

## **High Priority Special Needs Request for Proposals (RFP)**

### **Purpose of the RFP:**

Florida Housing is authorized by section 420.507(48), F.S., to use up to 10 percent of its annual allocation of low-income housing tax credits to allocate by competitive solicitation for high-priority affordable housing developments, such as housing for veterans and their families, and other special needs populations in communities throughout the state.

This Request for Proposals (RFP) is open to Applicants proposing the development of affordable, rental Permanent Supportive Housing for Persons with Special Needs in all counties except for Miami-Dade County, with a preference for at least one Development that will serve Veterans with Special Needs. Florida Housing finds that, in particular, the need for supportive housing is critical for two specific groups:

- Veterans with significant, service-connected Disabling Conditions who are transitioning from nursing, rehabilitation or domiciliary care facilities within a designated VA Hospital and/or Medical Center development in Florida; and
- Veterans with a Disabling Condition who are high users of publicly funded resources such as local emergency, judicial and hospital services, Medicaid-funded services, and institutions as a result of the lack of affordable and stable permanent housing in the community that is linked to appropriate community-based healthcare and/or supportive services.

Florida Housing expects to have up to an estimated \$1,720,000 of Housing Credit Allocation as well as an estimated \$5,750,000 of SAIL-like loan funding available for award to proposed Developments under this RFP. Out of two or more Applications expected to be funded through the RFP, Florida Housing will give preference first to one proposing to serve Veterans with Special Needs, particularly one which proposes to serve the needs of Veterans described above. Florida Housing is soliciting applications from qualified Applicants that commit to provide housing in accordance with the terms and conditions of this RFP, inclusive of Exhibit C, applicable laws, rules and regulations, and Florida Housing's generally applicable construction and financial standards.

Although the RFP will include additional definitions, some of the key terms used in the RFP are set out below:

- a. Disabling Condition means a diagnosable substance abuse disorder, serious mental illness, developmental disability, or chronic physical illness or disability, or the co-occurrence of two or more of these conditions, and a determination that the condition is: (i) Expected to be of

long-continued and indefinite duration; and (ii) Not expected to impair the ability of the person with special needs to live independently with appropriate supports.

- b. Permanent Supportive Housing means rental housing that is affordable to the target households with household incomes at or below 60 percent of area median income (AMI), that is leased to the target households, and facilitates and promotes activities of daily living, access to community-based services and amenities, and inclusion in the general community. Permanent Supportive Housing shall strive to meet the needs and preferences of the target households.
- c.. Persons with Special Needs, per section 420.0004(13, FS, means an adult person requiring independent living services in order to maintain housing or develop independent living skills and who has a disabling condition; a young adult formerly in foster care who is eligible for services under s. 409.1451(5); a survivor of domestic violence as defined in s. 741.28; or a person receiving benefits under the Social Security Disability Insurance (SSDI) program or the Supplemental Security Income (SSI) program or from veterans' disability benefits.
- d. Veteran means a person who served in the active U.S. military, naval, or air service, and who was discharged or released therefrom under conditions other than dishonorable or who served in the National Guard or reserve and are determined by the U.S. Veterans Administration to meet the specific requirements to be a Veteran.
- e. Veterans with Special Needs means persons who meet both the definition of a Veteran and the definition of a Person with Special Needs.

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**Exhibit A of the RFP will provide an application form to be completed by Applicants and includes the following Threshold and Point items:**

**1. Persons with Special Needs Demographic Commitment**

- a. Applicants must indicate the population that will be the major focus of the proposed Development – either Veterans with Special Needs (b.(1) or (2) below) or Persons with Special Needs (c. below).
- b. Veterans with Special Needs (**Threshold**):

If the major focus of the Application will be Veterans with Special Needs, the Applicant will be required to indicate the Veterans population that will be the major focus of the Application, as outlined below:

(1) Veterans Transitioning from Facilities within a Designated VA Hospital and/or Medical Center - Veterans with significant service-connected Disabling Conditions who are residing in nursing, rehabilitation or domiciliary care facilities within one or more of the following Designated VA Hospitals and/or Medical Centers:

- Tampa Polytrauma Rehabilitation Center (Hillsborough County - 13000 Bruce B. Downs Blvd., Tampa, FL 33612);
- West Palm Beach VA Medical Center (Palm Beach County - 7305 N. Military Trail, West Palm Beach, FL 33410);
- Orlando VA Medical Center (Orange County - 5201 Raymond Street, Orlando, FL 32803);
- James A. Haley Veterans Hospital (Hillsborough County - 13000 Bruce B. Downs Blvd., Tampa, FL 33612);
- Bay Pines VA Healthcare System (Pinellas County - 10000 Bay Pines Blvd., Bay Pines, FL 33744);
- North Florida/South Georgia Veterans Health System, which has the following two facilities:
  - Malcom Randall VA Medical Center (Alachua County - 1601 SW Archer Road Gainesville, FL 32608)
  - Lake City VA Medical Center (Columbia County - 619 South Marion Avenue, Lake City, FL 32025)

or

(2) Veterans with a Disabling Condition who are high users of publicly funded resources such as local emergency, judicial and hospital services, Medicaid-funded services, and institutions as a result of the lack of affordable and stable permanent housing in the community that is linked to appropriate community-based healthcare and/or supportive services.

c. Persons with Special Needs (**Threshold**):

If the major focus of the Application will be Persons with Special Needs, the Applicant must provide a detailed description of the resident household characteristics, needs, and preferences of the target population(s) the Applicant is proposing to serve, including:

- The specific special needs population(s) to be served, such as persons with physical disabilities, persons with developmental disabilities, persons with serious mental illness, youth aging out of foster care, and/or survivors of domestic violence; and

- How the proposed rental housing will meet the needs and preferences of the targeted households.

d. Outreach, Marketing and Tenant Selection

This section applies to all Applicants, regardless of the population that will be the focus of the proposed Development:

- (1) The Applicant shall adhere to applicable outreach, marketing and tenant selection laws and regulations and commit to a viable plan for tenant outreach, marketing, referral and selection as approved by Florida housing in credit underwriting. **(Threshold)**
- (2) The Applicant may describe outreach and other activities, beyond those required by this Application, that will be conducted initially and on a continuing basis to market the Development to the focus populations and general public and used to develop and retain an applicant pool of prospective residents. Specify any community organizations or agencies that the Development will work with to establish and manage a system of referring persons served by these entities to the Development for tenancy. Describe the persons to be referred, the system or process of referring these persons, and related best practices to be used in implementation. **(Up to \_\_\_ Points)**

e. This section applies to all Applicants, regardless of the population that will be the focus of the proposed Development: **(Threshold)**:

- (1) The proposed Development must consist of Permanent Supportive Housing.
- (2) No units in the Development shall be smaller than one bedroom units or larger than 4 bedroom units and no more than 20 percent of the total units in the Development shall be larger than 3 bedroom units. Each non-related persons sharing a unit shall have a private bedroom with a private bath.
- (3) Minimum Total Set-Aside Requirement:
  - (a) If proposing to serve Veterans with Special Needs, the Applicant must commit to rent not less than 80 percent of the total units to Veterans. The Applicant must commit to rent not less than 50 percent of the total units to the Veterans with Special Needs population that will be the major focus of the Application.
  - (b) If proposing to serve Persons with Special Needs, the Applicant must commit to rent not less than 80 percent of the total units to Persons with Special Needs. The Applicant must commit to rent not less than 50 percent of the total units to the Persons with Special Needs population(s) that will be the major focus of the Application.

- (4) The proposed Development must include the following:
  - (a) At least one private office space with a door, per every 25 Persons with Special Needs households, for the provision of on-site services such as individual counseling, case management, legal consultation, and assessments; and
  - (b) At least one enclosed training room with a door to conduct group training and educational activities; and
- (5) The Applicant must provide a market analysis, dated within nine (9) months of the Application deadline, that demonstrates a local need for the specific target population(s).

## **2. Applicant Information (Threshold):**

Applicants must demonstrate that the Applicant entity is a legally formed limited partnership or limited liability company qualified to do business in the state of Florida as of the due date of the RFP.

## **3. Development Team Information:**

### a. Developer

- (1) Applicants must demonstrate that each Developer entity that is not a natural person is legally formed and qualified to do business in the state of Florida as of the due date of the RFP. **(Threshold)**
- (2) General Developer Experience with Affordable Housing **(Threshold):**

Applicants must demonstrate that a Principal of the Developer entity has, since January 1, 1991, completed at least three (3) affordable rental housing developments, at least one (1) of which was a Housing Credit development completed since January 1, 2001. At least one (1) of the three (3) completed developments must consist of a total number of units no less than 50 percent of the total number of units in the proposed Development. For purposes of this provision, completed for each of the three (3) developments means (i) that the temporary or final certificate of occupancy has been issued for at least one (1) unit in one of the residential apartment buildings within the development, or (ii) that at least one (1) IRS Form 8609 has been issued for one of the residential apartment buildings within the development. As used in this section, an affordable rental housing development, including 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.

(3) **Developer Experience with Permanent Supportive Housing (Maximum \_\_\_ Points):**

- (a) Applicant must describe the Developer's experience in developing and operating Permanent Supportive Housing, specifically, the households the Applicant is proposing to serve. **(Up to \_\_\_ Points)**
- (b) To supplement or complement the Developer's experience, the Developer may list any national, state or local entities that it has executed or shall execute an agreement with that will provide technical assistance, consultation or related services to assist in the development of the Permanent Supportive Housing to serve the households the Applicant is proposing to serve. For each entity listed, describe its role and responsibilities related to the proposed Development, as well as describe its experience and qualifications relevant to carrying out its role and responsibilities. A letter, signed by both the entity and the Developer, shall be submitted at Application for each listed entity stating its interest in executing an agreement, the duties it will carry out for the proposed Development, and its experience and qualifications in carrying out the duties. The Applicant shall commit to submit the executed agreement between the Developer and each entity for review and approval by the Corporation at Credit Underwriting. **(Up to \_\_\_ Points)**

b. **Management Company**

(1) **General Management Company Experience (Threshold):**

Applicant must demonstrate the Management Company's experience in the management of at least two (2) affordable rental housing properties, at least one (1) 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 (2) years each.

(2) **Management Company Experience with Permanent Supportive Housing (Up to 5 Points):**

Describe the Management Company's experience in managing Permanent Supportive Housing, specifically, the households the Applicant is proposing to serve:

- c. If selected for funding, the Applicant must identify the remaining members of the Development Team (General Contractor, architect, attorney, and accountant) during the credit underwriting process. All Development Team members, and any future replacement thereof, must be acceptable to the Corporation and the Credit Underwriter.

**4. General Development Information (Threshold):**

- a. Identify the location (county and street address/city)

- b.. Select the Development Category (New Construction or Rehabilitation)
- c. Select the Development Type (Garden, Townhouses, Duplexes, Quadraplexes, or 4 to 6 Story Mid-Rise with elevator)
- d. Indicate the Number of Total Units (minimum requirement is 30 total units; maximum permitted is 100 total units)

## 5. Set-Aside Commitments

### a. Required Commitments (**Threshold**):

- (1) Elect a minimum set-aside commitment per Section 42 of the IRC (20% of the units at 50% or less of the AMI or 40% of the units at 60% or less of the AMI).
- (2) Total Set-Aside – total number of set-aside units (at least 80% of the units at 60% AMI or less).
- (3) At least 20% of the total units must be set aside to serve ELI Households.
- (4) Affordability Period – Applicant irrevocably commits to set aside units in the Development for a total of 50 years.

### b. Optional Commitment:

Applicants may choose to set aside up to an additional 5% of the total units for ELI Households (this would be in addition to the required 20% outlined in a.(3) above).

Florida Housing will provide \$75,000 of SAIL-like funding for each new ELI unit provided with this optional ELI commitment. The funding will be structured as a forgivable loan over 15 years with a 0% interest rate.

## 6. Construction Features and Amenities

### a. Required features and amenities (**Threshold**):

All Applicants will be required to provide the following features and amenities:

- (1) All Developments must provide termite prevention and pest control throughout entire affordability period
- (2) All new construction units must include the following General, Green Building, Accessibility, Universal Design and Visitability Features:

#### (a) General Features:

- Window covering for each window and glass door inside each unit;
- On-site laundry facility with a minimum of 1 Energy Star qualified washer for every 20 units and 1 dryer for every 20 units (if washers and dryers are not provided in all units).

(b) Green Building Features:

- 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: 1.6 gallons/flush or less,
  - Faucets: 1.5 gallons/minute or less,
  - Showerheads: 2.2 gallons/minute or less;
- Energy Star qualified refrigerator;
- Energy Star qualified dishwasher; and
- Minimum SEER of 14 for unit air conditioners (excluding buildings with a central chiller system).

(c) Accessibility, Universal Design and Visitability Features:

All units of the proposed Development must meet all federal requirements and state building code requirements, including the following:

- 2012 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, incorporating the most recent amendments, regulations and rules.

For purposes of the Housing Credit Program, a Housing Credit allocation shall be deemed “Federal financial assistance” within the meaning of that term as used in Section 504 of the Rehabilitation Act of 1973 as implemented by 24 CFR Part 8 for all Housing Credit Developments.

All units that are located on an accessible route must have the following features:

- Primary entrance door 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;
- Anti-scald controls on all bathroom and kitchen faucets;
- Toilets must be 17 inches to 19 inches in height as measured from the finished floor to the top of the toilet seat;



- Mid-point on lights 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.

(3) All rehabilitation units must include as many of the General, Green Building, Accessibility, Universal Design and Visitability Features listed in 6.a.(2) above as are structurally and financially feasible within the scope of the rehabilitation work based on a capital needs assessment performed during the credit underwriting process. However, proposed Developments that will serve persons with physical disabilities must include all required Accessibility, Universal Design and Visitability features.

b. Optional features and amenities (**Maximum 25 Points**):

Applicants may be awarded points for providing one or more of the following:

- (1) Green Building/Energy Efficiency – green building features (in addition to the required features) that promote energy efficiency, occupant health and resource conservation. (**Up to 5 Points**)
- (2) Accessibility and Universal Design – accessibility, universal design or visitability features (in addition to the required features) that promote accessible and/or adaptable design elements that benefit the target households and people of all ages, sizes, and abilities throughout the life of the property. (**Up to 15 Points**)
- (3) Other Features and Amenities – any other innovative and best practices for features and amenities that will be included in the proposed Development. (**Up to 5 Points**)

All rehabilitation units must include all proposed Green Building/Energy Efficiency, Accessibility, Universal Design and Visitability, and other features and amenities listed in 6.a.(2) above.

## 7. Resident Services

The provision of resident services will be the responsibility of the Development, but may be in conjunction with public and/or private partnerships as approved by Florida Housing.

a. Required resident services (**Threshold**):

All proposed Developments will be required to provide the following:

(1) Resident Community-Based Services Coordination –

For the target households, the Applicant shall include existing staff or an external organization that will be the primary service coordination provider. The primary service coordination provider must have a minimum of three (3) years' experience in administering and providing supportive services including outreach, information and referral services, benefits counseling, community-based services planning and

coordination, and/or other related supportive services. Such experience must demonstrate that the above supportive services have been oriented to the needs and preferences of each resident of a target household in assisting them to access services related to health care, independent activities of daily living, employment, income and housing. If provided by an external organization, the primary services coordination provider shall provide information demonstrating its mission, qualifications, experience, agreements and/or contracts with state and federal supportive services programs, professional staffing, and Persons with Special Needs households served. Resident Services Coordination shall be offered and made available to Special Needs Household residents initially and regularly and shall be voluntary. Resident participation shall not be a requirement for new or continued residency.

The Applicant shall commit to submit a service coordination plan at credit underwriting. The service coordination plan shall adhere to guidelines developed by Florida Housing, in conjunction with State Agencies, or their designee(s) that administer publicly funded supportive services for the Target households.

The Applicant shall commit to provide an annual service coordination status report to Florida Housing providing information and data regarding the provision of service coordination pursuant to the service coordination plan.

Property management and services coordination or provision should not be the responsibility of the same staff persons; the functions should be entirely separate.

(2) Manager On-Site 24 Hours Per Day –

Applicant shall provide management personnel on the Development's premises at all times who will be available and accessible to the residents 24 hours per day, seven days per week. The on-site management personnel shall be available at all times to receive calls from residents and help determine the approach to address a resident's issue. The Development's owner or designated manager shall develop and implement policies and procedures for receiving a resident call and how to assess and handle the call based on a resident's request and/or need. At a minimum, residents shall be informed, at move-in and via a written notice(s) clearly displayed in the Development's common or public areas, that staff are on-site to receive resident calls at all times. If the Development consists of Scattered Sites, management personnel must, at a minimum, be on the Scattered Site with the most units 24 hours a day, 7 days a week, but they must be available and provide the same resident program services to all the Development's residents;

b. Optional resident services **(Maximum 30 Points):**

Applicants may be awarded points for providing one or more of the following:

- (1) Supported Employment Services (An employment services program at no cost to the resident that is integrated with the permanent supportive housing program of the proposed Development) If this service is proposed, describe how the residents of the

proposed Development will have access, including how the employment services program will meet the comprehensive needs of the target population and will integrate supportive housing and employment services. Explain how the employment services program will provide the ongoing supports necessary to ensure the participants' success in the workplace to obtain competitive jobs that anyone could have regardless of their disability status. Identify the community partners that will comprise the employment services program and the role of each partner. Describe the nature and extent of the relationship between each partner and the proposed Development. Typical partners in a successful employment services program may include the following:

- Behavioral health agencies;
- Federally Qualified Health Centers;
- Regional Workforce Boards;
- One-Stop Career Centers;
- Case management organizations;
- The local public housing authority;
- Community-based non-profit human service agencies;
- The state mental health agency;
- The state vocational rehabilitation agency;

Lead Agency: Identify the entity that will act as the Lead Agency for the employment services program. Describe how the Lead Agency will coordinate the program's services procedures and practices and work with the diverse systems each partner represents. **(Up to 15 Points)**

(2) Approaches to Assist Households with Problem Credit and/or Other Problems Affecting Housing - The Applicant may propose innovative and best practices that enable households with problem credit histories and/or other issues that affect their abilities to obtain decent rental housing to live in the proposed Development. The innovative and best practices may include practices in assisting households to improve their credit histories, enhance money management skills and/or other related matters. **(Up to 10 Points)**

(3) Innovative and/or best practices in the area of resident services, available to the residents at no cost and at their voluntary participation, that meet the needs and preferences of the members of the target households, as well as other households to be served, and facilitate the residents' abilities to live in the community with independence, productivity, stability and choice. **(Up to 5 Points)**

**8. Access to Community-Based Services and Amenities (Maximum 25 Points):**

The ability for members of the target households to effectively and efficiently access community-based services and resources is vital to assist these households to obtain and maintain choice, independence and full inclusion in the community. Provide a description of the Development's plan to provide access to general community services and amenities, as

well as specific supportive services and resources that address the needs of the target households.

All Applicants may be awarded points for providing the following information:

- a. Describe the community-based services and amenities that will be accessible to residents, such as shopping for groceries, medicine, clothing, and other household and personal items. Include other services and amenities such as public schools, higher education and employment training opportunities. Describe the public and private transportation options that will be available to residents of the proposed Development to ensure access to the described services and amenities. **(Up to 10 points)**
- b. Describe access to community-based resources and services to address the specific healthcare and/or supportive services needs of each resident of the target households. If serving Veterans with significant, long-term service-connected Disabling Conditions, describe the transportation and access to the VA Hospital and/or VA Medical Center. **(Up to 10 points)**
- c. Provide information regarding any other innovative or best practices of the Development or Development's location, as well as amenities and services to be provided by the Development and/or in an appropriately executed partnership with public and/or private entities that address unmet needs of the target households, promote integration with the broader community, and employment. **(Up to 5 points)**

**9. Ability to Proceed (Threshold):**

- a. Demonstrate site control with an eligible contract for purchase, a lease, and/or a deed
- b. If selected for funding, the Application will be required to demonstrate the following: site plan approval, infrastructure availability (electricity, water, sewer, and roads), appropriate zoning, Phase I environmental site assessment, and if applicable Phase II environmental site assessment during the credit underwriting process.

**10. Local Government Support** (to be discussed at February 26, 2013 public meeting)

**11. Funding (Threshold):**

- a.. Indicate Housing Credit request amount. The maximum HC Request Amounts are:

- (1) \$1 million for proposed Developments not located in a DDA and/or QCT.
- (2) \$1.3 million for proposed Developments located in a DDA and/or QCT.

- b. Additional Funding (SAIL-like):

For each Housing Credit set-aside unit in the proposed Development, Florida Housing will provide up to \$40,000 in SAIL-like funding to be used as gap financing. The loan will be non-amortizing and the interest rate will be at 0% (given the commitment to set-aside at least 80% of the total units to residents qualifying as Persons with Special Needs

or Veterans with Special Needs). The amount of any superior mortgages combined with the SAIL-like mortgage shall be less than the appraised value of the Development. To ensure that these scarce resources are allocated to developments in a prudent manner, the tentative funding awarded pursuant to this RFP may be sized during credit underwriting and will be based upon available SAIL-like funding.

Any non-Corporation financing identified in the Development Cost Pro Forma other than syndication/investor equity and traditional first mortgage loans (such as a loan from a regulated financial institution), must be utilized as presented in the RFP if the Applicant is awarded funding under this RFP.

- c. Complete the Development Cost Pro Forma detailing the anticipated expenses and sources of funding. To meet threshold, sources must equal or exceed uses.
- d. Provide documentation to demonstrate all non-Corporation funding proposals and HC equity proposals.

**12. Applicant Certification and Acknowledgement (Threshold):**

The certification portion of Exhibit A of the RFP is where the Applicant certifies its understanding of the requirements of the Housing Credit Program and its commitments and responsibilities as an Applicant under this RFP, including its commitment to provide additional required information during the credit underwriting process. The printed copy of Exhibit A must include an Applicant Certification and Acknowledgement containing an original signature (blue ink preferred).

**Exhibit B of the RFP will include the following:**

1. Description of the Required Features and Amenities
2. Description of the Required Resident Services
3. ELI County Chart

**Exhibit C for the RFP (see separate document):**

1. Credit Underwriting Procedures
2. Housing Credit Program Procedures and Requirements

**Funding Selection:**

Applications must pass threshold and achieve at least 60% of the total points to be eligible to be considered for funding. All eligible Applications will be sorted from highest score to lowest score, with any scores that are tied separated by lottery number, resulting in the lowest lottery number receiving preference.

The first Application considered for funding will be the highest scoring eligible Application proposing to serve Veterans Transitioning from Facilities with a Designated VA hospital and/or Medical Center. If there are no eligible Applications that meet this designation, then the first Application to be considered for funding will be the highest scoring eligible Application proposing to serve Veterans with a Disabling Condition who are high users of publicly funded resources. If there are no eligible Applications that meet that designation, then the highest scoring eligible Application will be considered for funding, regardless of the population to be served.

After the first Application is selected for funding, the highest scoring eligible Application(s) will be considered for funding, regardless of the population to be served.

Funding will be limited to 1 Application per county (county test), unless funding remains and there are no other eligible Applications located in a county that has not already been selected for funding.

If there is not enough funding available to fully fund the Application's Housing Credit request amount (funding test), that Application will not be selected for funding.

If an Application cannot meet the funding test, the next lower ranked Application will be considered (subject to the funding test and the county test). If no unfunded eligible Applications meet the funding test and funding remains, Florida Housing will offer the remaining funding to the highest scoring eligible unfunded Application regardless of the funding test and the county test.