

# FLORIDA HOUSING FINANCE CORPORATION

## Modification of Request for Applications (RFA) 2015-105 Financing To Build Smaller Permanent Supportive Housing Properties For Persons With Developmental Disabilities

1. **Section One** of the RFA provides the following:

The Corporation will target grant funds for the new construction of a structure that will serve Persons with Developmental Disabilities. For this RFA, new construction means construction of a Development where no residential structure currently exists. Funding cannot be used towards any expenses related to demolition of existing structures. Applicants may develop Community Residential Homes or Supported Living Units. Community Residential Homes (i) must be single family homes; (ii) must be licensed by the Florida Agency for Persons with Disabilities to serve no more than six (6) Residents; (iii) must serve no more than six (6) Residents; and (iv) must demonstrate at credit underwriting that they are adhering to licensing standards related to location, design, construction features and other requirements. Supported Living Units (i) must be single family, duplexes, triplexes, or quadraplexes; and (ii) the Supported Living provider must conduct a housing setting survey per Rule 65G-5.004, F.A.C.

Pursuant to Rule 67-60.005, F.A.C., Modification of Terms of Competitive Solicitations, Florida Housing hereby modifies **Section One** to read as follows:

The Corporation will target grant funds for the new construction of a Community Residential Home or a Supported Living Unit that will serve Persons with Developmental Disabilities. Community Residential Homes (i) must be single family homes; (ii) must be licensed by the Florida Agency for Persons with Disabilities to serve no more than six (6) Residents; (iii) must serve no more than six (6) Residents; and (iv) must demonstrate at credit underwriting that they are adhering to licensing standards related to location, design, construction features and other requirements. Supported Living Units (i) must be single family, duplexes, triplexes, or quadraplexes; and (ii) the Supported Living provider must conduct a housing setting survey per Rule 65G-5.004, F.A.C.

2. **Section Four, E.3.** of the RFA provides the following:

3. Development Category must be new construction which means creating a Community Residential Home or Supported Living Units through new construction of a Development where no residential structure currently exists.

Note: Neither licensed assisted living facilities nor Intermediate Residential Facilities are an allowable use of this funding.

Pursuant to Rule 67-60.005, F.A.C., Modification of Terms of Competitive Solicitations, Florida Housing hereby modifies **Section Four, E.3.** to read as follows:

3. Development Category must be new construction of a Community Residential Home or Supported Living Units serving Persons with Developmental Disabilities.

Note: Neither licensed assisted living facilities nor Intermediate Residential Facilities are an allowable use of this funding.

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3. **Section Four, K.** of the RFA provides the following:

K. All Applicants must provide a Description of Intended Construction as **Attachment 11**. The description should include any features desired by the Applicant.

Pursuant to Rule 67-60.005, F.A.C., Modification of Terms of Competitive Solicitations, Florida Housing hereby modifies **Section Four, K.** to read as follows:

K. All Applicants must provide a Description of Intended Construction as **Attachment 11**. The description should include any features desired by the Applicant, beyond those required in the RFA. The Description of Intended Construction may be a high level summary.

4. **Section Four, K.3.** of the RFA provides the following:

3. Any acquisition costs incurred earlier than 12 months prior to Application Deadline will not be allowed as part of total development costs nor will the value of the subject property be allowed. The maximum cost permitted will be the lesser of the actual allowed cost of acquisition, or the appraised value, as determined during credit underwriting. To document the cost of the property acquisition, the credit underwriter shall review the purchase contract, the closing settlement statement, and any other appropriate documentation indicating the cost. To document the appraised value of the property, the credit underwriter shall order and review an appraisal during the credit underwriting process. If an entity related to the Applicant is selling or has sold the property to the Applicant, the maximum cost of acquisition shall be the lesser of the Applicant's acquisition costs or the actual cost of acquisition incurred by the related entity in so far as the related entity's acquisition costs were incurred no earlier than 12 months prior to Application Deadline, in which case no acquisition costs will be allowed. Costs related to the value of in-kind donations of labor and/or materials will not be recognized in credit underwriting.

Pursuant to Rule 67-60.005, F.A.C., Modification of Terms of Competitive Solicitations, Florida Housing hereby modifies **Section Four, K.3.** to read as follows:

3. Any acquisition costs incurred earlier than 12 months prior to Application Deadline will not be allowed as part of total development costs nor will the value of the subject property be allowed. The maximum cost permitted will be the lesser of the actual allowed cost of acquisition, or the appraised value of the land without improvements, as determined during credit underwriting. To document the cost of the property acquisition, the credit underwriter shall review the purchase contract, the closing settlement statement, and any other appropriate documentation indicating the cost. To document the appraised value of the property, the credit underwriter shall order and review an appraisal during the credit underwriting process. If an entity related to the Applicant is selling or has sold the property to the Applicant, the allowed cost of acquisition shall be the lesser of the Applicant's acquisition costs or the actual cost of acquisition incurred by the related entity in so far as the related entity's acquisition costs were incurred no earlier than 12 months prior to Application Deadline, in which case no acquisition costs will be

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allowed. Costs related to the value of in-kind donations of labor and/or materials will not be recognized in credit underwriting.

5. **Part I, C.3. of Exhibit D** of the RFA provides the following:

3. By April 29, 2016, the Applicant must provide a Transaction Screen Process (TSP) report that has been completed by an environmental engineer in accordance with ASTM Practice E 1528 standards for the entire Development site. If the Development consists of any building constructed pre-1978, there must be a lead inspection or risk assessment with any necessary testing completed. If necessary, an appropriate remedial action plan must be determined, approved by the Credit Underwriter, and become part of the scope of work. If the TSP determines the need to test for asbestos or any other environmental concern, testing must be completed. If necessary, an abatement program must be developed and then approved by the Credit Underwriter to become part of the scope of work. If remediation and/or abatement is not adequately addressed or if the cost of its implementation is prohibitive within the scope of the Development, the award of funding will be rescinded.

Pursuant to Rule 67-60.005, F.A.C., Modification of Terms of Competitive Solicitations, Florida Housing hereby modifies **Part I, C.3. of Exhibit D** to read as follows:

3. By April 29, 2016, the Applicant must provide either a Transaction Screen Process (TSP) report that has been completed within 12 months of the Application Deadline by an environmental engineer in accordance with ASTM Practice E 1528 standards; or Phase I Environmental Site Assessment, dated within 12 months of the Application Deadline, for the entire Development site. If the Development consists of any building constructed pre-1978, there must be a lead inspection or risk assessment with any necessary testing completed. If necessary, an appropriate remedial action plan must be determined, approved by the Credit Underwriter, and become part of the scope of work. If the TSP or Phase I Environmental Site Assessment determines the need to test for asbestos or any other environmental concern, testing must be completed. If necessary, an abatement program must be developed and then approved by the Credit Underwriter to become part of the scope of work. If remediation and/or abatement is not adequately addressed or if the cost of its implementation is prohibitive within the scope of the Development, the award of funding will be rescinded.

6. **Part II, 1. of Exhibit D** of the RFA provides the following:

1. At the completion of all litigation and approval by the Board of all final agency action as defined in the Administrative Procedure Act, Chapter 120, Florida Statutes with regard to this RFA, the Corporation shall offer all Applicants within the funding range an invitation to enter credit underwriting. The Corporation shall select the Credit Underwriter for each Development.

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Pursuant to Rule 67-60.005, F.A.C., Modification of Terms of Competitive Solicitations, Florida Housing hereby modifies **Part II, 1. of Exhibit D** to read as follows:

1. At the completion of all litigation and approval by the Board of all final agency action as defined in the Administrative Procedure Act, Chapter 120, Florida Statutes with regard to this RFA, the Corporation shall send all Applicants within the funding range a letter of preliminary award. After an Applicant has successfully demonstrated both site control and Ability to Proceed by submitting the required documentation by the applicable deadlines outlined in Part I., A. and B. above, the Corporation will invite the Applicant into credit underwriting. The Corporation shall select the Credit Underwriter for each Development.

7. **Part II, 18. of Exhibit D** of the RFA provides the following:

18. All items required for the Credit Underwriter's Credit Underwriting Report must be provided in a timely manner in order for the Credit Underwriting Report to be approved by the Board by the first Board meeting on or after May 13, 2016. Unless a written extension of time has been approved by the Corporation, a Credit Underwriting Report missing the approval deadline shall result in withdrawal of the preliminary commitment or the invitation to enter credit underwriting, or both, as applicable. In determining whether to grant an extension, the Corporation shall consider the facts and circumstances of the Applicant's request, inclusive of the responsiveness of the Development team and its ability to deliver the Development timely. If the Corporation's decision is to deny the Applicant's request for an extension, then prior to the withdrawal of the invitation, the Board shall consider the facts and circumstances of the Applicant's request, the Corporation's denial, and any credit underwriting report, if available, and make a determination of whether to grant the requested extension.

Pursuant to Rule 67-60.005, F.A.C., Modification of Terms of Competitive Solicitations, Florida Housing hereby modifies **Part II, 18. of Exhibit D** to read as follows:

18. All items required for the Credit Underwriter's Credit Underwriting Report must be provided in a timely manner in order for the Credit Underwriting Report to be approved by the Board by the first Board meeting on or after August 31, 2016. Unless a written extension of time has been approved by the Corporation, a Credit Underwriting Report missing the approval deadline shall result in withdrawal of the preliminary commitment or the invitation to enter credit underwriting, or both, as applicable. In determining whether to grant an extension, the Corporation shall consider the facts and circumstances of the Applicant's request, inclusive of the responsiveness of the Development team and its ability to deliver the Development timely. If the Corporation's decision is to deny the Applicant's request for an extension, then prior to the withdrawal of the invitation, the Board shall consider the facts and circumstances of the Applicant's request, the Corporation's denial, and any credit underwriting report, if available, and make a determination of whether to grant the requested extension.

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8. **Part III, 1.h. of Exhibit D** of the RFA provides the following:

h. Total Development Cost includes the following:

- (1) The cost of acquiring real property and any buildings thereon, including payment for options, deposits, or contracts to purchase properties;
- (2) The cost of site preparation, demolition, and development;
- (3) Fees in connection with the planning, execution, and financing of the Development, such as those of architects, engineers, attorneys, accountants, Developer overhead, and the Corporation;
- (4) The cost of studies, surveys, plans, permits, insurance, interest, financing, tax and assessment costs, and other operating and carrying costs during construction or reconstruction of the Development;
- (5) The cost of the construction and equipping of the Development. The cost of furniture and furnishings are not permitted;
- (6) The cost of land improvements, such as landscaping and offsite improvements related to the Development, whether such costs are paid in cash, property, or services;
- (7) Expenses in connection with initial occupancy of the Development;
- (8) Allowances for contingency reserves; and
- (9) The cost of such other items, including relocation costs, indemnity and surety bonds, premiums on insurance, and fees and expenses of depositories, for the construction of the Development.

Pursuant to Rule 67-60.005, F.A.C., Modification of Terms of Competitive Solicitations, Florida Housing hereby modifies **Part III, 1.h. of Exhibit D** to read as follows:

h. Total Development Cost includes the following:

- (1) The cost of acquiring real property and any buildings thereon, including payment for options, deposits, or contracts to purchase properties;
- (2) The cost of site preparation, demolition\*, and development;
- (3) Fees in connection with the planning, execution, and financing of the Development, such as those of architects, engineers, attorneys, accountants, Developer overhead, and the Corporation;

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- (4) The cost of studies, surveys, plans, permits, insurance, interest, financing, tax and assessment costs, and other operating and carrying costs during construction or reconstruction of the Development;
- (5) The cost of the construction and equipping of the Development. The cost of furniture and furnishings are not permitted;
- (6) The cost of land improvements, such as landscaping and offsite improvements related to the Development, whether such costs are paid in cash, property, or services;
- (7) Expenses in connection with initial occupancy of the Development;
- (8) Allowances for contingency reserves; and
- (9) The cost of such other items, including relocation costs\*, indemnity and surety bonds, premiums on insurance, and fees and expenses of depositories, for the construction of the Development.

\*Although demolition of structures on the site may be necessary prior to construction of the proposed Development, grant funding that is awarded to the Applicant through this RFA cannot be used towards any expenses related to demolition of existing structures, including costs of relocation or temporary housing.

Submitted by:

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