

## FLORIDA HOUSING FINANCE CORPORATION

### RFA 2020-103 HC and SAIL Financing for Homeless Housing Developments in Medium and Large Counties

January 21, 2020, 10:00 a.m., Eastern Time  
227 N. Bronough Street, Tallahassee, Florida

Call-In Information: 1-888-339-2688 Passcode: 331 244 08

The RFA Webpage can be found at <https://www.floridahousing.org/programs/developers-multifamily-programs/competitive/2020/2020-103> (also available by clicking [here](#)).

#### **Overview**

- A. Introductions
- B. Reminder to sign up for listserv and brief overview of accessing documents on website
- C. Purpose of RFA
  - 1. This Request for Applications (RFA) is open to both Non-Profit and For Profit Applicants proposing the development of housing for Homeless individuals and families in Medium and Large Counties, that also include a portion of units for Persons with Special Needs.
  - 2. This RFA includes a goal to fund at least one Homeless Development in the Central Florida region and one Homeless Development in the Tampa Bay region, with a preference to fund at least one Homeless Development in a Large County and at least one Homeless Development in a Medium County.

Note: The counties within these regions have been updated to reflect designations presented at the June 5, 2019 workshop and are described below.

#### **Funding Available**

- A. Estimated \$4,075,000 of Competitive Housing Credits
  - \$ 1,700,00 for Medium Counties
  - \$ 2,375,000 for Large Counties
- B. Estimated \$10,262,100 of SAIL, which includes ELI Loan for Extremely Low Income (ELI) Set-Aside units
- C. Estimated \$1,339,200 of National Housing Trust Funds (NHTF)

Applicants proposing the Development Category of New Construction or Redevelopment (with or without Acquisition) may request NHTF Funding. Each of these Applications will receive NHTF Funding and must meet the NHTF Unit requirements as outlined in the RFA. These requirements are similar to HOME funding, such as the requirement to comply with the HUD environmental requirements as provided in 24 CFR 93.301(f)(1) and (2). However, Non-Applicants will not be charged a fee for the environmental review.

#### **Outline of RFA**

- A. Section One - Introduction, page 2
- B. Section Two – Definitions, page 2  
Exhibit B of the RFA, page 79, and Rules, which are posted on RFA website

- C. Section Three –RFA Procedures and Provisions, including Submission Requirements, page 2
- D. Section Four of the RFA outlines instructions for completing Exhibit A
  - 1. Include the Applicant Certification and Acknowledgement form, executed by the Authorized Principal Representative, to indicate the Applicant’s certification and acknowledgement of the provisions and requirements of the RFA.
  - 2. Demographic Commitment and interest rate of SAIL loan, page 7
    - a. Homeless Individuals and Families Demographic Commitment
 

Applicants that commit to serve the Homeless demographic commitment will be required to make the following set aside commitments for a minimum of 50 years:

At least 50 percent of the total units for Homeless individuals and families as defined in Section 420.621(5), F.S.;

AND

At least 15 percent of the total units for Persons with Special Needs as defined in Section 420.0004(13), F.S., (which may be the same units set aside for Homeless individuals and families).

Note: Interest Rate of the SAIL loan is based on the percentage of units set aside for Homeless individuals
    - b. Specific population of Persons with Special Needs demographic commitment
 

Applicants must specify the defined Persons with Special Needs population(s) they intend to serve, page 8.

Developments serving subpopulations with high likelihood of Mobility Impairments must, at a minimum, meet the accessibility, adaptability, universal design and visitability features requirements outlined in Section Four A.8.c.(1) of the RFA (“Level 1 Accessibility Requirements”).

Developments serving subpopulations that are less likely to have Mobility Impairments must, at a minimum, meet the accessibility, adaptability, universal design and visitability features requirements outlined in Section Four A.8.c.(2) of the RFA (“Level 2 Accessibility Requirements”).
    - c. Applicants must write a narrative describing the population(s) to be served. This information will be considered by the Corporation when reviewing and scoring how the proposed access to community based services will assist the intended residents.
  - 3. Applicant/Developer/Management Company/Contact Person
    - a. Applicant, page 9
      - (1) State the name of the Applicant
      - (2) Evidence that Applicant is legally formed entity
      - (3) If applying as a Non-Profit, the Applicant must meet the definition of a Non-Profit as set out in the RFA, and provide documents outlined in RFA.

Note: There is a goal to fund one Application from an Applicant that qualifies as a Non-Profit Applicant.

- (4) Homeless Assistance Continuum of Care requirements, page 10
  - (a) Provide documentation that the Applicant informed the jurisdiction's Local Continuum of Care lead agency head of its intent to apply for funding to develop housing pursuant to this RFA must be submitted;
  - (b) Have an executed agreement to participate in the Continuum of Care's Homeless Management Information System (HMIS); and will contribute data on the Development's tenants to the Continuum of Care's HMIS data system or, if serving Survivors of Domestic Violence, is providing aggregate data reports to the Continuum of Care. The executed agreement shall be required at least 6 months prior to the expected placed in service date; and
  - (c) Commit to be a housing provider in the Continuum of Care's Homeless Coordinated Entry system as required by the U.S. Department of Housing and Urban Development.

b. General Developer Information, page 11

- (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) Development Experience

The individual meeting the General Development Experience requirements must be disclosed on the Principals of the Applicant and Developer(s) Disclosure form and must remain with the Development until the release of the operating deficit guarantee set forth in Rule 67-48.0071(18).

c. Principals of the Applicant and Developer(s) Disclosure Form (Form Rev. 05-2019), page 13. Prior versions of the Principal Disclosure Form will not be accepted.

- (1) Eligibility

The Principals Disclosure Form must identify the Principals of the Applicant and each Developer, pursuant to the RFA, as of the Application Deadline. The investor limited partner of an Applicant limited partnership or the investor member of an Applicant limited liability company must be identified.

- (2) Points

The Application will receive 5 points if the uploaded Principal Disclosure Form was stamped "Approved" during the Advance Review Process provided.

The Advance Review Process for Disclosure of Applicant and Developer Principals is available on the Corporation's Website.

- d. Name of Management Company, page 14
- e. Authorized Principal Representative / Operational Contact Person, page 14

The Authorized Principal Representative identified in the Application MUST be a Principal of the Applicant and MUST sign the Applicant Certification and Acknowledgement form and the Site Control Certification form. The Operational Contact Person is optional.

4. General Proposed Development Information, page 15

- a. Development Name
- b. Development Category - The Applicant must indicate whether the proposed Development will create new housing through the Development Category of new construction or through acquisition with Substantial Rehabilitation.
- c. Development Type (Garden Apartments, Duplexes, Triplexes, Quadraplexes, Mid-Rise or High-Rise)
- d. Enhanced Structural Systems Construction Qualifications, page 17

To qualify as “Enhanced Structural Systems Construction” (“ESS Construction”) for purposes of the Total Development Cost Limitation calculation, the proposed Development must meet the ESS Construction qualifications outlined in the RFA.

5. Location

- a. Applicants may apply for funding in Medium and Large Counties, page 18

Note: There is a goal to fund one Application in a Medium and Large County and a goal to fund one Application in the Central Florida and the Tampa Bay Regions, page 61.

Region	Large Counties	Medium Counties			
North Florida	Duval	Alachua Bay	Clay Escambia Flagler	Leon Marion Okaloosa	St. Johns Santa Rosa Volusia
Central Florida	Orange	Brevard	Indian River Martin	Osceola Polk	Seminole St. Lucie
Tampa Bay	Hillsborough Pinellas	Charlotte Citrus Hernando	Lake Lee	Manatee Pasco	Sarasota Sumter
South Florida	Broward Miami-Dade Palm Beach	Collier	Highlands		

- b. Provide the address of the proposed Development, page 18
- c. State whether the proposed Development consists of Scattered Sites, page 18

Note: Developments are limited to three (3) Scattered Sites.

d. Latitude/Longitude Coordinates, page 19

Provide the latitude and longitude coordinates for the Development Location Point, and all Scattered Sites, if applicable, stated in decimal degrees, rounded to at least the sixth decimal place.

6. Units

a. Total Number of Units, page 19

- Medium County Applications must have a minimum of 30 units.
- Large County Applications must have a minimum of 50 units.

b. Breakdown of number of units that are new construction or rehabilitation, page 19

c. If the Development Category is Rehabilitation, with or without Acquisition, indicate whether there are any existing units on the Development site as of Application Deadline, and if so, the occupancy status of such units, page 19.

d. Set-Aside Commitments, page 19

(1) Required Income Set-Aside Units

If not committing to the Average Income Test, 80 percent of the units shall be rented to households (person or persons) with incomes at or below 60 percent of the Area Median Income (AMI).

If the Applicant commits to the Average Income Test, the Applicant must set aside a total of at least 80 percent of the Development's total units at 80 percent AMI or less, but the average AMI of all of the Set-Aside units cannot exceed 60 percent.

(2) Required ELI Commitments

If the Applicant does not commit to the Average Income Test, the Applicant must commit to set aside 15 percent of the total units in the proposed Development to serve Extremely Low Income (ELI) Households. One-third of the required ELI Set-Aside units, (i.e., five (5) percent of the total units), are eligible for ELI Loan funding up to the maximum ELI request amounts outlined in the RFA.

If the Applicant commits to the Average Income Test, the proposed Development must set aside 20 percent of total units for ELI Households. The ELI AMI level will be 30%, regardless of county. If the Applicant commits to the Average Income Test, the Applicant is not eligible for ELI Loan funding.

(3) Optional National Housing Trust Fund (NHTF) Units, page 22

If the Applicant committed to the Development Category of New Construction, the Applicant may also request forgivable NHTF loan funding to subsidize additional deep targeted units for Persons with Special Needs (NHTF Units) at 22% AMI as further described in Section One, Section Four, A.10.a.(4) and Exhibit I of the RFA. The NHTF Units will be in addition to the requirement to set aside ELI Set-Aside units.

- (a) If NHTF Funding is requested and the proposed Development is located in a Large County, four units that were committed to serving 60% AMI (or higher if an adequate amount of 60 percent units are not available) will be deemed NHTF Units;
- (b) If NHTF Funding is requested and the proposed Development is located in a Medium County, three units that were committed to serving 60% AMI (or higher if an adequate amount of 60 percent units are not available) will be deemed NHTF Units.

e. Unit Mix, page 26

The Applicant must complete the Unit Mix Chart listing the total number of bedrooms per unit, the total number of bathrooms per unit (including half-baths, if applicable), the total number of units per bedroom type, and the number of units that are ELI Set-Aside units.

- Units must consist of Zero (0), one (1), two (2), or three (3) bedrooms only;
- At least 40 percent of the total units, rounded up, must be one-bedroom units;
- No more than 50 percent of the total units, rounded up, may be Zero Bedroom Units; and
- No more than 25 percent of the total units, rounded up, may be three (3) bedroom units.

f. Number of residential buildings must be provided, page 26

g. Compliance Period Requirements, page 27.

7. Readiness to Proceed, page 27

- a. A Site Control form must be submitted with site control documentation and executed by the Authorized Principal Representative.

Applicants must demonstrate site control as of Application Deadline by providing an eligible contract (effective at least through September 30, 2020), a deed, and/or a lease.

- b. The Ability to Proceed forms (zoning, electricity, water, sewer/package treatment/septic tank, roads) are provided on the Corporation's Website.

Note: The forms must be dated within 12 months of the Application Deadline.

8. Required Construction Features, page 30

All units are expected must meet all requirements as outlined in the RFA. If the proposed Development consists of rehabilitation, the proposed Development's ability to provide all construction features will be confirmed.

- a. Federal Requirements and State Building Code Requirements, page 31

Note: Section 504 of the Rehabilitation Act of 1973 requirements are met through the Applicant's commitment to meet either the Level 1 or Level 2 requirements described in c. below.

- b. General Features, page 31

- c. Accessibility, Adaptability, Universal Design and Visitability Features, page 32

- (1) Level 1 Accessibility Requirements
- (2) Level 2 Accessibility Requirements

d. Required Green Building Features for all Developments, page 34

- (1) Proposed Developments with the Development Category of New Construction

Proposed Developments with the Development Category of New Construction must select one of the following Green Building Certification programs: Leadership in Energy and Environmental Design (LEED); Florida Green Building Coalition (FGBC); Energy Star certification for multifamily housing; or ICC 700 National Green Building Standard (NGBS).

- (2) Proposed Developments with the Development Category of Acquisition with Rehabilitation

Applicants must choose additional Green Building options.

9. Resident Community-Based Services Coordination, page 36

The Applicant shall commit to submit a Resident Community-Based Service Coordination Plan to Florida Housing for review and approval during credit underwriting.

10. Funding, page 37

a. Corporation Funding

- (1) Competitive Housing Credits, page 37

The Applicant's Housing Credit Request Amount cannot exceed the applicable County Category amount stated in the following chart:

County Category*	Eligible Housing Credit Request Limit
Medium County	\$1,700,000
Large County	\$2,375,000

- (2) SAIL, page 42

The SAIL Request Amount is limited to the lesser of the following:

- (a) \$70,000 per unit, in addition to the Eligible ELI Request Amount;
- (b) \$5,131,050, which includes the ELI Loan Amount;
- (c) 35 percent of the Total Development Cost (which includes the ELI Loan Amount), if the Applicant commits to at least 80 percent of the total units for the Homeless Demographic commitment at question 2.a. of Exhibit A.

(3) ELI Loan Request Amount, page 42

- If the Applicant does not commit to the Average Income Test, the Applicant is eligible for ELI Loan funding for the required ELI Set-Aside units, not to exceed 5 percent of the total units. If the Applicant commits to the Average Income Test, the Applicant is not eligible for ELI Loan funding.
- The Applicant should state the amount of ELI Loan funding the proposed Development is eligible to receive in Exhibit A, as well as on the Construction/Rehab and Permanent Analysis. Note: Applicants are limited to a total SAIL Request (SAIL plus ELI Loan) of \$5,131,050. Applicants not requesting the maximum amount of ELI funding will still be required to set aside the required units in the proposed Development to serve Extremely Low Income Households, as outlined in 6.b.(2) above.
- The ELI Loan funding will be in the form of a forgivable loan in an amount per ELI Set-Aside unit that is dependent upon the proposed Development's unit mix and the county where the proposed Development is located.
- The ELI Set-Aside units must be distributed across the unit mix on a pro-rata basis.

(4) NHTF Loan Funding, page 43 and Exhibit I of the RFA.

Applicants proposing Developments in Medium Counties that commit to the Development Category of New Construction may request NHTF Funding for three NHTF Units. Applicants proposing Developments in Large Counties that commit to the Development Category of New Construction may request NHTF Funding for four NHTF Units. The per unit amounts depend on the county and are outlined in the chart in Exhibit I of the RFA.

b. Developer Fee / General Contractor Fee/Operating Deficit Reserve

(1) Developer fee, page 47

The Developer Fee is limited to 16 percent of the Development Cost; however, the Corporation will allow Applicants to provide a Developer Fee up to 21 percent of the Development Cost to be stated on the Development Cost Pro Forma, with up to 5 percent of the Development Cost placed in an operating deficit reserve account to be held by the Corporation or its servicer.

(2) General Contractor fee shall be limited to 14 percent of actual construction cost, page 49.

c. Completing the Development Cost Pro Forma, page 46

d. Qualifying Financial Assistance Funding Preference, page 50

To qualify for the Qualifying Financial Assistance Preference, the Applicant must meet one of the following requirements:

(1) Cash Funding equals at least 3 percent of the Applicant's Eligible SAIL Request



Amount

(2) Donation of Land by a Local Government

If the Applicant qualifies for this preference through the donation of land and is awarded funding under this RFA, the Applicant will not receive any Corporation funding towards the cost of the land.

Note: In-kind donations, waivers of any fees, and any funding from the Corporation are not considered Qualifying Financial Assistance, although they can be used to help reduce costs in the construction of the proposed Development.

- e. Per Unit Construction Funding Preference, page 51
- e. Total Development Cost Per Unit Limitation, page 60

**Narrative Scoring**

1. Operating/Managing Experience, page 52 (Maximum of 40 points)
2. Access to Community-Based Services and Resources, page 53 (Maximum 55 Points)
  - a. Access to community-based general services such as shopping for groceries, medicine, clothing, and other household and personal items (Up to 20 Points)
  - b. Access to community-based services and resources that address tenants' physical health, behavioral health and wellness, and self-sufficiency services and activities that can lead to stable and integrated lives in their community (Up to 35 Points)
3. Approach Toward Tenant Application and Screening Procedures for Households Applying for Tenancy, page 55 (Up to 25 Points)
4. Involvement in the local homeless resources network, page 56 (Up to 15 Points)

**Funding Selection**

- A. Goals, page 61
  1. A goal to fund one Application located in the Central Florida Region.
  2. A goal to fund one Application located in the Tampa Bay Region.
  3. A goal to fund one Application located in a Medium County.
  4. A goal to fund one Application located in a Large County.
  5. A goal to fund one Non-Profit Application.

An Application that is selected for funding may meet more than one goal. For instance, if a Non-Profit Application for a proposed Development in Brevard County is the first Application selected for funding, it will meet the goal to fund a Non-Profit Application, the goal to fund an Application located in the Central Florida Region, and also a goal to fund one Application located in a Medium County. The next Application will be the highest-ranking application for a proposed Development in a Large County in the Tampa Bay Region. If funding remains, then the highest-ranking Application that can be fully funded will be selected.

B. County Award Tally, page 62

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

Prior to beginning the funding selection process, Lee County, a county that received an award in RFA 2019-106, will be considered to have one Application credited towards the County Award Tally.

C. Application Sorting Order, page 62

The highest scoring Applications will be determined by first sorting together all eligible Applications that are awarded at least 96 points from highest score to lowest score, with any scores that are tied separated in the following order:

1. Operating/Managing Experience points received;
2. Involvement in the Local Homeless Resources Network points received;
3. Application's Leveraging Classification;
4. Qualifying Financial Assistance Funding Preference;
5. Per Unit Construction Funding Preference;
6. Florida Job Creation Funding Preference; and
7. Lottery number.

D. Funding Selection Process, page 63

**Exhibits to RFA**

Exhibit A – Application, page 65

Exhibit B – Definitions used in RFA that are not defined in Rule, page 79

Exhibit C – Additional Information, page 81

1. Total Development Cost Per Unit Limitation methodology used in credit underwriting and final cost certification, page 81
2. Leveraging Classification, page 89
4. Florida Job Creation Funding Preference, page 89
5. Fees, page 91
6. Additional Requirements, page 95

Exhibit D – Timeline, page 98

Exhibit E – Intentionally Omitted for this RFA

Exhibit F – Rehabilitation Scoping Process with a Capital Needs Assessment, page 104

Exhibit G - Tenant Application and Selection Requirements, page 114

Exhibit H – Credit Underwriting Procedures for the ELI Loan, page 116

Exhibit I – Credit Underwriting Procedures for the NHTF Forgivable Loan, page 120

**Other Important Information**

A. Question and Answers process outlined in Section Three, D. of the RFA

B. Expected Timeline

<i>Issue RFA</i>	<i>February 20, 2020</i>
<i>RFA Due Date</i>	<i>March 31, 2020</i>
<i>Review Committee Meeting (make recommendations to Board)</i>	<i>May 13, 2020</i>
<i>Request Board Approval of Recommendations</i>	<i>May 29, 2020</i>