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**Subject:** HOME RFA Comments 2016-101

Good Afternoon,

I apologize for the late comments on the **HOME RFA 2016-101**.

We are pleased to see that FHFC has eliminated some of the New Construction funding preferences in other RFAs, therefore allowing preservation through other FHFC sources.

That being said, we have 2 comments:

1. Add in RD language (as included in other RFAs) to Financing that has closed section (page 24 of RFA). See 1<sup>st</sup> attachment for mark-up page from RFA.
2. LDA Areas – allow rehab in LDA areas if requirements are met (like in Preservation RFA). See 2<sup>nd</sup> attachment.

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the RFA reference number on the form, none of the information entered on the form and certified to by the signatory has changed in any way, and (iii) the requirements outlined in this RFA are met. The previous RFA number should be crossed through and RFA 2016-101 inserted. If the Applicant provides any prior version of the form(s), the form(s) will not be considered.

(2) Financing that has closed:

- (a) 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.

and RD

- (b) Except for HUD 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, the Applicant must provide a letter from the lender, dated within six (6) 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, the Applicant must provide a letter from HUD, dated within six (6) 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 HOME funding; and
- Applicable HUD program.

and/or RD

and/or RD

- (3) If the financing proposal is not from a ~~regulated Financial Institution~~ 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)

5.b.(5) of Exhibit A, AND provide, as **Attachment 9**, evidence dated within six (6) months of the Application Deadline from RD also confirming that the proposed Development is located in an RD-designated Rural Area. This evidence may be in the form of printed information from the website <http://eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do> RD website if the website recognizes and can confirm that the address of the proposed Development stated at question 5.b.(2) of Exhibit A and, if Scattered Sites, all other addresses of the proposed Development are located in a Rural Area. The RD website can be found at <http://eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do> (also accessible by clicking here). If confirmation of all sites of the proposed Development cannot be obtained through the above referenced website, the Applicant must provide a letter from RD confirming all sites comprising the proposed Development are located in a Rural Area as of the Application Deadline. The Development's location within a Rural Area is subject to further verification in credit underwriting.

(6) Limited Development Area (LDA):

(a) An Application will not be eligible for any funding if the proposed Development qualifies as an LDA Development. A proposed Development will qualify as an LDA Development if any portion of the proposed Development site(s) is within an area described on the LDA Chart set out at Item 5. of Exhibit C of the RFA and the Applicant selected the applicable Demographic Commitment (Elderly or Family) at question 2. of Exhibit A that is associated with the area listed on the chart.

(b) If the proposed Development is located in a county where only a portion(s) of the county is included on the LDA Chart and the proposed Development's Demographic Commitment is one of the applicable Demographic Categories on the LDA Chart, the Corporation will verify whether the proposed Development is within the boundaries of the area designated as an LDA in order to determine eligibility to apply for funding. To make such determination, Street Atlas USA 2015, published by DeLorme, will be used. If Street Atlas USA 2015 does not recognize the Development Location Point ~~or, if Scattered Sites, any other latitude and longitude coordinates provided~~, then the Application will not be eligible for funding.

c. State the total number of units in the proposed Development. Note: Proposed Developments must consist of a minimum of ~~45~~10 units. Proposed Developments are limited to ~~40~~50 units.

d. State the Development Category for the proposed Development (Note: All Development Categories below must consist entirely of new construction units. Rehabilitation of existing units is not allowed):

- New Construction

Allow if  
RA I or II.

add from  
other RFA

Current HOME-RFA



www.floridahousing.org under Special Needs Housing, Link Initiative (also accessible by clicking [here](#)).

c. Limited Development Area (LDA):

(1) A proposed Development will be designated as an LDA Development if:

- (a) It is located in a County or an area of a County that has been designated by the Corporation as an LDA area, and
- (b) The Applicant selected the applicable Demographic Commitment (Elderly or Family) that is associated with the LDA area.

Applicants should use the LDA Chart set out at Item 6 of Exhibit C of the RFA to determine whether the proposed Development qualifies as an LDA Development.

(2) For an LDA Development to be deemed eligible to be considered for funding under this RFA, it must meet all of the following LDA Development Conditions. An LDA Development that does not meet all of the following LDA Development Conditions will be ineligible to be considered for funding. The Conditions are:

- (a) The Applicant demonstrated its commitment to set aside 30 percent of the total units as ELI Set-Aside units on the Total Set-Aside Breakdown Chart at question 7.b. of Exhibit A;
- (b) The proposed Development is classified as RA Level 1 or RA Level 2; and
- (c) The Percentage of Total Units that will have Rental Assistance is greater than 75 percent.

(3) If the proposed Development is located in a county where only a portion(s) of the county is included on the LDA Chart and the proposed Development's Demographic Commitment is one of the applicable Demographic Categories on the LDA Chart, the Corporation will verify whether the Development Location Point stated on the Surveyor Certification form described in Section Four A.6. of the RFA is within the boundaries of the area designated as an LDA in order to determine whether the proposed Development qualifies as an LDA Development. To make such determination, Street Atlas USA 2015, published by DeLorme, will be used. If Street Atlas USA 2015 does not recognize the Development Location Point, then the proposed Development will be deemed to be an LDA Development and must meet all of the applicable LDA Development Conditions outlined in (2) above to be eligible to be considered for funding.

d. Total Set-Aside Breakdown Chart:

The Total Set-Aside Breakdown Chart must reflect all income set-aside commitments (required set-asides and additional set-asides, including all required ELI Set-Asides) and the required total set-aside percentage (as further outlined below).

The Applicant must complete the Total Set-Aside Breakdown Chart at question 7.b. of Exhibit A. The Applicant must indicate on the chart the percentage of residential units, stated

Add this section to HOME RFA.