

Questions and Answers for RFA 2016-109

SAIL FINANCING OF AFFORDABLE MULTIFAMILY HOUSING DEVELOPMENTS TO BE USED IN CONJUNCTION WITH TAX-EXEMPT BONDS AND NON-COMPETITIVE HOUSING CREDITS

Question 1:

If an Applicant applies for FHFC MMRB and gets an award, can the Applicant switch to non-corporation bonds (local housing finance agency bonds) during credit underwriting?

Answer:

No. Both Rules 67-48.004(3)(c) and 67-21.003(8)(c), F.A.C. identify “Program(s) applied for” as an item identified by the Applicant in the Application that must be maintained and that cannot be changed by the Applicant after the applicable submission.

Question 2:

Upon reviewing the draft of RFA 2016-109, I noted that an original signature for the Applicant Certification must be included in the “original hardcopy” portion of the submission package delivered to the FHFC.

Does an original signature also need to be included on the Utility Available Certifications (Electricity, Roads, Sewer) and the Local Government Incentive form, or are copies printed from emailed PDF versions of the signed documents acceptable for both the “original hardcopy” and copy submissions?

Answer:

No. When an original signature is required, the instructions specifically state that it is required.

Question 3:

Please confirm that applications requesting SAIL funds with Corporation issued MMRB as well as Non-Corporation issued tax-exempt bonds do **NOT** need to provide a financing letter associated with the purchase of the bonds (whether a direct purchase or a credit enhanced public offering) at the application stage (but will be submitted during credit underwriting).

Answer:

As stated in Section Four, 11.c.(4)(a) of the RFA, the Applicant is not required to include any documentation regarding the MMRB in its Application. The necessary documentation will be required after the Applicant is invited to enter credit underwriting, as outlined in Item 2.a.(5) of the Applicant Certification and Acknowledgement form, and the credit underwriting process for the MMRB and Non-Competitive Housing Credits will be as outlined in Item 3.t.(2) of the Applicant Certification form.

If utilizing Non-Corporation-issued Tax-Exempt Bonds, Applicants are required to provide a letter as outlined in Section Four A.11.a.(2)(b), of the RFA. As stated in Section Four 11.c.(4)(b) of the RFA, the Applicant is not required to include any other documentation regarding the Non-Corporation-issued Tax-Exempt Bonds in its Application. Certain other documentation will be required after the Applicant is

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invited to enter credit underwriting, as outlined in Items 2.a.(6) and 3.t.(1) of the Applicant Certification and Acknowledgement form.

Question 4:

Please confirm that applications that have units containing project based rental assistance are now eligible to apply for an ELI Loan. The final draft appears to be different than the former drafts (and what was stated in the workshop) in this regard.

Answer:

Yes, applications that have units containing project based rental assistance are now eligible to apply for an ELI Loan.

Question 5:

Regarding SAIL terms: SAIL and ELI Gap Loans are usually funded during construction *pari passu*, at the rate of the uses being drawn. Could a portion of the SAIL or ELI Gap loan not be disbursed during construction but left for conversion, as a permanent source?

Answer:

Per Rule Chapter 67-48, F.A.C., loan proceeds shall be disbursed during the construction phase in an amount per Draw which does not exceed the ratio of the SAIL loan to the Total Development Cost, unless approved by the Corporation and the Credit Underwriter.

Question 6:

Is it required to respond Yes to Question 6.b. and have the letter referred to on Section Four A.6.b.(1) as Attachment 13 to be eligible for the TDC Add-On and the different Leveraging Factor Chart for PHA developments? Or is that response and letter only required for the PHA Proximity boost, but for the TDC Add-On and the different Leveraging Factor Chart it is only required to show a PHA as Principal? If the later, should the PHA be a Principal of the Applicant entity or of a Developer entity?

Answer:

To qualify for the TDC Add-On, A Public Housing Authority must be disclosed as a Principal of the Applicant entity on the Principals of the Applicant and Developer(s) Disclosure form (Form Rev. 08-16).

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Question 7:

If I have a Scattered Site Development that consists of more than 3 sites, can I submit 1 copy of pages 1 and 2 of the Surveyor Form, plus multiple copies of page 3 or do I need to submit multiple copies of the entire form?

Answer:

For the Surveyor Certification to be considered complete, pages 1 and 2 must be initialed by the surveyor and page 3 must be signed by the surveyor.

If a Scattered Sites Development consists of more sites than will fit on page 3, the instructions for Part IV of the form allow for multiple copies of page 3 to be submitted, provided all copies of page 3 include the surveyor's signature.

Question 8:

When a Principals Disclosure Form is approved through the Advance Review Process, what do the approval stamps "Approved for Housing Credit Application" and "Approved for Non-Housing Credit Application" mean?

Answer:

The stamp "Approved for Housing Credit Application" means that the Principals Disclosure Form meets the Applicant Principals requirements for any combination of FHFC funding that includes Housing Credit funding and the stamp "Approved for Non-Housing Credit Application" means that the Principals Disclosure form meets the Applicant Principals requirements for funding that does not include Housing Credits (i.e., SAIL only or HOME only).

If a proposed Development will include Housing Credits as a source of financing, investor limited partner(s) or investor-member(s) must be included in the organizational structure of the Applicant entity and must be disclosed at the First Principal Disclosure Level. This requirement includes Competitive Housing Credits (9% and, if applicable 4%) and Non-Competitive Housing Credits (4% to be used with Tax-Exempt Bonds). When a Principals Disclosure Form that includes investor(s) at the First Principal Disclosure Level is approved through the Advance Review Process, the Form will be stamped "Approved for Housing Credit Application" and the Form will be acceptable only for an RFA submission that includes Housing Credit funding.

When a Principals Disclosure Form that does not include investor(s) at the First Principal Disclosure Level is approved through the Advance Review Process, the Form will be stamped "Approved for Non-Housing Credit Application" and the Form will be acceptable only for a SAIL or HOME RFA submission that does not include Housing Credits.

Any Principals Disclosure Form submittal that has not been approved through the Advance Review Process (i) must include investor-limited partner(s) or investor-member(s) in the organizational structure

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of the Applicant entity and such investor(s) must be disclosed at the First Principal Disclosure Level if the RFA includes Housing Credits (Competitive or Non-Competitive) or (ii) must not include investor-limited partner(s) or investor-member(s) in the organizational structure of the Applicant entity if the RFA does not include Housing Credits.

Please Note: The Q&A process for RFA 2016-109 is concluded and Florida Housing does not expect to issue any further Q&As regarding RFA 2016-109.

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