

## FLORIDA HOUSING FINANCE CORPORATION

### Conceptual Workshop for SAIL Financing for Innovative Multifamily Development Opportunities Pursuant to the Live Local Act – Section 420.50871, F.S. June 20, 2023, 2:00 p.m., Eastern Time

**The Workshop will be held at the Florida Housing Finance Corporation office and via Webinar.**  
Registration for Webinar is required. Registration information is available on the Florida Housing website<sup>1</sup>

#### **Overview**

- A. Introductions
- B. Background

This workshop will be held to solicit comments and suggestions from interested persons relative to Section 420.50871 F.S., created by the Florida Legislature under Section 32 of the Live Local Act of 2023. This is not an RFA Workshop. Florida Housing anticipates additional workshops for this funding source in the future.

Furthermore, a workshop will also be held regarding the Live Local Tax Credit set forth in Section 420.50872 F.S., created by the Florida Legislature under Section 34 of the Live Local Act of 2023.

#### **Intent**

- *Funds that result from increased revenues to the State Housing Trust Fund derived from amendments made to s. 201.15 made by this act must be used annually for projects under the State Apartment Incentive Loan Program under s. 420.5087 as set forth in this section, notwithstanding ss. 420.507(48) and (50) and 420.5087(1) and 420.5087(3), F.S.*
- *The Legislature intends for these funds to provide for innovative projects that provide affordable and attainable housing for persons and families working, going to school, or living in this state.*
- *Projects approved under this section are intended to provide housing that is affordable as defined in s. 420.0004, notwithstanding the income limitations in s. 420.5087(2).*

#### **Funding Available**

\$150 million in SAIL funding will be split in accordance with Section 420.50871, Florida Statutes.

- 70% of the funding is \$105 million set aside for specific categories.
- 30% of the funding is \$45 million set aside for specific categories.

Florida Housing anticipates issuing different RFAs throughout the year to meet these statutory requirements.

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<sup>1</sup> Information regarding this program is available on the webpage <https://www.floridahousing.org/live-local-act/additional-sail-like-funds> (also available by clicking [here](#))

## **Structure of RFAs**

Florida Housing anticipates administering RFAs in the 2023 and 2024 cycles to solicit applications for developments utilizing the following innovative housing concepts identified in the Live Local Act (Section 420.50871, F.S.), in accordance with required splits.

- 70% of the funding will be dedicated to housing related development for the following categories:
  - Redevelopment
  - Mixed use
  - Urban infill
  - Housing near military installations with supportive services
- 30% of the funding will be dedicated to housing related development for the following categories:
  - Publicly owned land
  - Youth aging out of foster care
  - Elderly demographic
  - Areas of rural opportunity

Note: Some innovative concepts may meet multiple categories across the required funding splits.

- Except for smaller permanent supportive housing developments and smaller rural developments, funding will be low interest SAIL loans paired with Tax-Exempt Bond financing and 4% Housing Credits.
- These SAIL funds are not held to the geographic and demographic splits of traditional SAIL funding.
- Developer experience, proximity, compliance period, and ability to proceed requirements are expected to be similar to RFA 2023-205 for SAIL Family/Elderly.
- Total income and rent-restricted Set-Aside requirements are expected to be similar to RFA 2022-208 Workforce.
- Shovel-readiness will be prioritized.
- All developments are expected to be mixed income:
  - Required Affordable Units must be set aside per Section 42, IRC (20% at 50% AMI, 40% at 60% AMI, Average Income Test)
  - Required Workforce Units that are above the 60% AMI and up to 80% AMI
  - Optional Market Rate Units

## Funding Categories

(1) The corporation shall allocate 70 percent of the funds provided by this section to issue competitive requests for application for the affordable housing project purposes specified in this subsection. The corporation shall finance projects that:

- (a) Both redevelop an existing affordable housing development and provide for the construction of a new development within close proximity to the existing development to be rehabilitated. Each project must provide for building the new affordable housing development first, relocating the tenants of the existing development to the new development, and then demolishing the existing development for reconstruction of an affordable housing development with more overall and affordable units.
- (b) Address urban infill, including conversions of vacant, dilapidated, or functionally obsolete buildings or the use of underused commercial property.

Definition of Urban infill and redevelopment area from Chapter 163.2514, F.S. "Urban infill and redevelopment area" means an area or areas designated by a local government where:

- Public services such as water and wastewater, transportation, schools, and recreation are already available or are scheduled to be provided in an adopted 5-year schedule of capital improvements;
  - The area, or one or more neighborhoods within the area, suffers from pervasive poverty, unemployment, and general distress as defined by s. 290.0058;
  - The area exhibits a proportion of properties that are substandard, overcrowded, dilapidated, vacant or abandoned, or functionally obsolete which is higher than the average for the local government;
  - More than 50 percent of the area is within 1/4 mile of a transit stop, or a sufficient number of transit stops will be made available concurrent with the designation; and
  - The area includes or is adjacent to community redevelopment areas, brownfields, enterprise zones, or Main Street programs, or has been designated by the state or Federal Government as an urban redevelopment, revitalization, or infill area under empowerment zone, enterprise community, or brownfield showcase community programs or similar programs.
- (c) Provide for mixed use of the location, incorporating nonresidential uses, such as retail, office, institutional, or other appropriate commercial or nonresidential uses.

This could be demonstrated with a public-private partnership demonstrating mixed use within a very close proximity (such as a quarter mile), or by demonstrating mixed use on site.

- (d) Provide housing near military installations in this state, with preference given to projects that incorporate critical services for servicemembers, their families, and veterans, such as mental health treatment services, employment services, and assistance with transition from active-duty service to civilian life.

Military Installation means a base, camp, post, station, yard, center, or other activity under the jurisdiction of the Secretary of a military department or, in the case of an activity in a foreign country, under the operational control of the Secretary of a military department or the Secretary of Defense, without regard to the duration of operational control. 10 USC § 2801(c)(4)

- (2) The corporation shall allocate 30 percent of the funds provided by this section to issue competitive requests for application for any of the following affordable housing purposes specified in this subsection. The corporation shall finance projects that:
  - (a) Propose using or leasing public lands. Projects that propose to use or lease public lands must include a resolution or other agreement with the unit of government owning the land to use the land for affordable housing purposes.
  - (b) Address the needs of young adults who age out of the foster care system.
  - (c) Meet the needs of elderly persons.
  - (d) Provide housing to meet the needs in areas of rural opportunity, designated pursuant to Chapter 288.0656, F.S.
- (3) Under any request for application under this section, the corporation shall prioritize projects that provide for mixed-income developments.