

Florida Housing Finance Corporation
Request for Applications (RFA) Workshop Agenda
December 13, 2016, 10:00 a.m., Eastern Time
227 North Bronough Street, 6th Floor Seltzer Conference Room,
Tallahassee, Florida
Call-In: 1 888 419.5570; Passcode: 657 038 31

**RFA 2017-102 - Housing Credit Financing to Provide Affordable Multifamily Rental Housing
that is a Part of Local Revitalization Initiatives**

1. Overview of RFA

In this RFA, Florida Housing expects to offer an estimated \$2,455,000 of Housing Credits for affordable, multifamily rental housing that is part of a broader neighborhood or local community revitalization effort. The Corporation is seeking applications for new construction, redevelopment or rehabilitation of Family or Elderly (non-Assisted Living Facility) properties in areas where a Local Government is implementing a planned initiative in partnership with private and other public stakeholders to invest funding and other resources to rejuvenate the area. This RFA includes an incentive for Applicants to commit to provide mixed-income units.

2. Demographic Commitment Selection

- a. Family; or
- b. Elderly (Non-Assisted Living Facility (ALF) only)

3. Applicant Information

- a. Applicant Name.
- b. Evidence the Applicant is a legally formed entity qualified to do business in Florida as of Application Deadline.
- c. Whether applying as a Non-Profit entity.
- d. Principals of the Applicant and Developer(s) Disclosure Form (Form Rev. 08-16). Information regarding the Continuous Advance Review process is posted to the RFA 2017-102 webpage.
- e. Contact Person (the person with whom the Corporation will communicate regarding the proposed Development).

4. Developer and Management Company Information

- a. Developer:
 - (1) Name of Developer (including all co-Developers).
 - (2) Evidence each Developer is a legally formed entity qualified to do business in Florida as of Application Deadline.
 - (3) Required general Development experience of at least one (1) natural person Principal of at least one (1) Developer.

- b. Management Company:
 - (1) Name of Management Company; and
 - (2) Required general Management Company experience.
- c. Developer and/or Management Company Experience with Local Revitalization Initiatives (15 points):

In addition to the required general experience for the Developer(s) and the Management Company, the Applicant may receive points by describing the Developer's and/or Management Company's experience developing affordable rental housing that was aligned with or an expressly stated part of a local revitalization plan.

5. General Development Information

- a. Development Name, County and Address.
- b. Surveyor Certification of Development Location Point form (Form Rev. 08-16)
- c. Development Category:
 - (1) The Applicant may select New Construction, Rehabilitation, or Acquisition and Rehabilitation.
 - (2) If Rehabilitation or Acquisition and Rehabilitation is selected, the proposed Development must meet the definition of Rehabilitation in Rules 67-48.002 and 67-48.0075, F.A.C.
 - (3) The Applicant must provide the required letter from HUD or RD. The information contained in the letter will be used to determine the Application's Rental Assistance (RA) Level.
- d. Development Type (i.e., Garden, Duplexes, Quadraplexes, Townhouses, Mid-Rise (4, 5 or 6 stories), or High Rise (7 or more stories)).
- e. Number of Units:
 - (1) Minimum 30 total units for all proposed Developments.
 - (2) Elderly Demographic also has unit maximums and unit mix restrictions.
 - (3) Occupancy Status of any existing units.
- f. Ability to Proceed (i.e., status of site/plat plan, appropriately zoned, availability of infrastructure (electricity, water, sewer and roads) – all as of Application Deadline).

6. Set-Aside Requirements

- a. Minimum Set-Aside Selection:
 - (1) 20 percent of the total units at 50 percent of the Area Median Income (AMI); or
 - (2) 40 percent of the total units at 60 percent of the AMI.

b. Total Income Set-Aside:

The Applicant must commit to set aside at least 70 percent of the Development's total units at 60 percent AMI or less; or

c. Limited Development Area (LDA):

Proposed Developments that qualify as an LDA Development are eligible to be considered for funding only if:

- (1) 30 percent of the total units are set aside as ELI Set-Aside units;
- (2) The proposed Development is classified as RA Level 1 or RA Level 2;
- (3) The percentage of total units that will have rental assistance is greater than 75 percent; and
- (4) The proposed Development consists of a total of 250 units or less.

d. Extremely Low Income (ELI) Set-Aside:

- (1) 10 percent of the total units must be set aside as ELI Set-Aside units if the proposed Development is not located within a Limited Development Area (LDA); or
- (2) 30 percent of the total units must be set aside as ELI Set-Aside units if the proposed Development is located within an LDA

e. ELI Units for Special Needs Households:

- (1) 50 percent of the ELI Set-Aside units must be set aside for Special Needs Households if the proposed Development is not located within an LDA; or
- (2) 30 percent of the ELI Set-Aside units must be set aside for Special Needs Households if the proposed Development is located within an LDA.

Except for Developments financed with HUD Section 202 or HUD Section 811, Applicants will be required to enter into a Memorandum of Understanding (MOU) with at least one designated Special Needs Household Referral Agency (Agency) for the county where the proposed Development is located. In addition, properties that have a Housing Assistance Payment Contract and/or an Annual Contributions Contract with HUD, but are not HUD Section 202 or HUD Section 811, will be required to establish an owner-adopted preference in admission policies specifically for individuals or families referred by a partnering service agency designated by an Agency. The deadline for the MOU and demonstration of HUD's approval of the preference policies will be included in the invitation to enter credit underwriting.

f. Market-Rate Units (5 Points):

Points will be awarded if the Applicant commits to reserve market rate units by reflecting on the Total Set-Aside Breakdown Chart a Total Set-Aside Percentage of at least:

- (1) 70 percent, but no higher than 80 percent, for proposed Developments Located in a Large County. If the Applicant is awarded points, the Total Set-Aside Percentage at or below 60 percent AMI cannot be increased above 80 percent; or

- (2) 70 percent, but no higher than 90 percent, for proposed Developments Located in a Medium or Small County. If the Applicant is awarded points, the Total Set-Aside Percentage at or below 60 percent AMI cannot be increased above 90 percent.
- g. Affordability Period – the proposed Development must be set aside for a minimum length of 50 years with no option to convert to market after year 14.

7. Construction Features and Resident Programs

a. Construction Features:

- (1) Required Construction Features - all Developments will be required to provide the Construction Features outlined in Item 3 of Exhibit C.
- (2) Rehabilitation (with or without Acquisition) Developments – the Applicant must select Additional Green Building Features in the Application.
- (3) New Construction Developments – the Applicant must commit to achieve one of the following Green Building Certification programs: Leadership in Energy and Environmental Design (LEED); Florida Green Building Coalition (FGBC); or ICC 700 National Green Building Standard (NGBS). Selection of the program will be accomplished during the credit underwriting process

b. Resident Programs:

- (1) All Elderly Demographic Developments will be required to provide 24 Hour Support to Assist Residents in Handling Urgent Issues, as outlined in Item 4 of Exhibit C.
- (2) Resident Programs for the applicable Demographic Commitment (Family or Elderly) must be selected by the Applicant in the Application.

8. Site Control

Applicants must demonstrate site control as of Application Deadline by providing an eligible contract (effective at least through August 31, 2017), a deed, and/or a lease (with a minimum 50 year term).

9. Approach Toward Income and Credit Status of Intended Households Applying for Residency (Maximum 12 points):

The Applicant may receive points by describing any specific selection criteria policies or approaches that will be used by the Applicant’s property management to assist in determining a prospective resident household’s eligibility for tenancy that takes into consideration the Special Needs Household’s income and credit history that may be affecting their ability to lease safe and decent rental housing.

10. How the Proposed Development Aligns with Local Revitalization Initiatives (Maximum 45 Points):

The Applicant may receive points by describing Local Government initiatives or community redevelopment plans completed and adopted on or before March 1, 2015, by the appointed or elected body of the general Local Government with the authority to regulate the use of the subject site, or an instrumentality thereof (e.g., City, County, Community Redevelopment Agency). Such plan should describe strategies or initiatives, ideally in detail, to revitalize the neighborhood or broader community where the proposed Development is or will be located. The initiatives should either target or include the proposed Development, or the proposed Development should clearly align with the initiative/plan. The Corporation is particularly interested in local initiatives such as neighborhood revitalization plans that have incorporated or specifically feature the proposed Development as part of the local plan.

11. Access to Community-Based Services and Resources (Maximum 28 Points):

The Applicant may receive points by describing the services and resources that are and will be accessible to residents who will be served in the proposed Development (Families and/or Elders). Describe access and physical proximity to shopping for food, medicine, clothing and other household and personal items; childcare, youth and senior activities; education and training via public schools, universities, vocational and other schools; and recreation, parks and open spaces and cultural activities; and employment opportunities.

12. Funding

- a. Maximum HC request amounts.
- b. DDA/QCT/Multiphase Development.
- c. Non-Corporation Financing Proposals and HC Equity Proposal.
- d. Qualifying Financial Assistance Funding Preference

The total amount of permanent funding resources, in the form of cash loans, cash grants and/or cash on hand, from local, state or federal government sources will, for purposes of this provision, be considered to be “Qualifying Financial Assistance.” In-kind donations or any other donation of property or assets or waiver of any fees, as well as any funding from the Corporation, will not be considered Qualifying Financial Assistance.

The Corporation will compare the total amount of such funding per set-aside unit relative to the other Applicants to this RFA. The Application that has the higher total amount of such funding per set-aside unit relative to the other Applications will be eligible for the funding preference

- e. Per Unit Construction Funding Preference:

Rehabilitation (with or without Acquisition) Developments will qualify for the funding preference if the amount listed in the total column of the Development Cost Pro Forma (for Actual Construction Cost) divided by the total number of units equals at least \$32,500 per unit.

New Construction Developments will automatically qualify for the funding preference.

13. Ranking and Funding Selection

a. Eligibility Requirements:

- Submission Requirements
- LDA Development Conditions (if applicable)
- Financial Arrearage Requirements
- Total Development Cost Per Unit Limitation
- Total Score of at least 60 Points
- All Mandatory Items

b. Funding Test:

Applications will be selected for funding only if there is enough funding available to fully fund the Eligible Housing Credit Request Amount.

c. County Award Tally:

As each Application is selected for tentative funding, the county where the proposed Development is located will have one (1) Application credited towards the County's Award Tally. The Corporation will prioritize eligible unfunded Applications that are located in counties that have the lowest County Award Tally above other eligible unfunded Applications with a higher County Award Tally, even if the Applications with a higher County Award Tally are higher ranked.

d. Sorting Order:

All eligible Applications will be sorted from highest score to lowest score, with any tied scores separated as follows:

- (1) First, by the Application's eligibility for the Per Unit Construction Funding Preference, with Applications that qualify for the preference listed above Applications that do not qualify for the preference;
- (2) Next, by the Application's eligibility for the Development Category Funding Preference, with Applications that qualify for the preference listed above Applications that do not qualify for the preference;
- (3) Next, by the Application's Leveraging Classification, applying the applicable multipliers outlined in Item 8 of Exhibit C of the RFA (with Applications having the Classification of A listed above Applications having the Classification of B);
- (4) Next, by the Application's eligibility for the Qualifying Financial Assistance Funding Preference, with Applications with the higher amount listed above Applications with a lower amount;
- (5) Next, by the Application's eligibility for the Florida Job Creation Funding Preference, with Applications that qualify for the preference listed above Applications that do not qualify for the preference; and
- (6) And finally, by lottery number, resulting in the lowest lottery number receiving preference.

e. Selection Process:

The first Application that will be selected for funding will be the highest ranking eligible Application, subject to the Funding Test. If funding remains, the highest ranking eligible unfunded Applications will be selected for funding, subject to the Funding Test and the County Award Tally.

If funding remains and there are no eligible unfunded Applications that can meet the Funding Test, no further Applications will be considered for funding and any remaining funding will be distributed as approved by the Board.

14. Tentative Time Line (all dates subject to change)

- January 20, 2017 – Issue RFA
- February 23, 2017 – RFA Due Date
- April 26, 2017 – Review Committee Meeting and Request Board Approval of Committee's Recommendations

15. Other Discussion Topics