Questions and Answers for RFA 2025-213 Live Local SAIL Financing for Mixed Income, Mixed-Use, and Urban Infill Developments

1. Does the minimum unit size of 350 square feet for zero bedroom units as referenced in 67-48.002 apply to LLA SAIL funds?

   Answer:

   Yes.

2. In the Definitions Section of the RFA, a "Mixed-Use Development in Operation", which applies to Developer and Management Company Experience, is required to be continuously in operation for at least six months, prior to the application deadline; however, the language appears to conflict with the Management Company Mixed Use Experience requiring mixed-use properties to be under management for two years each. Is this a conflict?

   Answer:

   The Management Company experience requirement requires demonstration of management of two affordable rental housing properties, along with other requirements such as management of the properties for at least two years each. If one of these properties also meets the definition of Mixed-Use Development in Operation, including the requirement that the property be in operation continuously since a date that is at least six months prior to the Application Deadline, the Application may also meet the qualifications for a Mixed-Use Development.

   Note: Florida Housing will issue a modification to update the definition of Mixed-Use Development in Operation to say the following:

   A Development used for Developer Experience and Management Company Experience that contains (1) a residential component (inclusive of residential units, common area and ancillary residential uses) and (2) a non-residential component that meets the definition of Mixed-Use Commercial Space and/or Mixed-Use Institutional Space that is built out, occupied and has been in operation continuously since a date that is at least six months prior to the Application Deadline for this RFA, and also meets the following requirements:

- The Mixed-Use Commercial Space and/or Mixed-Use Institutional Space does not include uses that are accessory, ancillary, or incidental to the residential component, or allowed only on a temporary basis. Additionally, common areas such as clubhouses, leasing offices, computer labs, tennis courts, swimming pools, and playgrounds, or services/products required by the RFA, irrespective of how they are operated, do not qualify.
- The Mixed-Use Commercial Space and/or Mixed-Use Institutional Space must consist of (1) for Developments with a residential component consisting of net rentable area of 300,000 square feet or less, the greater of 5% of the net rentable area of the residential component (not inclusive of parking garage area) or 1,500 square feet or (2) for Developments with a residential component consisting of net rentable area over 300,000 square feet, a minimum of 15,000 square feet.

3. Does the land area of an outdoor urban farm that is leased and operated by a third party qualify as commercial or institutional space to qualify a development for the Mixed-Use designation?

   Answer:

   The definition of Mixed-Use Development does not contemplate outdoor space.

4. If I apply as an Urban Infill Development, how does my local government determine if my development qualifies as Urban Infill, specifically if my development is in an existing urban service area?

   Answer:

   Per the Florida Housing Finance Corporation Local Government Verification of Qualification as Urban Infill Development, the City or County must confirm that the Development meets the following criteria:

   The proposed Development meets the description of urban infill as set forth in Chapter 420.50871, F.S. including "conversions of vacant, dilapidated, or functionally obsolete buildings or the use of underused commercial property"; and

   The site is in an area that is already developed and is part of an incorporated area or existing urban service area.

   It is the responsibility of the local government to determine if the Development meets these two criteria, including whether the Development is located in an area the local government would consider an urban service area.

5. Does a single LIHTC building that (i) is on a LURA with other LIHTC buildings and (ii) selected on the 8609 Form in line item 8b that it was a Single Building Project (and not a Multiple Building Project) qualify as a "Development" as defined in the RFA?

   Answer:

   "Development", as defined in subsection 67-48.002(32), F.A.C., means Project as defined in Section 420.503, F.S.

   If the question pertains to a Completed development that will be utilized to meet Developer Experience requirements, note, the following requirement within Section Four, A.3.b.(3)(b) of the RFA:

   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; or (ii) that at least one IRS Form 8609 has been issued for one of the residential apartment buildings. **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.**

6. Last year we submitted an appraisal that was created in December of 2024 to show the estimated appraisal for the land for our proforma. In this year's RFA I did not see a requirement for the appraisal to be updated and wanted to confirm our assumption we can utilize our appraisal from December. Will we need to get an updated appraisal?

   Answer:

   Appraisals are ordered by the Credit Underwriter during the credit underwriting process. This question may be intended to refer to the Market Study, which has requirements outlined in Section Four, 5.f. of the RFA.

7. Medium County applications are deemed to have already met the minimum number of Transit Service Points automatically (Page 25 of the RFA). Can the applicant's transit score still be used to meet the minimum Proximity Funding Preference Qualification?

   Example: If we have (3) Community services equaling 7 points and a bus stop equaling 2 points, together they would meet the 9 point minimum required for Medium County proximity preference.

   Answer:

   Yes.

8. Please confirm that the market study may be dated after the application deadline as long as it meets all requirements in response to an Invitation to Credit Underwriting.

   Answer:

   As stated in Section Four, 5.f. of the RFA, upon the Applicant's acceptance of the invitation to enter credit underwriting, the credit underwriter will order a market study and prepare a Live Local Preliminary Recommendation Letter which will be due within 12 weeks of the acceptance of the invitation to enter credit underwriting.

9. In Section One, Introduction, of RFA 2025-213 (“RFA”), the RFA allows for “...Non-Corporation-issued Tax-Exempt Bonds obtained through a Public Housing Authority (established under Chapter 421, F.S.),…” . In Section Four, A.10.a.(3) of the RFA, the RFA only describes requirements for Corporation-issued MMRB and County HFA-issued Tax-Exempt Bonds.

   If an Applicant plans on using Tax-Exempt Bonds obtained through a Public Housing Authority (established under Chapter 421, F.S.), what information is required from the Applicant and/or PHA to be included in the application submittal?

   Answer:

   Note: Florida Housing will issue a modification this week to clarify that the documentation required for Attachment 9 would also be appropriate to submit for any Non-Corporation-issued bonds.

10. It’s unclear whether or not the Ability to Proceed forms (zoning, water, sewer, electricity, roads and Phase I verification) must be signed on or before the Application deadline. Compared to last year’s RFA it no longer says the forms must be signed “as of the Application Deadline”. Would you please clarify?

    Answer:

    The Ability to proceed elements need to be demonstrated within 21 Calendar Days of the issuance of the invitation to enter into credit underwriting. The language from the prior year’s RFA stating that the forms need to be signed as of the Application Deadline has been removed.

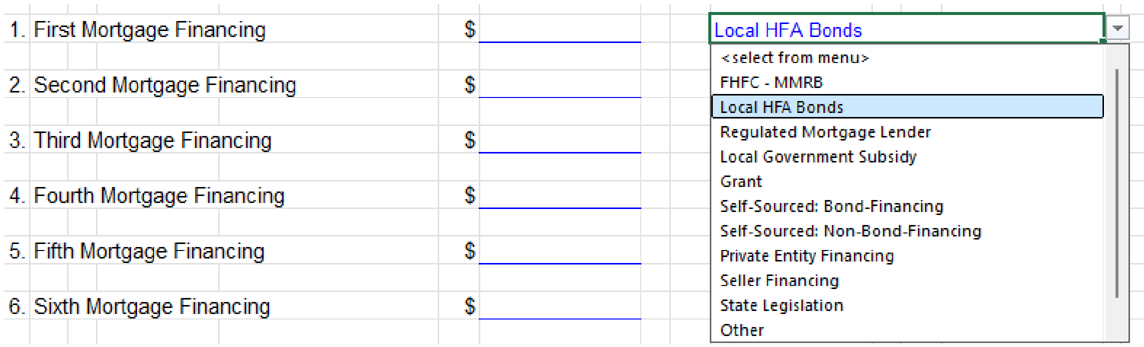
11. If an Ability to Proceed form was signed two years ago but is otherwise still valid, can that form be used?

    Answer:

    No. As stated in Section Four, A.7.c. of the RFA, 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) are the correct versions posted to the RFA Webpage and as outlined in Exhibit D, (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.

12. With the reduction of the 50% rule to 25%, we are seeing local HFAs issue approximately 30% tax-exempt bonds with the balance as taxable bonds. Could you clarify whether the taxable and tax-exempt bonds should be broken out separately in the application? Specifically, the instructions on the Funding tab of Exhibit A specifically ask for the required documentation for the tax-exempt bonds be supplied in Attachment 9. However, in the Pro Forma tab, the drop-down for Lender/Type

of Funds only refers to “Local HFA Bonds,” which appears to combine both taxable and tax-exempt bonds into a single category. Can you confirm whether these should be reported separately or combined in the Pro Forma and Funding Tab/Attachment 9?



Answer:

Using Local HFA Bonds for both taxable and tax-exempt bonds is appropriate for the Construction and Permanent Sources in this RFA. The tax-exempt portion must be in First Mortgage position, while the taxable portion should be stated as a separate source of financing and “Other” should be selected from the Lender dropdown menu; however, Applicants should be cautioned that the Tax-Exempt Bond Test provided as a courtesy at the end portion of the Development Cost Pro Forma will not calculate correctly. The Tax Exempt Bond Test is not a scored item and will not affect the Applicant’s eligibility. The Tax Exempt Bond Test will be calculated based on the tax-exempt bonds during the credit underwriting process and Final Cost Certification process.

13. Can you confirm the Corporation-Issued MMRB Loan Request Amount (on the Funding Tab) should only reflect the Senior Bond Amount (First Mortgage Financing) and exclude the Self-Sourced Bond Financing amount when utilizing Self-Sourced Bond Financing. I believe this is the intention because if the Corporation-Issued MMRB Loan Request Amount (on the Funding Tab) is different than the First Mortgage Financing amount (on the Proforma Tab) an error message appears (on the Proforma Tab) that states “The First Mortgage Financing amount entered does not match the Corporation-Issued MMRB Loan Request Amount on the Funding Tab”.

Answer:

In this situation, the MMRB request amount needs to be split into two sources on the Development Cost Pro Forma: The Self-Sourced Bond Financing needs to be stated in the Development Cost Pro Forma as a separate source of financing and “Self-Sourced: Bond-Financing” should be selected from the Lender dropdown menu. The MMRB amount (First Mortgage Financing amount) needs to be stated in the Development Cost Pro Forma as a source. Because this MMRB First Mortgage Finance Amount will appear to be different than the amount of MMRB requested, error messages will generate, but the errors resulting from this issue may be ignored.

14. When entering the percentage of units in the Total Set-Aside Breakdown Chart, we attempted to set aside 10% of the units as ELI units. However, the table is automatically calculating the number of residential units at 5% of the total units instead. For example, a project has 120 units, and selects the 40% of units at 60% AMI set-aside commitment. When we enter 10% for the ELI units, the expected result would be 12 units, but the form calculates 6 units (5%) instead. We tested this with other counties at different ELI AMI levels and the same issue occurs.

    We understand that per Section 4.A.6.c.(2)(b)(i) of the RFA, the development must set aside at least 5% of the total units for ELI Households, but in our case, we are proposing to go up to 10%. It appears the Exhibit A formula may be restricting the calculation to the minimum 5% threshold.

    Could you please confirm if this is a known issue and advise whether FHFC intends to issue a revised Exhibit A or clarification?

    Answer:

    The Exhibit A prevents Applicants from exceeding the required 5% of the total units for ELI Households and diverts all ELI Units that exceed the maximum to be 60% AMI units.

Please Note: The Q&A process for RFA 2025-213 is concluded and Florida Housing does not expect to issue any further Q&As regarding RFA 2025-213.

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The Q and A responses are based on the information presented in the question and the terms of the RFA. The responses to the Q and A are provided as a courtesy and shall not be construed as scoring of an application. If there is any conflict between the response to a Q and A and the RFA itself, the terms of the RFA control. These Q and A responses apply solely to RFA 2025-213.