

Questions and Answers for RFA 2014-109

HOME FINANCING TO BE USED FOR RENTAL DEVELOPMENTS IN RURAL AREAS

Question 1:

Would the donation of land by an unrelated party (local government, corporation, individual) count towards match?

Answer:

No. As stated in Section Four, A.8., eligible forms of Match are **cash contributions** from nonfederal external sources.

Question 2:

A dishwasher is not a required feature but an Energy Star dishwasher is listed as a green requirement. I wanted to confirm the Energy Star dishwasher requirement is only applicable if the units have a dishwasher.

Answer:

The Green Building features stated in Exhibit B.4.b.(2) list Energy Star qualified dishwashers which means that they are required for all units in all Developments.

Question 3:

Is a HOME loan required? Item 5 Set-aside commitments on page 28 asks us to calculate the minimum number of HOME-assisted units required by HUD based on the % of TDC provided by a HOME loan multiplied by the Total number of Units to be developed. So does this mean an applicant who does not take out a HOME loan is not eligible to apply for this RFA? Can you provide a link that explains the HOME program?

Answer:

All Applicants must request HOME funding in order to be eligible for funding. No other funding is offered in this RFA. To learn more about this federal program, you may wish to visit the webpage <https://www.onecpd.info/>.

Questions and Answers for RFA 2014-109

HOME FINANCING TO BE USED FOR RENTAL DEVELOPMENTS IN RURAL AREAS

Question 4:

Is there a formula in the RFA for calculating the maximum allowable grant request such as TDC per unit and HOME Rental subsidies plus allowable developer and contractor fees? It is not clear if the grant amount should be some combination of TDC per unit and HOME Rental subsidies plus allowable developer and contractor fees or if some other formula is required to be used.

Answer:

Section Four, 9.a. states that the maximum HOME Request Amount is limited to the lesser of the per unit HOME Rental FHFC Subsidy Limit for the applicable county or \$7 million. The HOME Rental FHFC Subsidy Limits for each county are outlined in Item 7 of Exhibit B.

As outlined in Section Four, 9.c.(1), Developer Fee shall be limited to 16 percent of Development Cost.

As outlined in Section Four, 9.c.(2), General Contract fees shall be limited to 14 percent of actual construction cost.

TDC limits are outlined in Item 8 of Exhibit B.

Question 5:

If the applicant is applying to buy two parcels, each adjacent to but on opposite sides of their nonprofit's existing property, and it plans to assemble all 3 parcels under one nonprofit ownership, will this be considered Scattered Sites?

Answer:

If the two parcels that are the subject of the Application are separated by the existing property and therefore not contiguous along any point of their boundaries, they are considered Scattered Sites. As stated in subsection 67-48.002(101), F.A.C., "Scattered Sites, as applied to a single Development, means a Development site that, when taken as a whole, is comprised of real property that is not contiguous (each such non-contiguous site within a Scattered Site Development, a "Scattered Site"). For purposes of this definition "contiguous" means touching at a point or along a boundary. Real property is contiguous if the only intervening real property interest is an easement, provided the easement is not a roadway or street."

If the existing property will be part of the Application submitted, please note the requirement outlined in Section Four, 4.d. which states that All Development Categories must consist entirely of new construction units, and also note the requirements stated subsection 67-48.018(1) F.A.C., to determine eligibility.

Questions and Answers for RFA 2014-109

HOME FINANCING TO BE USED FOR RENTAL DEVELOPMENTS IN RURAL AREAS

Question 6:

We would like to clarify whether or not lots in a subdivision that are contiguous but separated by roadways are considered scattered or non-scattered. The definition in the rules states that a scattered site is real property that is not contiguous and that, “for purposes of this definition, “contiguous” means touching at a point or along a boundary. Real property is contiguous if the only intervening real property interest is an easement provided the easement is not a roadway or street.”

Answer:

As stated in the definition of Scattered Sites, if the lots are separated by a road or street, they are Scattered Sites.

Question 7:

Is land acquisition of vacant land an eligible expense, and if so, does it belong on page 38, Line F Total Land Costs?

Answer:

Yes.

Question 8:

Is there a minimum match requirement in the final application?

Answer:

No.

Question 9:

Under Developer Information in the online application, 3.c. (1) and (2) asks if the Applicant meets the affordable housing funding and HOME funding experience preference. We would like to confirm that the developer’s experience will satisfy this preference.

Answer:

A Modification to this RFA was posted on June 12 at 1:30 p.m. addressing this issue. The language now states the following:

- c. Developer Experience Funding Preferences
 - (1) Does 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, meet the requirements to qualify for the Previous Affordable Housing Experience Funding Preference?

Questions and Answers for RFA 2014-109

HOME FINANCING TO BE USED FOR RENTAL DEVELOPMENTS IN RURAL AREAS

- Yes No

If “Yes”, in order to qualify for the preference, the Applicant must provide, as **Attachment 5**, the required prior experience chart demonstrating the experience.

- (2) Does 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, meet the requirements to qualify for the HOME Funding Experience Preference?

- Yes No

If “Yes”, in order to qualify for the preference, the prior experience chart provided in **Attachment 5** must demonstrate the required HOME funding experience.

Question 10:

Is municipal water service requirement for funding? Would a provider letter for a well system be sufficient?

Answer:

Municipal water service is not a requirement for this RFA. Within 21 Calendar Days of the date of the invitation to enter credit underwriting, successful Applicants must submit the completed and executed Florida Housing Finance Corporation Verification of Availability of Infrastructure – Water form or a letter from the service provider or other authority that permits or regulates the well system and its capacity which is dated within 12 months of the Application Deadline, is Development specific, and specifically states that water service is available to the proposed Development as of the Application Deadline.

Question 11:

In the case of a property that goes through foreclosure thus wiping out any existing LURA restrictions, may a new applicant (with no related principals or beneficiaries) apply for HOME funding in this RFA-109 on that same site?

Answer:

Yes, if the property has never received HOME funding, meets the requirement outlined in Section Four, 4.d. which states that all Development Categories must consist entirely of new construction units and that Rehabilitation is not allowed, and meets the requirements stated in subsection 67-48.018(1) F.A.C., to determine eligibility.

Questions and Answers for RFA 2014-109

HOME FINANCING TO BE USED FOR RENTAL DEVELOPMENTS IN RURAL AREAS

Question 12:

Can HOME funds for acquisition/rehab be allocated to a property that received tax credits over 20 years ago?

Answer:

As stated in Section Four, 4.d., all Development Categories must consist entirely of new construction units. Rehabilitation is not allowed.

Additionally, per subsection 67-48.018(1), “Unless otherwise permitted in a competitive solicitation process, an Applicant is not eligible to apply for HOME Program 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 HOME funding withdrawing acceptance of such allocation or commitment and returning the previously awarded HC funding”.

Question 13:

The Advance Review of Principles was set up along the anticipated original release date of the RFP and a deadline given of May 20th. Since the RFP was pushed out many weeks at the last minute, is the Advance Review also being pushed out the same?

Answer:

No.

Question 14:

The Board approval deadline shows as 3/31/15 (Page 32) and 6/30/15 (Page 2). Can you clarify which deadline is accurate?

Answer:

All deadlines are accurate. The language on page 2 states all of the requirements that must occur prior to June 30, 2015, which includes executing a HOME written agreement. The language on page 32 restates that Applicants are required to execute a HOME written agreement by June 30, 2015. It then states “To meet this requirement, all Applicants that are invited to enter credit underwriting will be expected to complete the credit underwriting process and receive Board-approval of the credit underwriting report prior to March 31, 2015.”

Questions and Answers for RFA 2014-109

HOME FINANCING TO BE USED FOR RENTAL DEVELOPMENTS IN RURAL AREAS

Question 15:

Are age limits released on Elderly rentals due to any ADA/disability issues that a prospective tenant may have?

Answer:

No, age limits must be complied with on Elderly units, regardless of any ADA/disability issues. As stated in Item 1.a. of Exhibit B, the “Applicant understands, acknowledges and agrees that it will comply with the Federal Fair Housing Act requirements and rent at least 80 percent of the total units to residents that qualify as Elderly pursuant to that Act.” The remaining 20 percent do not have demographic restrictions.

Question 16:

Is the confirmation of a Developer/Applicant being past due on previous project(s) solely based off the published report or is a recent payment acknowledged to clear a debt (prior to another update of the report), before the 5 business day Committee deadline?

Answer:

Section Five, B states that 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 if “There are 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 posted to the Corporation’s Website under the link Property Owners & Managers/Past Due Reports (also accessible by clicking [here](#)), but not more recently than five (5) business days prior to the date the Committee meets to make a recommendation to the Board.”

Please Note: The Q&A process for RFA 2014-109 is concluded and Florida Housing does not expect to issue any further Q&As regarding RFA 2014-109.

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