not under contract with the Corporation, provide the name of the assigned credit underwriter and a copy of the inducement resolution or acknowledgement resolution awarding the bonds.
  - e. If the Applicant is using Tax-Exempt Bonds, confirmation that the bonds have not closed since the Application Deadline.
2. Within 14 Calendar Days of the date of the invitation to enter credit underwriting, if requested by the Corporation, submit IRS Form 8821 for all Financial Beneficiaries as defined in Rule Chapter 67-21, F.A.C.
3. Within 21 Calendar Days of the date of the invitation to enter credit underwriting, submit all of the following. Submission of all documents should be provided electronically to the Corporation at one time.

- a. If the Applicant is receiving Housing Credits, provide the name, mailing address, and email address of the chief elected official of the local jurisdiction where the proposed Development is located;
- b. If the Applicant is receiving Housing Credits, provide notification of the Applicant's eligibility for acquisition credits per Section 42 of the IRC, if applicable;
- c. If the Applicant is receiving Housing Credits, provide the Applicant's Federal Identification Number and the Employer Identification Number ("EIN") Certificate. If the number has not yet been obtained, the Applicant will be required to provide a copy of the completed, submitted application for that number.
- d. Provide the completed and executed Florida Housing Finance Corporation Verification of Environmental Safety Phase I Environmental Site Assessment form and, if applicable, the completed and executed Florida Housing Finance Corporation Verification of Environmental Safety Phase II Environmental Site Assessment form (Forms Rev. 07-2022) which are available on the RFA Webpage. Note: If a Phase II ESA is required, but has not been completed by the stated deadline, contact Corporation staff to request an extension for submission of the Phase II ESA form;
- 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 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)."

- (2) Demonstrate that water, sewer, electricity, and roads are available to the entire proposed Development site as of the date signed by providing the following:
- (a) The properly completed and executed Florida Housing Finance Corporation Verification of Availability of Infrastructure form which is available on the RFA Webpage. Water and sewer forms have a revision date of 07-2022 and electricity and roads have a revision date of 08-2020; or
  - (b) Documentation from the service provider that contains the Development location and is dated within 12 months of the Application Deadline. The documentation may not be signed by the Applicant, by any related parties of the Applicant, by any Principals or Financial Beneficiaries of the Applicant, or by any local elected officials.
- f. Provide the identity of the remaining members of the Development Team (i.e., inexperienced co-Developer(s), General Contractor, Architect, Attorney, and Accountant,)) as outlined below. The team members so identified, and any future replacement thereof, must be acceptable to the Corporation and the Credit Underwriter;
- (1) Identify any inexperienced co-Developer(s) by providing the name, address, telephone and facsimile numbers, e-mail address, and the relationship of the co-Developer to the Applicant.
  - (2) Identify the General Contractor by providing the completed and executed Florida Housing Finance Corporation General Contractor or Qualifying Agent of General Contractor Certification form. Note: provide the prior experience chart, as outlined in the form.  
  
The General Contractor provided must meet Required General Contractor Experience for all Developments outlined in Section Four, A.3.b.(5) of the RFA.
  - (3) Identify the Architect by providing the completed and executed Florida Housing Finance Corporation Architect Certification form.
  - (4) Identify the Attorney by providing the completed and executed Florida Housing Finance Corporation Attorney Certification for Housing Credits form and the Florida Housing Finance Corporation Attorney Certification for MMRB, SAIL, HOME and/or other Gap Loans form and, if applicable, Housing Credits form.
  - (5) Identify the Accountant by providing the completed and executed Florida Housing Finance Corporation Certification of Accountant form.

The certification forms (Forms Rev. 08-2022) are available on the RFA Webpage. Note: The use of any prior version of these forms will not be acceptable to meet this requirement.

- g. With the exception of Developments financed with HUD Section 811 or United States Department of Agriculture RD program, the Tenant Selection Plan shall be submitted by the owner to the Corporation for review and approval. The Tenant Selection Plan Guidelines and Tenant Selection Plan Checklist can be found on the webpage <https://www.floridahousing.org/programs/developers-multifamily-programs/competitive> (also available by clicking [here](#)). Exhibit G of the RFA also describes requirements for tenant selection policies. If a Development has a Housing Assistance Payment and/or an Annual Contributions Contract with HUD, the Tenant Selection Plan must be sent to the Corporation for preliminary approval before sending to HUD. Note: HUD approval may take several months. HUD approval shall be demonstrated to the Corporation prior to the completion of the final credit underwriting report;
- h. Provide confirmation that the owner will submit the fully executed Link MOU for the Corporation's approval within nine months of the invitation to enter into credit underwriting, as described in Exhibit E;
- i. Provide confirmation that all construction features committed to and proposed by the Applicant shall be located on the Development site;
- j. Confirmation that, if the proposed Development meets the definition of Scattered Sites, all Scattered Sites requirements that were not required to be met in the Application will be met, including that all features and amenities committed to and proposed by the Applicant that are not unit-specific shall be located on each of the Scattered Sites, or no more than 1/16 mile from the Scattered Site with the most units, or a combination of both. If the Applicant indicates that the proposed Development does not consist of Scattered Sites, but it is determined during credit underwriting that the proposed Development does meet the definition of Scattered Sites, all of the Scattered Sites requirements must have been met as of Application Deadline and, if all Scattered Sites requirements were not in place as of the Application Deadline, the Applicant's funding award will be rescinded;
- k. Provide notification of the percentage of ownership of the Principals of the Applicant. Upon the Applicant's acceptance of the invitation to enter credit underwriting, the Corporation will return the Principals of the Applicant and Developer(s) Disclosure Form that was part of the Applicant's uploaded Application. The Applicant will be required to enter the applicable percentages on the form and return the completed form to the Corporation;
- l. Provide confirmation that the proposed equity amount to be paid prior to or simultaneous with the closing of construction financing is at least 15 percent of the total proposed equity to be provided (the 15 percent criteria), subject to the following:
  - (1) If syndicating/selling the Housing Credits, there are two exceptions to the preceding sentence. First, if there is a bridge loan proposal within the equity proposal that provides for bridge loan proceeds that equal at least 15 percent of the amount of total proposed equity to be provided to be made available prior to or simultaneous with closing of construction financing, the 15 percent criteria

will be met. Second, if there is a separate bridge loan proposal from either the equity provider, any entity that is controlled directly or indirectly by the equity provider, or a subsidiary of the equity provider's parent holding company, and the proposal explicitly proposes an amount to be made available prior to or simultaneous with the closing of construction financing that equals at least 15 percent of the total proposed equity to be paid stated in the equity proposal, the 15 percent criteria is met. Bridge loan proposals that are not within the equity proposal, though, must meet the criteria previously stated for debt financing with the exception that evidence of ability to fund does not have to be provided. The Applicant may include the proposed amount of the bridge loan as equity proceeds on the Construction or Rehabilitation Analysis and on the Permanent Analysis (Note: this 15 percent criteria must be reflected in the limited partnership agreement or limited liability company operating agreement); or

- (2) If not syndicating/selling the Housing Credits, proceeds from a bridge loan will not count toward meeting the 15 percent criteria;
- m. If there are existing occupied units as of Application Deadline, provide to the Credit Underwriter a plan for relocation of existing tenants. The plan shall provide information regarding the relocation site; accommodations relevant to the needs of the residents and length of time residents will be displaced; moving and storage of the contents of a resident's dwelling units; as well as the approach to inform and prepare the residents for the rehabilitation activities;
- n. If the Applicant indicated that the proposed Development is the first phase of a multiphase Development, submit to the Corporation an opinion letter by a licensed attorney that the Development meets the definition of a "multiphase project" as defined in the Federal Register. The letter must also include: (a) the name of the declared first phase Development and the Corporation-assigned Application number, (b) the total number of phases and the projected Development name for each phase, (c) the total number of buildings in each phase, (d) the expected completion date for each phase, and (e) any other information as determined by the Corporation and stated in the invitation to enter credit underwriting;
- o. If the Applicant indicated that the proposed Development is a subsequent phase of a multiphase Development, the Development's status as a subsequent phase will be verified in credit underwriting. If the Development does not qualify and the Applicant's Housing Credit request is based on such contention and, during the credit underwriting process it is determined that the proposed Development does not meet the criteria for such distinction, the Applicant's Competitive Housing Credit award may be rescinded; and
- p. Provide confirmation that the limited partnership agreement or limited liability operating agreement will comply with the operating deficit reserve requirement outlined in Section Four A.10.c.(4) of the RFA.



4. The Applicant will submit the fully executed Link MOU for the Corporation's approval within nine months of the date of the invitation to enter credit underwriting, as described in Exhibit E;
5. The credit underwriting process must be complete within the timeframe outlined in Exhibit H;
6. The CDBG-DR loan must close within the timeframe outlined in Exhibit H. Applicants that are invited to enter credit underwriting and will be expected to complete the credit underwriting process, including Board approval of the credit underwriting report, and execute a written agreement within twelve months of the Applicant's acceptance enter into credit underwriting;
7. By Certificate of Occupancy, the Applicant commits to participate in the statewide housing locator system, as required by the Corporation; and
8. The Credit Underwriter will provide an itemized list for additional documentation including, but not limited to, the following:
  - a. Information outlined in Rule Chapter 67-21, F.A.C., and Exhibit H;
  - b. If the Applicant indicated that the proposed Development will be assisted with funding under the RD 538 Program and expects to use such funding as a source of financing, the Section 538 Selection Letter sent to the Applicant by RD must be provided;
  - c. The Construction Consultant engaged by the Corporation's credit underwriter must provide the properly completed and executed Americans with Disabilities Act Certification forms certifying that the design of the proposed Development and the completed Development includes the applicable accessibility, adaptability, Visitability and universal design features required by the Corporation and proposed by the Applicant. The Americans with Disabilities Act Certification forms (Rev. 02-20) are available on the RFA Webpage;
  - d. If the Applicant is requesting 4% Housing Credits that will be used with County HFA-issued Tax-Exempt Bonds and the Applicant indicates that the proposed Development is eligible for the basis boost, the Applicant will be required to provide a letter certifying the date the bond application was deemed complete; and
  - e. Provide to the Corporation a copy of each General Information Notice for each occupied unit, as outlined in Item 3.a. of Exhibit H. Each notice must include proof of delivery by certified letter or by signed copy of the notice when hand delivered;
  - f. Provide evidence demonstrating that the proposed Development is consistent with the applicable Consolidated Plan, as outlined in Item 3.b. of Exhibit H;
  - g. Comply with the HUD environmental requirements as provided in 24 CFR 93.301(f)(1) and (2). Non-Profit Applicants will not be charged a fee for the environmental review, as stated in Item 3.c.(1) of Exhibit H;
  - h. Provide a certification that must be executed by the contractor for compliance with debarment and suspension regulations, as outlined in Item 3.c.(2) of Exhibit H;

- i. Certify that it understands the requirements of the current HUD lead based paint regulations as identified in 24 CFR Part 92 and Rule Chapter 67-21, F.A.C., as outlined in Item 3.c.(3) of Exhibit H;
9. The Credit Underwriter will also verify information submitted by the Applicant, including, but not limited to the following:
- a. The Applicant's Non-Profit status, if applicable;
  - b. Each Scattered Site meets the requirements of this RFA and Section 42 of the IRC, if applicable;
  - c. The proposed Development's ability to meet the Enhanced Structural Systems Construction qualifications;
  - d. Calculation of eligible basis which may cause a reduction in the Housing Credit Allocation. This may include review of the location of buildings and whether all buildings are eligible for the eligible basis boost, if applicable;
  - e. With the exception of Developments financed with HUD Section 811 or United States Department of Agriculture RD program, , Developments that have a Housing Assistance Payment and/or an Annual Contributions Contract with HUD, must demonstrate HUD approval within a Tenant Selection Plan for an owner-adopted preference or special admissions preference specifically for individuals or families who are referred by a designated Referral Agency serving the county where the Development is located; and
  - f. The proposed Development's first phase or subsequent phase's status.

If any of these cannot be verified, all funding awarded under this RFA may be reduced or may be rescinded if the award or the Application's eligibility status was based on such information, and/or the Applicant may be determined to have made a material misrepresentation.

## **Exhibit E – Additional requirements for the Link Units for Persons with Special Needs**

The Link to Permanent Housing Strategy (Link) enhances the ability of extremely low income (ELI) households with special needs to access and retain affordable rental housing in their communities. The Corporation requires Developers to provide a specified percentage of a Development’s ELI Set-Aside units for special needs households receiving community-based supportive services who are referred by a designated supportive services agency in the community where the Development is located. All Link units must do the following:

### **I. Link Set-Aside Requirements**

With the exception of Developments financed with HUD Section 811 or United States Department of Agriculture RD program, for the entire Compliance Period as specified in both the regulatory agreement and as stated in the RFA, the Development shall set aside the required percentage of the ELI Set-Aside units as Link Units for Persons with Special Needs. At least one member of each Link unit’s household shall be referred by a Special Needs Household Referral Agency (Referral Agency) with which the owner executes a Link Memorandum of Understanding (MOU) approved by the Corporation.

### **II. Link Memorandum of Understanding (MOU)**

The Corporation has established and maintains a list of supportive service agencies or organizations serving each county, each of which is designated as a Referral Agency. The current list of designated Special Needs Household Referral Agencies for each county is published on the Corporation’s Website under the Quick Links section at <https://www.floridahousing.org/programs/special-needs-housing-overview/serving-special-needs> (also accessible by clicking [here](#)). These agencies are statewide, regional or local organizations that administer community-based supportive services to the populations served by Link.

The MOU is a formal agreement between the owner and a Referral Agency that specifies the intent of the Link Strategy and describes the roles and responsibilities of each party to the MOU. The MOU form to be executed shall be the version most recently provided on the Corporation’s website at <https://www.floridahousing.org/programs/developers-multifamily-programs/competitive/link-units-for-persons-with-special-needs-information> (also accessible by clicking [here](#)).

- A. The owner shall execute an MOU with at least one designated Referral Agency serving the county and intended population where the Development will be located and rent units to households referred by the Referral Agency with which the MOU is executed.
- B. As stated in Exhibit D, within nine months of the date of the invitation to enter credit underwriting, submit the fully executed Link MOU for the Corporation’s approval. If the owner is unable to meet the deadline, an extension may be requested from the Corporation, and a non-refundable processing fee of \$5,000 shall be charged to the owner.
- C. Prior to execution of the MOU, but not later than 10 Calendar Days before the deadline by which the fully-executed MOU shall be received by the Corporation, the MOU form

stipulated in the applicable RFA shall be completed and reviewed by the owner and Referral Agency, and then submitted by the owner to the Corporation for review and preliminary approval.

- D. For Developments with a Housing Assistance Payment contract and/or an Annual Contributions Contract with HUD: The waiting list section of the Tenant Selection Plan shall establish selection preferences or a section for special admissions specifically for individuals or families who are referred by a designated Referral Agency. The Tenant Selection Plan shall be submitted by the owner to the Corporation for review and preliminary approval before sending to HUD. HUD approval may take several months. HUD approval shall be demonstrated to the Corporation prior to the completion of the final credit underwriting report.
- E. Owners that have a Housing Assistance Payment Contract and/or an Annual Contributions Contract with HUD shall maintain a separate waiting list for referred applicants and prioritize these individuals for any available Link units. During and after lease-up, Referral Agency referrals must be moved in first, regardless of chronological order of the general waiting list, until all Link units are occupied with Referral Agency referrals.
- F. After review and preliminary approval of the MOU by the Corporation, and no later than the deadline established in the invitation to enter into credit underwriting, the owner shall provide one original fully-executed hard copy of the MOU to the Corporation. Once approved by the Corporation, the owner shall arrange for a copy of the approved MOU to be maintained on file at the site of the Development's records for compliance monitoring purposes.
- G. When the owner is noncompliant because no Referral Agency that serves the county where the Development is located is available to execute an MOU, the noncompliance shall be held in a correction period status until the earlier of (i) approval by the Corporation of an MOU executed with a new Referral Agency, or (ii) the passage of 45 Calendar Days following placement of a Referral Agency that serves the Development's county onto the Corporation's Referral Agency list.
- H. When a Referral Agency notifies the owner of its intent to terminate an MOU, the owner shall notify the Corporation of the MOU termination by email, at [Link@floridahousing.org](mailto:Link@floridahousing.org), within five Calendar Days of receiving the notification from the Referral Agency. The owner shall then select another Referral Agency for the Development's county and obtain approval from the Corporation for the MOU executed with the new Referral Agency no later than 45 Calendar Days after receipt of notification from the prior Referral Agency of its intent to terminate the MOU.
- I. When an owner intends to terminate an MOU, the owner shall repeat the process outlined in all of the steps above to obtain approval from the Corporation for a new MOU executed with another Referral Agency before termination of the prior MOU may become effective.
- J. The Corporation may require the owner to terminate an MOU with a Referral Agency if that partnership is not effective in meeting the intent of the Link Set-Aside

Requirement. The owner shall execute another MOU with a new Referral Agency before terminating the MOU. The owner shall follow the process outlined in all of the steps above to obtain approval from the Corporation.

### III. Notification of the Availability of Units for Referral of Intended Link Households

- A. The owner shall meet with the chosen Referral Agency to review the Link roles and responsibilities of each party, the household income limitation and other eligibility criteria for tenancy, household move-in expenses and on-going monthly rental payments. The meeting shall be held no less than 45 Calendar Days before the anticipated commencement of any activities related to the leasing of any unit in the Development. The owner shall maintain documentation of the meeting with the Referral Agency and shall provide a copy for review by the Corporation upon its request.
- B. Leasing Activity (Lease-up and Pre-leasing): During leasing activities, the owner shall make all units available for the intended Link households referred by the Referral Agency, until the Development's Link Set-Aside Requirement has been met. If the Development has not met its Link Set-Aside Requirement by the passing of 30 Calendar Days after the last unit is actually available for occupancy, the owner may lease the units to any eligible household. To the extent that an ELI-unit requirement coincides with a Link Set-Aside Requirement, for a period not to exceed nine months, a failure to meet the ELI-unit requirement shall not cause noncompliance during the lease-up or 30 Calendar Day hold period.
- C. Once the Development's leasing activity is completed, a vacant unit formerly occupied by a Link household shall be held open for intended households referred by the Referral Agency for a period of 30 Calendar Days starting from the date the vacated unit is suitable for occupancy and ready to lease. The owner shall notify the Referral Agency that a unit is available on or before the date that the vacated unit becomes suitable for occupancy and ready to lease, but no more than 30 Calendar Days before the unit is anticipated to be ready to lease. The vacated unit shall retain the Link classification until next occupied, at which time the classification of the new household shall be applied to the unit.
- D. When the Development is an Acquisition/Rehabilitation Development that is occupied at the earlier of either loan closing or the site acquisition or the date of the Carryover Allocation Agreement, all units (at any AMI set-aside level) that become available and are suitable for occupancy and ready to lease shall be prioritized for intended households referred by the Referral Agency until the Link requirement has been met.
- E. Communication between the owner and the Referral Agency's designated contact person related to activities in this section shall be conducted via email. Activities that must be conducted by email are as follows:
  1. Requests to develop MOU with Referral Agency;
  2. Draft reviews of MOUs between the parties;
  3. Final version of executed MOU;

4. Current contact information for the contact staff designated by the owner and Referral Agency and listed in the MOU;
  5. Notifications of unit availability;
  6. Number of Calendar Days unit will be held open for referrals;
  7. Information about rental policies and eligibility criteria;
  8. Outcome of referrals;
  9. Notifications of issues or concerns that may adversely affect the tenancy of the household; and
  10. Requests for termination of MOU.
- F. The owner shall maintain a Link communication tracking log that documents: (i) the unit number of each offered unit; (ii) the date each unit was suitable for occupancy; (iii) the date of the email notice to the Referral Agency that each unit was available for rent to a Link household, including the dates of required follow up; (iv) date of response from Referral Agency, (v) Referral Agency response, (vi) outcome of referral, and (vii) number of days the unit was held open.
- G. If an owner notifies a Referral Agency that a unit is available and the Referral Agency does not respond, the owner shall contact the Referral Agency at least three times, at intervals of no less than seven Calendar Days, during the 30-day period after the initial notice of unit availability was sent to the Referral Agency. The owner shall document all notification activity on its Link communication tracking log.
- H. The owner shall notify the Referral Agency regarding the outcome of each referral within one business day after a determination is made regarding the household's eligibility to occupy the available unit.
- I. If a referral does not result in occupancy by the referred household, the 30-day holding period shall continue to allow the Referral Agency the opportunity to refer another household. The owner shall follow up with the Referral Agency at intervals of no less than seven Calendar Days during the remainder of the 30-day holding period. The owner shall document all notification activity on its Link communication tracking log.

#### **IV. Link Compliance Monitoring Documentation**

- A. The owner shall cause the following documentation to be maintained on file for compliance monitoring purposes. Such documents shall be made available for inspection by Corporation personnel or its monitoring agents at any reasonable time. The owner shall provide copies of such documents, either electronic or paper, to the Corporation within three business days of any request by the Corporation for such copies.
1. A copy of all active MOUs approved by the Corporation;

2. A copy of all terminated MOUs. Terminated MOUs shall be retained for seven years beyond the period of tenancy for any household referred under the particular MOU;
  3. A copy of any current correction period extensions granted by the Corporation; and
  4. Email communication with the Referral Agency demonstrating timely notification regarding the availability of units for the intended Link household, outcome of each referral, and, when an available unit was not rented to a Link household, the number of days the available unit was held open for intended Link household.
- B. The monthly Program Report submitted to the Corporation by the Development shall reflect the number of Link households residing in an ELI Set-Aside unit.
- C. The Compliance Period committed to in the RFA also includes the units set aside for the Demographic Commitments, which includes the commitments for Link and ELI Households. The affordability period committed to in the RFA includes the units set aside for ELI Households. Although the percentage of units committed to must remain in effect for the entire Compliance Period, the units designated for the Demographic Commitment and AMI commitment must not be limited to the same units throughout the Compliance Period. Doing so may cause the Development to be in non-compliance with Section 42.

**Exhibit F – intentionally omitted**



## Exhibit G - Tenant Selection Requirements

A written Tenant Selection Plan must be provided that reflects the requirements described in this Exhibit which addresses the following:

- Federal Accessibility Requirements
- Tenant Selection Criteria for All Households
- Tenant Selection Criteria for Extremely Low Income (ELI) Household

### Federal Accessibility Requirements

The Tenant Selection Plan must include a statement that the Development meets the following accessibility federal requirements, incorporating the most recent amendments, regulations, and rules:

- The Fair Housing Act as implemented by 24 CFR 100
- Section 504 of the Rehabilitation Act of 1973
- Titles II and III of the Americans with Disabilities Act of 1990 as implemented by 28 CFR 35

### Tenant Selection Criteria for All Households

#### *Screening criteria for all households*

The Applicant must adhere to the following tenant selection criteria when evaluating the eligibility of all households applying for tenancy:

- Arrest Record: The arrest record of a household member will not be considered when determining any household's application for tenancy.
- Rental Assistance: For households with publicly funded rental assistance, the income requirement will be based on the household's paid portion of the rent.

#### *Application for Tenancy*

Applicant must include and prominently place the following information in the Development's application for tenancy packet that is provided to all interested households:

- The tenant selection approach and criteria used to evaluate and determine a household's application for tenancy. The criteria under which a household was screened and evaluated, as well as the determination, must be included in each tenant household's file.
- The approach regarding a household's notification and appeal process and timeline if the household's application is rejected or determined ineligible.
- A description of reasonable accommodations or reasonable modifications for persons with disabilities, pursuant to Section 504 of the Rehabilitation Act of 1973. The description shall include accommodations that must be considered by the Development such as physical dwelling unit modifications for greater accessibility and use, as well as individualized assessments of mitigating factors related to a disability that adversely affected a household's credit, eviction, or criminal history. The description shall also include the process for requesting a reasonable accommodation, the determination approach, and decision-making timelines.

- A description of an applying household's or existing tenant's housing protections pursuant to the Violence Against Women Reauthorization Act of 2013 (VAWA). The description will include that applying households may request that the Development conduct an individualized assessment of mitigating factors related to being a victim of domestic violence, dating violence, sexual assault, and stalking that adversely affected the household's credit, eviction, or criminal history.

*Notification of Rejection or Ineligibility for Tenancy*

The Applicant must, at a minimum, notify any household that their application for tenancy was rejected or determined ineligible through a documented process such as a written letter or email to the address provided by the household.

- The notification will be provided to a household within 5 business days from the day the determination is made.
- The notice must include information regarding:
  - The reasons a household's application for tenancy was rejected or determined ineligible.
  - A household's right to appeal the Development's decision, as well as complete instructions regarding how a household may appeal the decision.

Tenant Selection Criteria for Extremely Low Income (ELI) Households

*Screening criteria for ELI households*

The Applicant must adhere to the following tenant selection criteria when evaluating the eligibility of a household applying for tenancy in a unit set aside for Extremely Low Income (ELI) Households:

- Credit History: The credit history related to medical expenses, cable and internet services will not be taken into consideration when conducting credit checks.
- Income Requirement Policy: The household monthly income must not be required to be more than two times the monthly rent. (e.g., If the monthly rent is \$500, the household monthly income will not be required to exceed \$1,000.)
- Evictions: The eviction history look-back period must not be more than 5 years. A household is permitted one eviction during the 5-year look-back period, unless the eviction was due to causing physical harm to development staff, tenants, or intentional property damage.

*ELI Tenant Application Fees and Deposits*

The Applicant must adhere to the following tenant application fees and deposits requirements for a household applying for tenancy in a unit set aside for extremely low-income households:

- It is prohibited to charge a fee to a household that is applying for tenancy in a unit that is set aside for extremely low-income households for the purposes of reserving or holding a unit.
- The application for tenancy fee will be no more than \$35 per adult in a household.
- A security deposit for new tenant households will be not more than the amount of one month's rent.

*For Development with requirements for Link/Special Needs requirements*

The Tenant Selection Plans must include a Preference in their Waiting List section. Owners must create a preference specifically for individuals or families who are referred by a Florida Housing-designated Special Needs Referral Agency. The Tenant Selection Plan must include the following language:

*This Development has adopted a preference to house X number of units of the Extremely Low Income (ELI) units within the Development to be set aside for Persons with Special Needs as defined in 420.0004(13) Florida Statutes. These set aside units are known as Link units. These units shall be set aside specifically for individuals or families who are referred by a Florida Housing-designated Referral Agency. The Development must prioritize these referred individuals for an available Link unit.*

- During and after lease-up, Referral Agency referrals must be moved in first, regardless of chronological order of the general waiting list, until all Link units are occupied with Referral Agency referrals.
- The Tenant Selection Plan shall be submitted by the Applicant to the Corporation for approval within 21 Calendar Days of the date of the invitation to enter credit underwriting.

*Properties with HUD assistance, including Project-Based Assistance, Public Housing Agencies, and those administering Public Housing Programs*

Properties that have contracts with HUD or Public Housing Authorities' rental assistance programs and also have the Florida Housing Link/Special Needs requirement must handle their waiting list to reflect both HUD and Florida Housing requirements. In order to do this, Florida Housing has determined that establishing an owner-adopted preference with a Florida Housing-designated Special Needs Referral Agency is the correct method for complying with Florida Housing and HUD requirements.

- The Waiting List section of the Tenant Selection Plan must include a preference for Special Needs households that are referred by a Florida Housing-designated Special Needs Household Referral Agency.
- HUD regulations require Tenant Selection Plans that implement preferences to have HUD approval. This is the case if there are new Plans in new properties, as well redevelopment, RAD conversions, or substantially rehabilitated properties.
- If a Development has an existing Tenant Selection Plan, Applicant must amend the Plan. Applicants are required to submit the amended Plan with the preferences to their account manager in the field office. The Plan must be sent to the Corporation for preliminary approval before sending to HUD.

**Exhibit H –Credit Underwriting and CDBG-DR Program Requirements**

## 1. General Requirements

- a. Applications shall be limited to one submission per subject property. Two or more Applications, submitted in this RFA process, that have the same demographic commitment and one or more of the same Financial Beneficiaries, will be considered submissions for the same Development site if any of the following is true:

- (1) Any part of any of the property sites is contiguous with any part of any of the other property sites, or
- (2) Any of the property sites are divided by a street or easement, or
- (3) It is readily apparent from the Applications, proximity, chain of title, or other information available to the Corporation that the properties are part of a common or related scheme of development.

If two or more Applications are considered to be submissions for the same Development site, the Corporation will reject all such Applications.

- b. An Applicant shall be ineligible for funding or allocation in any program administered by the Corporation if the Applicant or Affiliate of the Applicant has made fraudulent or material misrepresentation as set forth in Section 420.518, F.S.
- c. The following items as identified by the Applicant in the Application must be maintained and cannot be changed by the Applicant after the applicable submission, unless provided otherwise below:
- (1) Name of Applicant or Developer entity(s); notwithstanding the foregoing, the name of the Applicant or Developer entity(s) may be changed only by written request of an Applicant to Corporation staff and approval of the Corporation after the Applicant has been invited to enter credit underwriting. With regard to said approval, the Corporation shall consider the facts and circumstances of each Applicant's request, inclusive of validity and consistency of Application documentation;
  - (2) Principals of each Developer, including all co-Developers; notwithstanding the foregoing, the Principals of the Developer(s) may be changed only by written request of an Applicant to Corporation staff and approval of the Corporation after the Applicant has been invited to enter credit underwriting. With regard to said approval, the Corporation shall consider the facts and circumstances of each Applicant's request, inclusive of validity and consistency of Application documentation. Any allowable change to the natural person Principals of a Public Housing Authority or officers and/or directors of a non-profit entity will apply to all preliminarily awarded Applications and Applications pending final Board action that include the Public Housing Authority or non-profit entity. Any allowable replacement of a Principal that was identified as the experienced Developer in a competitive solicitation must meet the experience requirements met by the

- original Principal;
- (3) Program(s) applied for;
  - (4) Applicant that applied as a Non-Profit or for-profit organization, unless provided otherwise in a competitive solicitation;
  - (5) Site for the Development; notwithstanding the foregoing, after the Applicant has been invited to enter credit underwriting and subject to written request of an Applicant to Corporation staff and approval of the Corporation, the site for the Development may be increased or decreased provided the Development Location Point is on the site and, if applicable, the total proximity points awarded during scoring are not reduced. In addition, if the increase or decrease of the site is such that the proposed Development now meets the definition of a Scattered Site, then the Applicant shall be required to provide such Scattered Sites information and meet all Scattered Sites requirements as required by Corporation staff. With regard to said approval, the Corporation shall consider the facts and circumstances of each Applicant's request, inclusive of validity and consistency of Application documentation;
  - (6) Development Category;
  - (7) Development Type; notwithstanding the foregoing, the Development Type may be changed only by written request of an Applicant to Corporation staff and approval of the Corporation after the Applicant has been invited to enter credit underwriting. With regard to said approval, the Corporation shall consider the facts and circumstances of each Applicant's request, inclusive of validity and consistency of Application documentation;
  - (8) Demographic Commitment;
  - (9) Total number of units; notwithstanding the foregoing, the total number of units may be increased after the Applicant has been invited to enter credit underwriting, subject to written request of an Applicant to Corporation staff and approval of the Corporation. With regard to said approval, the Corporation shall consider the facts and circumstances, inclusive of each Applicant's request, in evaluating whether the changes made are prejudicial to the Development or to the market to be served by the Development; and
  - (10) The total number of CDBG-DR-Assisted Units committed to in the Set-Aside Commitment section of the Application. Notwithstanding the foregoing, the Total Set-Aside Percentage, or total number of CDBG-DR-Assisted Units, as applicable, may be increased after the Applicant has been invited to enter credit underwriting, subject to written request of an Applicant to Corporation staff and approval of the Corporation. With regard to said approval, the Corporation shall consider the facts and circumstances, inclusive of each Applicant's request, in evaluating whether the changes made are prejudicial to the Development or to the market to be served by the Development, as well as review of the solicitation to ensure continued compliance for the program;

- (11) Funding Request Amount, exclusive of adjustments by the Corporation as outlined in this RFA.
- d. A Development will be withdrawn from funding and any outstanding commitments for funds will be rescinded if, at any time, the Board determines that the Applicant's Development or Development team is no longer the Development or Development team described in the Application or to the Credit Underwriter, and the changes made are prejudicial to the Development or to the market to be served by the Development.
- e. If an Applicant or Developer or any Principal, Affiliate or Financial Beneficiary of an Applicant or a Developer has any existing Developments participating in any Corporation programs that remain in non-compliance with Section 42 of the IRC, Title 67, F.A.C., or applicable loan documents, and any applicable cure period granted for correcting such non-compliance has ended as of the time of submission of the Application or at the time of issuance of a credit underwriting report, the requested allocation will, upon a determination by the Board that such non-compliance substantially increases the likelihood that such Applicant or Developer will not be able to produce quality affordable housing, be denied and the Applicant or Developer and the Affiliates of the Applicant or Developer will be prohibited from new participation in any of the Corporation's programs until such time as all of their existing Developments participating in any Corporation programs are in compliance.
- f. The name of the Development provided in the Application may not be changed or altered after submission of the Application during the history of the Development with the Corporation unless the change is requested in writing and approved in writing by the Corporation. The Corporation shall consider the facts and circumstances of each Applicant's request and any credit underwriting report, if available, prior to determining whether to grant such request.
- g. If the Applicant or any Principal, Financial Beneficiary or Affiliate of the Applicant has offered or given consideration, other than the consideration to provide affordable housing, with respect to a local contribution and this is discovered prior to Board approval of the Review Committee's recommendations, the Corporation shall reject the Application and any other Application submitted by the same Applicant and any Principal, Financial Beneficiary or Affiliate of the Applicant. If discovered after the Board approves the Review Committee's recommendations, any tentative funding or allocation for the Application and any other Application submitted by the same Applicant and any Principal, Financial Beneficiary or Affiliate of the Applicant will be withdrawn. Such Applicant and any of such Applicant's Principals, Financial Beneficiaries or Affiliates will be ineligible for funding or allocation in any program administered by the Corporation in accordance with the procedure set forth in subsection (b), above.
- h. Total Development Cost includes the following:
- (1) The cost of acquiring real property and any buildings thereon, including payment for options, deposits, or contracts to purchase properties, of which the total cost cannot exceed the appraised value of the real property as determined in the credit underwriting process;

- (2) The cost of site preparation, demolition, and development;
  - (3) Any expenses relating to the issuance of tax-exempt bonds or taxable bonds related to the particular Development.
  - (4) Fees in connection with the planning, execution, and financing of the Development, such as those of architects, engineers, attorneys, accountants, Developer fee, and the Corporation. However, fees of the Applicant's or Developer's attorney(s) awarded in conjunction with litigation against the Corporation with respect to a Development shall not be included in Total Development Cost.
  - (5) The cost of studies, surveys, plans, permits, insurance, interest, financing, tax and assessment costs, and other operating and carrying costs during construction, of the Development;
  - (6) The cost of construction and equipping of the Development;
  - (7) The cost of land improvements, such as landscaping and offsite improvements related to the Development, whether such costs are paid in cash, property, or services;
  - (8) Expenses in connection with initial occupancy of the Development;
  - (9) Allowances for contingency reserves and reserves for any anticipated operating reserves as recommended by the Credit Underwriter and approved by the Corporation.
  - (10) The cost of such other items, including relocation costs, indemnity and surety bonds, premiums on insurance, and fees and expenses of trustees, depositories, and paying agents for the Corporation's bonds, for the construction of the Development.
- i. In determining the income standards of Eligible Persons for the applicable programs, the Corporation shall take into account the following factors:
- (1) Requirements mandated by federal law;
  - (2) Variations in circumstances in the different areas of the state;
  - (3) Whether the determination is for rental housing; and
  - (4) The need for family size adjustments to accomplish the purposes set forth in this RFA.
- j. Financial Beneficiary and Affiliate, as defined in this RFA, do not include third party lenders, third party management agents or companies, third party service providers, Housing Credit Syndicators, credit enhancers regulated by a state or federal agency, or contractors whose total fees are within the limit described in this RFA.

- k. For computing any period of time allowed by this RFA, the day of the event from which the designated period of time begins to run shall not be included. The last day of the period so computed shall be included unless it is a Saturday, Sunday or legal holiday, in which event the period shall run until the end of the next day which is neither a Saturday, Sunday or legal holiday.

2. CDBG-DR General Program Procedures and Restrictions:

Selection for CDBG-DR Program participation is contingent upon fund availability at the conclusion of the appeals process as set forth in Rule 67-60.009, F.A.C.

3. Credit Underwriting Procedures for CDBG-DR Loan:

Credit underwriting is a de novo review of all information supplied, received or discovered during or after the RFA scoring and funding preference process, prior to the closing on funding, including the issuance of IRS Forms 8609 for Housing Credits. The success of an Applicant in being selected for funding is not an indication that the Applicant will receive a positive recommendation from the Credit Underwriter or that the Development team's experience, past performance or financial capacity is satisfactory. The credit underwriting review shall include a comprehensive analysis of the Applicant, the real estate, the economics of the Development, the ability of the Applicant and the Development team to proceed, the evidence of need for affordable housing in order to determine that the Development meets the 2022 State of Florida Action Plan for Disaster Recovery - Hurricane Sally program requirements and determine a recommended CDBG-DR forgivable loan amount, if any. Corporation funding will be based on appraisals of comparable developments, cost benefit analysis, and other documents evidencing justification of costs. As part of the credit underwriting review, the Credit Underwriter will consider the applicable provisions of the RFA.

- a. After the Board's decision to select Applicants for funding as a result of a competitive solicitation process has become final action, the Corporation shall offer such Applicants an invitation to enter credit underwriting. The Corporation shall select the Credit Underwriter for each Development. For purposes of this section, a decision regarding an Applicant will become final action:
  - (1) If none of the Board's selections of Applicants for funding are challenged pursuant to Section 120.57(3), F.S.;
  - (2) If some of the Board's selections of other Applicants for funding are challenged pursuant to Section 120.57(3), F.S., but none of the challenges could impact the decision to select the Applicant for funding, or
  - (3) When the Board or Corporation issues a final order as a result of a challenge pursuant to Section 120.57(3), F.S.
- b. The invitation to enter credit underwriting constitutes a preliminary commitment.
- c. A response to the invitation to enter credit underwriting must be received by the Corporation and the Credit Underwriter not later than seven (7) Calendar Days after the date of the invitation. For any invitation to enter credit underwriting that is offered to



an Applicant after Board approval of the list of eligible Applications that is sorted from highest funding preference to lowest, where the Applicant's response is to decline to enter credit underwriting, the result shall be the removal of the Application from the list of eligible Applications for this RFA and any other funding where that list of eligible Applications will be used.

- d. If the invitation to enter credit underwriting is accepted:
- (1) All Applicants shall submit the credit underwriting fee to the Credit Underwriter within seven (7) Calendar Days of the date of the invitation to enter credit underwriting. In addition, if requested by the Corporation, Applicants shall submit IRS Tax Information Authorization Form 8821 for all Financial Beneficiaries within 14 Calendar Days of the date of the invitation.
  - (2) Failure to submit the required credit underwriting fee by the specified deadline shall result in withdrawal of the invitation.
  - (3) The credit underwriting process must be completed within the time frame outlined in section 4.u. below and the loan must close within the timeframe set out in 4.y. below.
- e. The Credit Underwriter shall review all information in the Application and subsequently provided during the credit underwriting process, including information relative to the Applicant, Developer, Housing Credit Syndicator, and General Contractor, as well as other members of the Development team. The Credit Underwriter shall also request and review such other information as it deems appropriate to determine whether or not to provide a positive recommendation in connection with a proposed Development.
- f. In determining whether or not to provide a positive recommendation in connection with a proposed Development, the Credit Underwriter will consider the prior and recent performance history of the Applicant, Developer, any Financial Beneficiary of the Applicant or Developer, and the General Contractor in connection with any other affordable housing development. The performance history shall consider instances involving a foreclosure, deed in lieu of foreclosure, financial arrearage, or other event of material default in connection with any affordable housing development or the documents governing financing or operation of any such development.
- (1) Unless the Credit Underwriter determines that mitigating factors exist, or that underwriting conditions can be imposed, sufficient to mitigate or offset the risk, the existence of the following shall result in a negative recommendation of the proposed Development by the Credit Underwriter:
    - (a) Considering all affordable housing developments in which any party named above has been involved, if:
      - (i) During the period prior to August 1, 2010, 5 percent or more of that party's developments have been the subject of a foreclosure or deed in lieu of foreclosure, or in financial arrearage or other material default and such arrearage or

material default remained uncured for a period of 60 days or more, or

(ii) During the period beginning on or after August 1, 2010, any of that party's developments have been the subject of a foreclosure or deed in lieu of foreclosure, or in financial arrearage or other material default and such arrearage or material default is uncured at the present or, if cured, remained uncured for a period of 60 days or more.

(b) Mitigating factors to be considered by the Credit Underwriter, to the extent such information is reasonably available and verifiable, shall include the extent to which the party funded the operations of the development from that party's own funds in an attempt to keep the development afloat, the election by a party to forego financial participation in a development in an attempt to keep the development afloat, the party's satisfactory performance history over the last 10 years in connection with that party's affordable housing developments, and any other extenuating circumstances deemed relevant by the Credit Underwriter in connection with the party's involvement in a development.

(2) A negative recommendation may also result from the review of:

(a) Financial capacity of an Applicant, Developer, any Financial Beneficiary of the Applicant or Developer, the General Contractor and the Housing Credit Syndicator, or

(b) Any other relevant matters relating to an Applicant, Developer, any Financial Beneficiary of the Applicant or Developer, and the General Contractor, if, in the Credit Underwriter's opinion, one or more members of the Development team do not possess the ability to proceed.

- g. The Credit Underwriter shall report any inconsistencies or discrepancies or changes made to the Applicant's Application during credit underwriting.
- h. The Applicant will be responsible for all fees in connection with the documentation submitted to the Credit Underwriter.
- i. If the Credit Underwriter determines that special expertise is required to review information submitted to the Credit Underwriter which is beyond the scope of the Credit Underwriter's expertise, the fee for such services shall be borne by the Applicant.
- j. An appraisal report conforming to the Uniform Standards of Professional Appraisal Practice in effect at the time of the appraisal and reported in a comprehensive format, and a separate market study shall be ordered by the Credit Underwriter, at the Applicant's expense, from an appraiser qualified for the geographic area and development type not later than completion of credit underwriting. The Credit

Underwriter shall review the appraisal to properly evaluate the development property's financial feasibility. Appraisals which have been ordered and submitted by third-party credit enhancers, first mortgagors or Housing Credit Syndicators and which meet the above requirements and are acceptable to the Credit underwriter may be used instead of the appraisal referenced above. The market study must be completed by a disinterested party who is approved by the Credit Underwriter. The Credit Underwriter shall consider the market study, the Development's financial impact on Developments in the area previously funded by the Corporation, and other documentation when making its recommendation of whether to approve or disapprove a CDBG-DR loan. The Credit Underwriter shall also review the appraisal and other market documentation to determine if the market exists to support both the demographic and income restriction set-asides committed to within the Application. For the Credit Underwriter to make a favorable recommendation, the submarket of the proposed Development must have:

- (1) An average physical occupancy rate of 92 percent or greater; and,
  - (2) For Developments with new construction units, an average market rental rate, based on unit mix and annualized rent concessions, of 110 percent or greater of a 60 percent of Area Median Income rental rate.
- k. The minimum debt service coverage shall be 1.10x for the CDBG-DR loan, including all superior mortgages. However, if the Applicant defers at least 35 percent of its Developer Fee following the last disbursement of all permanent sources of funding identified in the final credit underwriting report and, in the case of a Housing Credit Development, the final cost certification documentation, and when the primary expected source of repayment has been identified as projected cash flow, the minimum debt service coverage shall be 1.00 for the CDBG-DR loan, including all superior mortgages. The maximum debt service coverage shall be 1.50x for the CDBG-DR loan, including all superior mortgages. In extenuating circumstances, such as when the Development has deep or short term subsidy, the debt service coverage may exceed 1.50x if the Credit Underwriter's favorable recommendation is supported by the projected cash flow analysis. Developments receiving first mortgage funding from the United States Department of Agriculture Rural Development (RD) are not required to meet the debt service coverage standards if RD is providing rental assistance and has acknowledged that rents will be set at an amount sufficient to pay all operating expenses, replacement reserve requirements and debt service on the first and second mortgages.
- l. The Corporation's assigned Credit Underwriter shall require a guaranteed maximum price construction contract, which may include change orders for changes in cost or changes in the scope of work, or both, if all parties agree, and shall order, at the Applicant's sole expense, and review a pre-construction analysis for all new construction units and review the Development's costs.
- m. In addition to operating expenses, the Credit Underwriter must include an estimate for replacement reserves and operating expense reserves deemed appropriate by the Credit Underwriter when calculating the final net operating income available to service

the debt. A minimum amount of \$300 per unit per annum must be used for all Developments.

The initial replacement reserve will have limitations on the ability to be drawn upon. New Construction shall not be allowed to draw during the first five years or until the establishment of a minimum balance equal to the accumulation of five years of replacement reserves per unit.

- n. The Credit Underwriter may request additional information, but at a minimum the following will be required during the credit underwriting process:
- (1) For credit enhancers, audited financial statements for their most recent fiscal year ended, if published; otherwise the previous year's audited statements will be provided until the current statements are published or credit underwriting is complete. The audited statements may be waived if the credit enhancer's senior long term debt rating is at least "A3" by Moody's or "A-" by Standard and Poor's or Fitch.
  - (2) For the Applicant, general partner(s), and guarantors, audited financial statements or financial statements compiled or reviewed by a licensed Certified Public Accountant for the most recent fiscal year ended, credit check, banking and trade references, and deposit verifications. If financial statements that are either audited, compiled or reviewed by a licensed Certified Public Accountant are not available, unaudited financial statements prepared within the last 90 days and reviewed by the Credit Underwriter and the two most recent years' tax returns. If any of the applicable entities are newly formed (less than 18 months in existence as of the date that credit underwriting information is requested), a copy of any and all tax returns with related supporting notes and schedules. The financial statements and information provided for review should be in satisfactory form and shall be reviewed in accordance with the terms and conditions required in this RFA.
  - (3) For the General Contractor, audited financial statements or financial statements compiled or reviewed by a licensed Certified Public Accountant for the most recent fiscal year ended, credit check, banking and trade references, and deposit verifications. The audited or compiled statements may be waived if a payment and performance bond equal to 100 percent of the total construction cost whose terms do not adversely affect the Corporation's interest, and is issued in the name of the General Contractor by a company rated at least "A-" by AMBest & Co.
- o. The general partner(s) (individual and entity) or manager(s)/managing member(s) (individual and entity), as applicable, of the Applicant shall provide a guarantee for completion of construction. In addition, one or more entities or individuals (other than a general partner or manger/managing member) having an ownership interest, either directly or indirectly, in the Applicant or in the general partner or managing member of the Applicant shall be required to provide guarantees or personal guarantees, as applicable, for completion of construction as recommended by the Credit Underwriter

or as otherwise required by the Corporation. The Corporation shall consider the following when determining the need for additional construction completion guarantees based on the recommendations of the Credit Underwriter:

- (1) Liquidity of any guarantee provider.
- (2) Applicant's, Developer's and General Contractor's history in successfully completing Developments of similar nature.
- (3) The past performance of the Applicant, Developer, General Contractor or any other guarantee provider in developing or constructing Development financed by the Corporation or its predecessor.
- (4) Percentage of Corporation's funds utilized compared to Total Development Cost.

If, after evaluation of paragraphs (1)-(4) above by the Corporation and the Credit Underwriter, it is determined that additional surety is needed, the Applicant will be required to provide a letter of credit or payment and performance bond.

- p. For all Developments, the Developer fee and General Contractor's fee shall be limited to:
- (1) For Applicants requesting CDBG-DR only, the Developer fee limit shall be 16 percent of Development Cost, excluding land and operating deficit reserves. For Applicants requesting Tax-Exempt Bond Financing and Non-Competitive Housing Credits, the Developer fee limit shall be 18 percent of Development Cost, excluding land and operating deficit reserves.
  - (2) The General Contractor's fee shall be limited to a maximum of 14 percent of the actual construction cost.
- q. The General Contractor must meet the following conditions:
- (1) Employ a Development superintendent and charge the costs of such employment to the general requirements line item of the General Contractor's budget;
  - (2) Charge the costs of the Development construction trailer, if needed, and other overhead to the general requirements line item of the General Contractor's budget inclusive of the general requirement items related to construction costs identified in the final cost certification documentation;
  - (3) Secure building permits, issued in the name of the General Contractor;
  - (4) If deemed necessary by the Corporation and the Credit Underwriter in their evaluation of construction completion guarantees in subsection (o), above, secure a payment and performance bond whose terms do not adversely affect the Corporation's interest, issued in the name of the General Contractor, from a

company rated at least “A-” by AMBest & Co. or a Corporation-approved alternate security for the General Contractor’s performance such as a letter of credit issued by a financial institution with a senior long term (or equivalent) credit rating of at least “Baa3” by Moody’s, or at least “BBB-” by Standard & Poor’s or Fitch, or a financial rating of at least 175 by IDC Financial Publishing;

- (5) Ensure that none of the General Contractor duties to manage and control the construction of the Development are subcontracted;
- (6) Ensure that no construction or inspection work is performed by the General Contractor, with the following exceptions:
  - (a) The General Contractor may perform its duties to manage and control the construction of the Development; and
  - (b) The General Contractor may self-perform work of a de minimis amount, defined for purposes of this subparagraph as the lesser of \$350,000 or 5 percent of the construction contract;
- (7) Ensure that not more than 20 percent of the construction cost, not to include the General Contractor fee or pass-through fees paid by the General Contractor, is subcontracted to any one entity or any group of entities that have common ownership or are Affiliates of any other subcontractor, with the exception of a subcontractor (or any group of entities that have common ownership or are Affiliates of any other subcontractor):
  - (a) Contracted to deliver the building shell of a building less than five (5) stories which may not have more than 25 percent of the construction cost in a subcontract, unless otherwise approved by the Corporation for a specific Development.
  - (b) Contracted to deliver the building shell of a building of at least five (5) stories which may not have more than 31 percent of the construction cost in a subcontract, unless otherwise approved by the Corporation for a specific Development

With regard to said approval, the Corporation shall require an analysis from the Credit Underwriter and consider the facts and circumstances of each Applicant’s request, inclusive of construction costs and the General Contractor’s fees. For purposes of paragraph (g), “Affiliate” has the meaning given in subsection 67-48.002(5), F.A.C., except that the term “Applicant” therein shall mean “subcontractor”;

- (8) Ensure that no construction cost is subcontracted to any entity that has common ownership or is an Affiliate of the General Contractor, Developer, or Applicant. For purposes of this paragraph, “Affiliate” has the meaning given it in subsection 67-48.002(5), F.A.C., except that the term “Applicant” therein shall mean “General Contractor.”

- r. The Credit Underwriter shall require an operating deficit guarantee. Upon written request of the guarantor(s) to the Corporation or its agent, the operating deficit guarantee will be released upon achievement of a 1.15x debt service coverage ratio for the combined permanent first mortgage and CDBG-DR loan, as determined by the Corporation or its agent, and 90 percent occupancy, and 90 percent of the gross potential rental income, net of utility allowances, if applicable, all for a period equal to 12 consecutive months, all as certified by an independent Certified Public Accountant. The calculation of the debt service coverage ratio shall be made by the Corporation or its agent. The Credit Underwriter or servicer will determine whether all of the requirements described above have been met, including receipt, acceptance and verification of the documentation provided by the Certified Public Accountant, and will then submit a letter to the Corporation containing a positive or negative recommendation concerning the release of the operating deficit guarantee. If the Corporation's decision is to deny the release of the operating deficit guarantee, the Board shall consider the facts and circumstances of the Applicant's request and the Corporation's denial, and make a determination of whether to grant the requested release. Notwithstanding the above, the operating deficit guarantee shall not be released earlier than three (3) years following the issuance of a final certificate of occupancy, or in the event a final certificate of occupancy is not routinely provided by the applicable jurisdiction, such other information evidencing completion of the Development which is deemed acceptable to the Corporation. An operating deficit guarantee, to be released upon achievement of 1.00x debt service coverage for a minimum of six (6) consecutive months for the combined permanent first mortgage and CDBG-DR loan will be required for Developments receiving first mortgage funding from the United States Department of Agriculture Rural Development (RD) if RD is providing rental assistance and has acknowledged that rents will be set at an amount sufficient to pay all operating expenses, replacement reserve requirements and debt service on the CDBG-DR loan and all superior mortgages.
- s. Contingency reserves which total no more than 5 percent of total actual construction costs (hard costs) and total general development costs (soft costs) for Developments where 50 percent or more of the units are new construction may be included within the Total Development Cost for Application and underwriting purposes. Contingency reserves shall not be paid from CDBG-DR funds.
- t. The Credit Underwriter will review and determine if the number of loans and construction commitments of the Applicant and its Principals will impede its ability to proceed with the successful development of each proposed Corporation-funded Development.
- u. Information required by the Credit Underwriter shall be provided as follows:
- (1) The Corporation shall issue a firm loan commitment after approval of the Credit Underwriter's recommendation for funding by the Board.
  - (2) The firm loan commitment must be issued by the date of the Board of Directors meeting immediately following twelve (12) months after the Applicant is invited to enter credit underwriting. Unless an extension is approved by the Board,

failure to achieve issuance of a firm loan commitment by the specified deadline shall result in withdrawal of the preliminary commitment. Applicants may request one (1) extension of up to six (6) months to secure a firm loan commitment. All extension requests must be submitted in writing to the program administrator and contain the specific reasons for requesting the extension and shall detail the time frame to achieve a firm loan commitment. In determining whether to grant an extension, the Board shall consider the facts and circumstances of the Applicant's request, inclusive of the responsiveness of the Development team and its ability to deliver the Development timely. The Corporation shall charge a non-refundable extension fee of one (1) percent of each loan amount if the request to extend the credit underwriting and firm loan commitment process beyond the initial deadline is approved. If an approved extension is utilized, Applicants must pay the extension fee not later than seven (7) Calendar Days after the Board approves the extension of the original deadline. If, by the end of the extension period, the Applicant has not received a firm loan commitment, then the preliminary commitment shall be withdrawn.

- v. If the Credit Underwriter requires additional clarifying materials in the course of the underwriting process, the Credit Underwriter shall request same from the Applicant and shall specify deadlines for the submission of same. Failure to submit required information by the specified deadline, unless a written extension of time has been approved by the Corporation, shall result in withdrawal of the preliminary commitment or the invitation to enter credit underwriting, or both, as applicable. In determining whether to grant an extension, the Corporation shall consider the facts and circumstances of the Applicant's request, inclusive of the responsiveness of the Development team and its ability to deliver the Development timely. If the Corporation's decision is to deny the Applicant's request for an extension, then prior to the withdrawal of the preliminary commitment or the invitation to enter credit underwriting, or both, as applicable, the Board shall consider the facts and circumstances of the Applicant's request, the Corporation's denial, and any credit underwriting report, if available, and make a determination of whether to grant the requested extension.
- w. The Credit Underwriter shall complete its analysis and submit a written draft report and recommendation to the Corporation. Upon receipt, the Corporation shall provide to the Applicant the section of the written draft report consisting of supporting information and schedules. The Applicant shall review and provide written comments to the Corporation and Credit Underwriter within 48 hours of receipt. After the 48 hour period, the Corporation shall provide to the Credit Underwriter comments on the draft report and, as applicable, on the Applicant's comments. Then, the Credit Underwriter shall review and incorporate, if deemed appropriate, the Corporation's and Applicant's comments and release the revised report to the Corporation and the Applicant. Any additional comments from the Applicant shall be received by the Corporation and the Credit Underwriter within 72 hours of receipt of the revised report. Then, the Credit Underwriter will provide a final report, which will address comments made by the Applicant, to the Corporation.
- x. The Credit Underwriter's loan recommendations will be sent to the Board for approval.



- y. The Corporation shall issue a firm loan commitment within seven (7) Calendar Days after approval of the Credit Underwriter's recommendation for funding by the Board.
  - z. This loan and other mortgage loans related to the Development must close by the date of the Board of Directors meeting immediately following 180 Calendar Days of the date of the firm loan commitment(s). Unless an extension is approved by the Board, failure to close the loan(s) by the specified deadline outlined above shall result in the firm loan commitment(s) being deemed void and the funds shall be de-obligated. Applicants may request one (1) extension of the loan closing deadline outlined above for a term of up to 90 Calendar Days. All extension requests must be submitted in writing to the program administrator and contain the specific reasons for requesting an extension and shall detail the time frame to close the loan. The Board shall consider the facts and circumstances of each Applicant's request, inclusive of the Applicant's ability to close within the extension term, and any credit underwriting report, prior to determining whether to grant the requested extension. The Corporation shall charge an extension fee of one percent of the loan amount if the Board approves the request to extend the commitment deadline beyond the applicable period outlined above. If an approved extension is utilized, Applicants must pay the extension fee not later than seven (7) Calendar Days after the Board approves the request to extend the original loan closing deadline. In the event the Corporation loan(s) does not close by the end of the extension period, the firm loan commitment(s) shall be deemed void and the funds shall be de-obligated.
  - aa. Prior to any loan closing:
    - (1) The Applicant must provide evidence of all necessary consents or required signatures from first mortgagees or subordinate mortgagees to the Corporation and its counsel, and
    - (2) The Credit Underwriter must have received all items necessary to release its letter confirming that all closing contingencies have been met, including the finalized sources and uses of funds and Draw schedule.
4. Terms and Conditions of CDBG-DR Loan:
- a. The proceeds of the CDBG-DR loan shall be used for Developments which provide affordable, safe and sanitary multifamily rental housing units.
  - b. The CDBG-DR loan may be in a first, second, or other subordinated lien position. For purposes of this RFA, mortgages securing a letter of credit as credit enhancement for the bonds financing the first mortgage shall be considered a contingent liability and part of the first mortgage lien, provided that the Applicant's counsel furnishes an opinion regarding the contingent nature of such mortgage satisfactory to the Corporation and its counsel.
  - c. The CDBG-DR loan shall be non-amortizing and shall have an interest rate of zero percent per annum. The loan will not require payment for as long as the proposed Development remains in Compliance. The loan will be forgiven after 20 years.

- d. The amount of any superior mortgages combined with the CDBG-DR mortgage shall be less than the appraised value of the Development. Any debt service reserve requirement associated with a superior mortgage shall be excluded from the amount of the superior mortgage for purposes of this calculation.
- e. The accumulation of all Development financing, including the CDBG-DR loan and all existing debt within a Development, may not exceed the Total Development Cost, as determined and certified by the Credit Underwriter.
- f. Before disbursing any CDBG-DR funds, there must be a written agreement with the Applicant ensuring compliance with the requirements of the CDBG-DR
- g. A representative of the Applicant and the managing company of the Development must attend a Corporation-sponsored training session on income certification and compliance procedures.
- h. If the Development has 8 or more units to be developed under a single contract, the General Contractor and all available subcontractors shall attend a Corporation-sponsored preconstruction conference regarding federal labor standards provisions.
- i. The Corporation shall require adequate insurance to be maintained on the Development as determined by the first mortgage lender, the Corporation, or the Corporation's servicer, but which shall, in any case, include fire, hazard and other insurance as required by the terms and conditions outlined in a competitive solicitation.
- j. All loans must provide that any violation of the terms and conditions described in this RFA constitute a default under the CDBG-DR loan documents allowing the Corporation to accelerate its loan and seek foreclosure as well as any other remedies legally available to it.
- k. If a default on a CDBG-DR loan occurs, the Corporation will commence legal action to protect the interest of the Corporation. The Corporation shall acquire real and personal property or any interest in the Development if that acquisition is necessary to protect any CDBG-DR loan; sell, transfer, and convey any such property to a buyer without regard to the provisions of Chapters 253 and 270, F.S.; and, if that sale, transfer, or conveyance cannot be consummated within a reasonable time, lease the Development for occupancy by Eligible Persons.
- L. The Corporation or its servicer shall monitor the compliance of each Development with all terms and conditions of the CDBG-DR loan and shall require that such terms and conditions be embodied in the Land Use Restriction Agreement and recorded in the public records of the county wherein the Development is located. Violation of any material term or condition of the documents evidencing or securing the CDBG-DR loan shall constitute a default during the term of the CDBG-DR loan. The Corporation shall take appropriate legal action to effect compliance if a violation of any material term or condition relative to the set-asides of units is discovered during the course of compliance monitoring or by any other means.
- m. The Applicant shall not refinance, increase the principal amount, or alter any terms or conditions of any mortgage superior or inferior to the CDBG-DR mortgage without prior

approval of the Corporation. With regard to said approval, the Corporation shall require an analysis from the Credit Underwriter and consider the facts and circumstances of the Applicant's request, inclusive of market circumstances outside of the Applicant's control. If the Corporation's decision is to deny the Applicant's request, the Board shall consider the facts and circumstances of the Applicant's request and the Corporation's denial, and make a determination of whether to grant the request. An Applicant may reduce the interest rate on any superior or inferior mortgage loan without the Board's permission, provided that no other terms of the loan are changed. The Corporation must be notified of any such change.

Following construction completion, the Corporation will recommend that the Board deny any requests to increase the amount of any superior mortgage, unless the Development cash flow is improved, the Development's economic viability is maintained, the security interest of the Corporation is not adversely affected, and the Credit Underwriter provides a positive recommendation are met, the original combined loan to value ratio for the superior mortgage and the CDBG-DR mortgage is maintained or improved, and a proportionate amount of the increase in the superior mortgage is used to reduce the outstanding CDBG-DR loan balance. To calculate the proportionate amount of the increase in the superior mortgage which must be paid toward the reduction of the CDBG-DR loan balance, the following calculation shall be used: divide the amount of the original CDBG-DR mortgage by the combined amount of the original CDBG-DR mortgage and the original superior mortgage; then multiply the quotient by the amount of the increase in the superior mortgage from the current balance. For example, if the amount of the original CDBG-DR mortgage is \$2,000,000, the original superior mortgage is \$4,400,000, with a current balance of \$3,000,000, a proposed new superior mortgage of \$5,000,000, then the amount of the increase in the superior mortgage would be \$2,000,000, and the proportionate amount of the increase in the superior mortgage which must be paid toward the reduction of the CDBG-DR loan balance would be \$625,000. This \$625,000 would be applied first to accrued interest and then to principal.

- n. Annually, within 151 Calendar Days following the Applicant's fiscal year end, the Applicant shall provide an audited financial statement, the fully completed and executed annual reporting form, Financial Reporting Form SR-1, and any other financial reporting requirements as provided in this RFA. The SR-1 form, which is available on the Corporation's Website <http://www.floridahousing.org/PropertyOwnersAndManagers/Forms>, shall be submitted to the Corporation's servicer in both PDF format and in electronic form as a Microsoft Excel spreadsheet. The initial submission will be due following the fiscal year within which the first unit is occupied. The audited financial statement is to be prepared in accordance with accounting principles generally accepted in the United States of America and audited in accordance with auditing standards generally accepted in the United States of America for the 12 month fiscal year period just ended and shall include:
- (1) Comparative Balance Sheet with prior year and current year balances;
  - (2) Statement of revenue and expenses;
  - (3) Statement of changes in fund balances or equity;

- (4) Statement of cash flows; and
- (5) Notes to financial statements.

The financial statements referenced above should also be accompanied by a certification of the Applicant as to the accuracy of such financial statements. A late fee of \$500 will be assessed by the Corporation for failure to submit the required audited financial statements by the stated deadline.

- o. Unless and until a guarantor's obligations for a HOME loan are terminated as approved in writing by the Corporation or its servicer, each guarantor shall furnish to the Corporation or its servicer financial statements as provided in paragraphs (a) through (c), below, as the Corporation or its servicer may reasonably request.

- (1) An audited financial statement to be prepared in accordance with accounting principles generally accepted in the United States of America and audited in accordance with auditing standards generally accepted in the United States of America for the 12 month fiscal year period just ended, which shall include:

- (a) Comparative Balance Sheet with prior year and current year balances,
- (b) Statement of revenue and expenses,
- (c) Statement of changes in fund balances or equity,
- (d) Statement of cash flows; and,
- (e) Notes to financial statements.

The financial statements referenced above should also be accompanied by a certification of the guarantor(s) as to the accuracy of such financial statements, or;

- (2) If an audited financial statement has not been prepared, a federal income tax return filed for the most recently completed year, or
- (3) For individual guarantors, if an audited financial statement is not available a financial statement certified as true and complete without qualification by such guarantor and a copy of the most recently filed individual federal income tax return.

- p. After maturity or acceleration, the Note shall bear interest at its default interest rate from the due date until paid. Unless the Corporation has accelerated the CDBG-DR loan, the Applicant shall pay the Corporation a late charge of 5 percent of any required payment that is not received by the Corporation within 15 days of the due date.
- q. The final billing for the purpose of payoff of the CDBG-DR loan shall also include a billing for compliance fees to cover monitoring of CDBG-DR Program requirements beyond the maturity date of the Note. Such fees shall be computed by determining the present value of the annual compliance monitoring fee for the number of years for which the Development will have a set-aside for persons or households beyond the repayment

date. The present value discount rate shall be 2 percent per annum. Such amount shall be reduced by the amount of any compliance monitoring fees for other programs collected by the Corporation for the Development for that period, provided:

- (1) The compliance monitoring fee covers some or all of the period following the anticipated CDBG-DR loan repayment date; and
  - (2) The Development has substantially equivalent set-asides for persons or households mandated through another Corporation program for which the compliance monitoring fee was collected.
- r. The CDBG-DR loans shall be serviced either directly by the Corporation or by the servicer on behalf of the Corporation.
- s. The CDBG-DR loan term shall be for a period of not more than 20 years. The term of the loan may exceed 20 years if the lien of the Corporation's encumbrance is subordinate to the lien of another mortgagee, in which case the term may be made coterminous with the longest term of the superior loan.
- t. All CDBG-DR loans shall be in conformance with applicable federal and state statutes, including the Fair Housing Act (Title VIII of the Civil Rights Act of 1968, as amended) including the Affirmative Fair Marketing Plan, Titles II and III of the Americans with Disabilities Act of 1990 as implemented by 28 CFR Part 35, Section 504 of the Rehabilitation Act of 1973, as implemented by 24 CFR Part 8 ("Section 504 and its related regulations"), and The Violence Against Women Reauthorization Act of 2013. These provisions are available on the RFA Website. To the extent that a CDBG-DR Development is not otherwise subject to Section 504 and its related regulations, the CDBG-DR Development shall nevertheless comply with Section 504 and its related regulations as requirements of the CDBG-DR Program to the same extent as if the CDBG-DR Development were subject to Section 504 and its related regulations in all respects. To that end, for purposes of the CDBG-DR Program, CDBG-DR funding shall be deemed "Federal financial assistance" within the meaning of that term as used in Section 504 and its related regulations for all CDBG-DR Developments.
- u. Rent restrictions for Housing Credits are determined in accordance with Section 42(g)(2) of the IRC using Multifamily Tax Subsidy Program (MTSP) income limits published by HUD; affordable rents for CDBG-DR are determined in a manner consistent with Section 42(g)(2) of the IRC using CDBG income limits published by HUD. 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. The 2019 Florida Housing Income and Rent Limits for each program can be accessed on the Corporation's website <https://www.floridahousing.org/owners-and-managers/compliance/rent-limits> (also accessible by clicking [here](#)). When a household occupying a unit satisfies the restrictions for both programs, the applicable income limit and rent limit are those are the most restrictive (lowest amount).
- v. A failure to pay any principal or interest due under the terms of this section shall constitute a default on the CDBG-DR loan.

- w. Failure of the Applicant to provide the Corporation and its servicer with the Form SR-1 shall constitute a default on the CDBG-DR loan.
  - x. The Compliance Period for a CDBG-DR Development shall be, at a minimum, the HUD affordability period which requires units to be set aside for 20 years. The Corporation is adding 30 years of an extended affordability period to the HUD affordability period for a total affordability period of 50 years. The set-aside requirements apply to the total number of residential units in the Development beginning on the later of the first day on which any residential unit in the Development is occupied or the CDBG-DR loan closing date. For a period of 12 months beginning on the CDBG-DR loan closing date (the “transition period”), the failure to satisfy the set-aside requirements shall not cause noncompliance.
5. Sale, Transfer or Refinancing of a CDBG-DR Development or Land:
- a. Any sale, conveyance, assignment, or other transfer of interest or the grant of a security interest in all or any part of the title to the Development other than a superior mortgage shall be subject to the Corporation’s prior written approval. The Board shall consider the facts and circumstances of each Applicant’s request and any credit underwriting report, if available, prior to determining whether to grant such request.
  - b. The CDBG-DR loan shall be assumable upon Development sale, transfer, or refinancing if the following conditions are met:
    - (1) The proposed transferee meets all specific Applicant identity criteria which were required as conditions of the original loan;
    - (2) The proposed transferee agrees to maintain all set-asides and other requirements of the CDBG-DR loan for the period originally specified;
    - (3) The proposed transferee agrees to pay all loan servicing and compliance monitoring through the end of the CDBG-DR LURA; and
    - (4) The proposed transferee and Application receives a favorable recommendation from the Credit Underwriter and approval by the Board of Directors of the Corporation.

All assumption requests must be submitted in writing to the Special Assets Director and contain the specific details of the transfer and assumption. In addition to any related professional fees, the Corporation shall charge a non-refundable assumption fee as outlined in the most current competitive solicitation.
  - c. If the Development is sold and the proposed transferee does not meet the criteria for assumption of the CDBG-DR loan, the CDBG-DR loan (principal and any outstanding interest) shall be repaid from the proceeds of the sale in the following order of priority:
    - (1) First mortgage debt service, first mortgage fees;
    - (2) CDBG-DR compliance and loan servicing fees;

- (3) An amount equal to the present value of the compliance monitoring fee for the periods for which the Development will have a set-aside for persons or households beyond the repayment date. The present value discount rate shall be 2 percent per annum. Such amount shall be reduced by the amount of any compliance monitoring fees collected by the Corporation for the Development for that period, provided:
  - (a) The compliance monitoring fee covers some or all of the period following the anticipated CDBG-DR repayment date; and
  - (b) The Development has substantially equivalent set-asides for persons or households mandated through another program of the Corporation for which the compliance monitoring fee was collected.
- (4) Unforgiven principal balance of the CDBG-DR loan;
- (5) Expenses of the sale;
- (6) If there will be insufficient funds available from the proposed sale of the Development or land to satisfy paragraphs c.(1) – (6) above, the CDBG-DR loan shall not be satisfied until the Corporation has received:
  - (a) An appraisal prepared by an appraiser selected by the Corporation or the Credit Underwriter indicating that the purchase price for the Development or land is reasonable and consistent with existing market conditions;
  - (b) A certification from the Applicant that the purchase price reported is the actual price paid for the Development, as supported by a copy of the final executed purchase and sale agreement, and that no other consideration passed between the parties, as supported by a draft and final closing statement, and that the Development Cash Flow reported to the Corporation during the term of the CDBG-DR loan was true and accurate;
  - (c) A certification from the Applicant that there are no Development funds available to repay the CDBG-DR loan, including any interest due, and the Applicant knows of no source from which funds could or would be forthcoming to pay the CDBG-DR loan; and
  - (d) A certification from the Applicant or detailing the information needed to determine the final billing for CDBG-DR loan interest. Such certification shall require submission of financial statements and other documents that may be required by the Corporation and its servicer.
- d. The Corporation may renegotiate and extend the loan in order to extend or retain the availability of housing for the target population. Such renegotiations shall be based upon:

- (1) Performance of the Applicant during the CDBG-DR loan term;
- (2) Availability of similar housing stock for the target population in the area;
- (3) Documentation and certification by the Applicant that funds are not available to repay the Note upon maturity;
- (4) A plan for the repayment of the loan at the new maturity date;
- (5) Assurance that the security interest of the Corporation will not be jeopardized by the new term(s); and
- (6) Industry standard terms which may include amortizing loans requiring regularly scheduled payments of principal and interest.

All loan renegotiation requests must be submitted in writing to the Special Assets Director and contain the specific details of the renegotiation. In addition to any related professional fees, the Corporation shall charge a non-refundable renegotiation fee as outlined in this RFA.

- e. The Corporation will recommend that the Board approve requests for mortgage loan refinancing only if Development Cash Flow is improved, the Development's economic viability is maintained, the security interest of the Corporation is not adversely affected, and the Credit Underwriter provides a positive recommendation.
- f. The Corporation will recommend that the Board deny requests for mortgage loan refinancing which require extension of the CDBG-DR loan term or otherwise adversely affect the security interest of the Corporation, unless the criteria outlined in Item e. above, are met, the Credit Underwriter recommends that the approval of such a request is crucial to the economic survival of the Development, or unless the Board determines that public policy will be better served by the extension as a result of the Applicant agreeing to further extend the Compliance Period or provide additional amenities or resident programs suitable for the resident population. Further, the Corporation will recommend that the Board limit any approved extension to a minimum term which makes the Development feasible and which does not exceed an industry standard term.

The Corporation will recommend that the Board deny any requests to increase the amount of any superior mortgage, unless the criteria outlined in Item e. above are met, the original combined loan to value ratio for the superior mortgage and the CDBG-DR mortgage is maintained or improved, and a proportionate amount of the increase in the superior mortgage is used to reduce the outstanding CDBG-DR loan balance.

All requests which only require subordination of the regulatory agreements must be submitted in writing to the Special Assets Director and contain the specific details of the subordination. In addition to any related professional fees, the Corporation shall charge a non-refundable subordination fee of \$1,000 for each regulatory agreement to be subordinated. The applicable fee will be determined by the rule in effect at the time of the subordination request.



All requests which only require extension of the affordability period under the regulatory agreements must be submitted in writing to the Special Assets Director and contain the specific details of the extension. In addition to any related professional fees, the Corporation shall charge a non-refundable extension fee of \$1,000 for each extension of the regulatory agreement. The applicable fee will be determined by the rule in effect at the time of the extension request.

6. CDBG-DR Construction Disbursements and Permanent Loan Servicing:
- a. CDBG-DR loan proceeds shall be disbursed during the construction phase in an amount per Draw which does not exceed the ratio of the CDBG-DR loan to the Total Development Cost, unless approved by the Corporation and the Credit Underwriter.
  - b. 10 business days prior to each Draw, the Applicant shall supply the Corporation's servicer, as agent for the Corporation, with a written request executed by the Applicant for a Draw. The request shall set forth the amount to be paid and shall be accompanied by documentation specified by the Corporation's servicer including claims for labor and materials to date of the last inspection.
  - c. The Corporation and its servicer shall review the request for a Draw, and the servicer shall provide the Corporation with approval of the request or an alternative recommendation, after the title insurer provides an endorsement to the policy of title insurance updating the policy to the date of the current Draw and increasing the insurance coverage to an amount equal to the sum of all prior Draws and the current Draw. For all Developments consisting of 8 or more units to be developed under a single contract, the borrower shall submit weekly payrolls of the General Contractor and subcontractors in accordance with Federal Labor Standards as enumerated in 24 CFR §92.354.
  - d. The Corporation shall disburse construction Draws through Automated Clearing House (ACH). The Applicant may request disbursement of construction Draws via a wire transfer.
  - e. The Corporation shall elect to withhold any Draw or portion of any Draw, notwithstanding any documentation submitted by the Applicant in connection with the request for a Draw, if
    - (1) The Corporation or the Corporation's servicer determines at any time that the actual cost budget or progress of construction differs from that as shown on the loan documents; or
    - (2) The percentage of progress of construction of the improvements differs from that shown on the request for a Draw.
    - (3) Developments subject to and not in compliance with Federal Labor Standards.
  - f. The servicer may request submission of revised construction budgets.
  - g. Based on the Applicant's progress of construction, if the Corporation determines that further analysis by the Credit Underwriter is required prior to the release of the final

Draw, the Applicant shall pay to the Credit Underwriter a fee based on an hourly rate determined pursuant to the contract between the Corporation and the Credit Underwriter.

- h. Retainage in the amount of 10 percent per Draw shall be held by the servicer during construction until the Development is 50 percent complete. At 50 percent completion, no additional retainage shall be held from the remaining Draws. Release of funds held by the Corporation's servicer as retainage shall occur pursuant to the CDBG-DR loan agreement.

7. General Program Procedures and Restrictions.

- a. The minimum Compliance Period for newly-constructed rental housing is 20 years from Project Completion. The set-aside requirements apply beginning on the later of the first day on which any residential unit in the Development is occupied or the loan closing date. The Compliance Period will be extended until the later of such longer term agreed to by the Applicant in its Application or the loan is repaid.
- b. The Development will remain affordable, pursuant to commitments documented within the executed Land Use Restriction Agreement without regard to the term of the mortgage or to transfer of ownership.
- c. The Development must comply with all applicable provisions of the competitive solicitation process.
- d. A Development that is under construction may be eligible to apply for CDBG-DR funds only if Development is able to provide evidence of compliance with federal labor standards for any work already completed, and the Development is able to provide evidence of compliance with HUD environmental requirements as well as all other federal regulations. The federal requirements may require completion of activities prior to submission of an Application for funding.
- e. Any single contract for the development of affordable housing must contain a provision requiring that not less than the wages prevailing in the locality, as predetermined by the United States Secretary of Labor pursuant to the Davis-Bacon Act, 40 U.S.C. 3141, et seq and 29 CFR part 1, 3, 5, 6, and 7 will be paid to all laborers and mechanics employed for the construction of the Development, and such contracts must also be subject to the overtime provisions of the Contract Work Hours and Safety Standards Act, 40 U.S.C. §§3701 – 3706 and 3708 (2002), the Copeland Act (Anti-Kickback Act), 18 U.S.C. 874, and the Fair Labor Standards Act of 1938, as amended (29 U.S.C. §201 et seq.).
- f. The following Section 3 clause is required to be included in any contracts and subcontracts: Section 3 Clause
  - (1) The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. § 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD assisted projects covered by Section 3, shall, to the greatest extent

feasible, be directed to low- and very low-income persons, particularly persons who are Subrecipients of HUD assistance for housing.

- (2) The Parties to this contract agree to comply with HUD's regulations in 24 CFR part 75, which implement Section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 75 regulations.
- (3) The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.

g. All Developments must conform to the following federal requirements:

- (1) Title VI of the Civil Rights Act of 1964 – Prohibits discrimination by government agencies that receive Federal funding;
- (2) Title VII of the Civil Rights Act of 1964 – prohibits employment discrimination on the basis of race, color, religion, sex, or national origin;
- (3) Title VIII of the Civil Rights Act of 1968 – as amended (the Fair Housing Act of 1988);
- (4) 24 CFR 570.487(b) – Affirmatively Furthering Fair Housing
- (5) 24 C.F.R. § 570.490 – Recordkeeping Requirements;
- (6) 24 C.F.R. § 570.606(b) – Relocation assistance for displaced persons at URA levels;
- (7) Age Discrimination Act of 1975;
- (8) Executive Order 12892 – Leadership and Coordination of Fair Housing in Federal Programs: Affirmatively Furthering Fair Housing;
- (9) Section 109 of the Housing and Community Development Act of 1974 – No person shall be excluded from participation in, denied benefits of, or subjected to discrimination under any program or activity receiving CDBG-DR funds because of race, color, religion, sex or national origin;

- (10) Section 504 of the Rehabilitation Act of 1973 and 24 C.F.R. part 8, which prohibits discrimination against people with disabilities;
- (11) Executive Order 11063 – Equal Opportunity in Housing;
- (12) Executive Order 11246 – Equal Employment Opportunity;
- (13) Section 3 of the Housing and Urban Development Act of 1968, as amended – Employment/Training of Lower Income Residents and Local Business Contracting.
- (14) Environmental Review as enumerated in 24 CFR Part 58 and National Environmental Policy Act of 1969.
- (15) Other than those requirements waived via Federal Register Notice, Applicant shall comply with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA), 42 USC 4601 – 4655, 49 CFR part 24, 24 CFR part 42, and 24 CFR 570.606.
- (16) Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4821-4846), the Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851-4856), and implementing regulations at part 35, subparts A, B, J, K, and R of this title.
- (17) Debarment and Suspension (Executive Orders 12549 and 12689)—A contract award (see 2 CFR 180.220) must not be made to parties listed on the governmentwide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), “Debarment and Suspension.”
- (18) Handicapped Accessibility as enumerated in Section 504 of the Rehabilitation Act of 1973 (implemented in 24 CFR Part 8) and 24 CFR §100.205.
- (19) Americans with Disabilities Act as enumerated in 42 U.S.C. §12131; and 47 U.S.C. §§155, 201, 218 and 225.
- (20) Economic Opportunity for Low- and Very Low-Income Persons as implemented in 24 CFR Part 135.
- (21) Minority/Women Employment as enumerated in 2 CFR §200.321 and Executive Orders 11625, 12432, and 12138.

## 8. Eligible Applicants

Unless otherwise permitted in a competitive solicitation process, an Applicant is not eligible to apply for funding if any of the following pertain to the proposed Development:

- a. The proposed Development has received an allocation of Housing Credits or a

Competitive Housing Credit commitment, unless written notice has been provided to the Corporation prior to the deadline to apply for the applicable funding withdrawing acceptance of such allocation or commitment and returning the previously awarded HC funding;

- b. A preliminary commitment of funding for the proposed Development through the CDBG-DR Program has already been accepted, unless written notice has been provided to the Corporation prior to the deadline to apply for the new funding withdrawing such acceptance and returning the prior CDBG-DR Program funding.
  - c. The proposed Development site or any part thereof is subject to any Land Use Restriction Agreement or Extended Use Agreement, or both, in conjunction with any Corporation affordable housing financing intended to foster the development or maintenance of affordable housing, unless at least one of the following applies:
    - (1) A LURA recorded in conjunction with the Predevelopment Loan Program or the Elderly Housing Community Loan Program, or
    - (2) A LURA or EUA, or both, for an existing building or buildings, originally constructed at least 25 years prior to the deadline to apply for the funding, where, in the current Application, the Applicant has selected and qualified for the Homeless demographic commitment with a Development category of Rehabilitation, Acquisition and Rehabilitation, Preservation or Acquisition and Preservation.
9. Eligible and Ineligible Development Costs.
- a. Funds may be used to pay for the following eligible costs:
    - (1) Development hard costs as they directly relate to the units only for:
      - (a) New construction, the costs necessary to meet all applicable local and state codes, ordinances, and zoning requirements. Projects must meet state or local residential and building codes, as applicable or, in the absence of a state or local building code, the International Residential Code or International Building Code (as applicable to the type of housing) of the International Code Council,
      - (b) Costs to demolish existing structures, improvements to the Development site and utility connections;
    - (2) The cost of acquiring improved or unimproved real property. A Development and loan that involves acquisition must include new construction in order to be an eligible Development.
    - (3) Soft costs as they relate to the units. The costs must be reasonable, as determined by the Corporation and the Credit Underwriter, and associated with the financing, development, or both. These costs may include:

- (a) Architectural, engineering or related professional services required to prepare plans, drawings, specifications or work write-ups,
  - (b) Costs to process and settle the financing for a Development, such as credit reports, fees for evidence of title, recordation, building permits, attorney fees, cost certifications, and estimates,
  - (c) Developer's and General Contractor's fees as described in this RFA;
  - (d) Impact fees,
  - (e) Costs of Development audits required by the Corporation,
  - (f) Affirmative marketing and fair housing costs,
  - (g) Temporary relocation costs as required under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA), 42 USC 4601 – 4655, 49 CFR part 24, 24 CFR part 42, and 24 CFR 570.606 as applicable .
- b. Funds shall not be used to pay for the following ineligible costs:
- (1) Development reserve accounts for replacements, unanticipated increases in operating costs, or operating subsidies, except as described in 24 CFR §92.206(d)(5);
  - (2) Public housing;
  - (3) Administrative costs, or
  - (4) Any other expenses not allowed under CDBG-DR regulations.
- c. The accumulation of all Development financing, including the CDBG-DR loan and all existing debt within a Development, may not exceed the Total Development Cost, as determined and certified by the Credit Underwriter.
- d. Before disbursing any funds, there must be a written agreement with the Applicant ensuring compliance with the requirements of the Program pursuant to this RFA.
- e. A representative of the Applicant and the managing company of the Development must attend a Corporation-sponsored training session on income certification and compliance procedures.
- f. The General Contractor and all available subcontractors shall attend a Corporation-sponsored preconstruction conference regarding federal labor standards provisions.
- g. The Corporation shall require adequate insurance to be maintained on the Development as determined by the first mortgage lender, the Corporation, or the Corporation's servicer, but which shall, in any case, include fire, hazard and other insurance as

required by the terms and conditions outlined in a competitive solicitation .

- h. All loans must provide that any violation of the terms and conditions described in this RFA loan documents allowing the Corporation to accelerate its loan and seek foreclosure as well as any other remedies legally available to it.
- i. If a default on a loan occurs, the Corporation will commence legal action to protect the interest of the Corporation. The Corporation shall acquire real and personal property or any interest in the Development if that acquisition is necessary to protect any loan; sell, transfer, and convey any such property to a buyer without regard to the provisions of chapters 253 and 270, F.S.; and, if that sale, transfer, or conveyance cannot be consummated within a reasonable time, lease the Development for occupancy by Eligible Persons.
- j. The Corporation or its servicer shall monitor the compliance of each Development with all terms and conditions of the loan and shall require that such terms and conditions be recorded in the public records of the county where the Development is located. Violation of any term or condition shall constitute a default during the term of the loan.
- k. The Applicant shall not refinance, increase the principal amount, or alter any terms or conditions of any mortgage superior or inferior to the mortgage without prior approval of the Corporation. With regard to said approval, the Corporation shall require an analysis from the Credit Underwriter and consider the facts and circumstances of the Applicant's request, inclusive of market circumstances outside of the Applicant's control. If the Corporation's decision is to deny the Applicant's request, the Board shall consider the facts and circumstances of the Applicant's request and the Corporation's denial, and make a determination of whether to grant the request. An Applicant may reduce the interest rate on any superior or inferior mortgage loan without the Board's permission, provided that no other terms of the loan are changed. The Corporation must be notified of any such change.
- l. Funding under this RFA is provided by the U.S. Department of Housing and Urban Development (HUD) through the Florida Department of Commerce's (Commerce) Community Development Block Grant Disaster Recovery (CDBG-DR) Program. Florida Housing is not responsible, and applicants shall hold Florida Housing harmless from liability and claim for damages or expenses, in the event that HUD or Commerce retracts, suspends, or interrupts such funding.