

FLORIDA HOUSING FINANCE CORPORATION
Board Meeting
March 4, 2022
Action Items



MULTIFAMILY PROGRAMS

Action

I. MULTIFAMILY PROGRAMS

A. RFA 2021-204 Housing Credit Financing For The Preservation Of Existing Affordable Multifamily Housing Developments

1. Background

- a) On November 4, 2021, Florida Housing Finance Corporation (Florida Housing) issued RFA 2021-204 offering \$4,075,000 in 9% Housing Credits for the preservation of existing affordable multifamily housing developments in Medium or Large Counties.
- b) The deadline for receipt of Applications was 3:00 p.m., Eastern Time, December 7, 2021.

2. Present Situation

- a) Florida Housing received 5 Applications in response to this RFA. The Review Committee members, designated by the Executive Director, were Rebecca Sheffield, Multifamily Programs Coordinator (Chair), Elizabeth Crane, Multifamily Programs Manager, and Mitch Englert, Multifamily Programs Manager. Each member of the Review Committee independently evaluated and scored their assigned portions of the submitted Applications, consulting with non-committee staff and legal counsel as necessary and appropriate.
- b) At its February 22, 2022 Review Committee meeting, the individual committee members presented their scores and the Committee carried out the funding selection process in accordance with Section Five, B. of the RFA. The individual scores are set forth on the RFA webpage and can be accessed [here](#).
- c) The RFA 2021-204 All Applications chart (provided as [Exhibit A](#)) lists the eligible and ineligible Applications. The Applications are listed in assigned Application Number order. There were no ineligible Applications.
- d) The Review Committee considered the following motions:
 - (1) A motion for the Review Committee to approve the scoring results and recommendations for funding as set out on Exhibit A:
 - (2) A motion to recommend that the Board approve the scoring results and recommendations for funding as set out on Exhibit A.
- e) The motions passed unanimously.

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3. **Recommendation**

- a) Approve the Committee's recommendations that the Board adopt the scoring results of the 5 Applications and authorize the tentative selection of the 5 Applications (set out on Exhibit A) for funding.
- b) If no notice of protest or formal written protest is filed in accordance with Section 120.57(3), Fla. Stat., et. al., staff will proceed to issue an invitation to enter credit underwriting to the Application set out on the Exhibit A.
- c) If a notice of protest or formal written protest is filed in accordance with Section 120.57(3), Fla. Stat., et. al., then at the completion of all litigation, staff will present all Recommended Orders for Board approval prior to issuing invitations to enter credit underwriting to those Applicants in the funding range.
- d) There is \$85,263 in 9% Housing Credits remaining. As provided in Section Five, B. of the RFA, any remaining funding will be distributed as approved by the Board.

MULTIFAMILY PROGRAMS

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B. RFA 2021-206 HOME Financing For The Construction Of Small, Rural Developments

1. Background

- a) On December 15, 2021, Florida Housing Finance Corporation (Florida Housing) issued RFA 2021-206 offering \$20,000,000 in HOME Investment Partnerships (HOME-rental) Program funding for Developments in Rural Areas.
- b) The deadline for receipt of Applications was 3:00 p.m., Eastern Time, January 25, 2022.

2. Present Situation

- a) Florida Housing received 9 Applications in response to this RFA. The Review Committee members, designated by the Executive Director, were Nicole Gibson, Federal Loans Program Director (Chair), Cori McDougall, Multifamily Programs Manager, and Tim Kennedy, Multifamily Loans/Bonds Director. Each member of the Review Committee independently evaluated and scored their assigned portions of the submitted Applications, consulting with non-committee staff and legal counsel as necessary and appropriate.
- b) At its February 23, 2022 Review Committee meeting, the individual committee members presented their scores and the Committee carried out the funding selection process in accordance with Section Five, B. of the RFA. The individual scores are set forth on the RFA webpage and can be accessed [here](#).
- c) The RFA 2021-206 All Applications chart (provided as [Exhibit B](#)) lists the eligible and ineligible Applications. The eligible Applications (i.e., Applications that met all criteria to be eligible to be considered for funding) and the ineligible Applications are listed in assigned Application Number order.
- d) The Review Committee considered the following motions:
 - (1) A motion for the Review Committee to approve the scoring results as set out on Exhibit B and recommendations for funding as set out on [Exhibit C](#);
 - (2) A motion to recommend that the Board approve the scoring results as set out on Exhibit B and recommendations for funding as set out on Exhibit C.
- e) The motions passed unanimously.

3. Recommendation

- a) Approve the Committee's recommendations that the Board adopt the scoring results of the 9 Applications (set out on Exhibit B) and authorize the tentative selection of the 3 Applications (set out on Exhibit C) for funding.

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- b) There is \$2,956,000 in HOME funding remaining. As provided in Section Five, B. of the RFA, any remaining funding will be distributed as approved by the Board. In addition to the remaining funding in this RFA, there is available additional HOME funding to fund a maximum of one additional eligible Application. Staff recommends utilizing the remaining funding in this RFA, with enough available HOME funding to fully fund the next highest ranked eligible unfunded Application, subject to the County Award Tally. The next highest ranking eligible Application is Pollywog Creek Mews, Application Number 2022-242H, with a HOME request amount of \$5,690,000.
- c) If no notice of protest or formal written protest is filed in accordance with Section 120.57(3), Fla. Stat., et. al., staff will proceed to issue an invitation to enter credit underwriting to the Application set out on the Exhibit C, including the next highest ranking eligible Application, if approved by the Board.
- d) If a notice of protest or formal written protest is filed in accordance with Section 120.57(3), Fla. Stat., et. al., then at the completion of all litigation, staff will present all Recommended Orders for Board approval prior to issuing invitations to enter credit underwriting to those Applicants in the funding range. If, as a result of litigation, the Application funding selection order changes, there is enough HOME funding available to funding a total of four Applications, regardless of the result of litigation.

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C. RFA 2022-104 SAIL Financing Farmworker And Commercial Fishing Worker Housing

1. Background

- a) On December 9, 2021, Florida Housing Finance Corporation (Florida Housing) issued RFA 2022-104 offering \$5,125,000 in State Apartment Incentive Loan (SAIL) funding for Applicants proposing (i) the construction of Commercial Fishing Worker or Farmworker Developments; or (ii) the Substantial Rehabilitation or Acquisition and Substantial Rehabilitation of existing Farmworker or Commercial Fishing Worker Developments that are currently in the Corporation's portfolio and/or the United States Department of Agriculture Rural Development (RD) portfolio.
- b) The deadline for receipt of Applications was 3:00 p.m., Eastern Time, January 20, 2022.

2. Present Situation

- a) Florida Housing received 1 Application in response to this RFA. The Review Committee members, designated by the Executive Director, were Rita Guzman, Multifamily Allocations Analyst, Sheila Freaney, Board Liaison/Policy Manager, Diana Fields, Policy Administrator, Ryan McKinless, Policy Coordinator, and Lisa Walker, Multifamily Programs Manager. Each member of the Review Committee independently evaluated and scored their assigned portions of the submitted Applications, consulting with non-committee staff and legal counsel as necessary and appropriate.
- b) At its February 23, 2022 Review Committee meeting, the individual committee members presented their scores and the Committee carried out the funding selection process in accordance with Section Five, B. of the RFA. The individual scores are set forth on the RFA webpage and can be accessed [here](#).
- c) The RFA 2022-104 All Applications chart (provided as [Exhibit D](#)) lists the eligible and ineligible Applications. The Applications are listed in assigned Application Number order. There were no ineligible Applications.
- d) The Review Committee considered the following motions:
 - (1) A motion for the Review Committee to approve the scoring results and recommendations for funding as set out on Exhibit D;
 - (2) A motion to recommend that the Board approve the scoring results and recommendations for funding as set out on Exhibit D.
- e) The motions passed unanimously.

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3. **Recommendation**

- a) Approve the Committee's recommendations that the Board adopt the scoring results of the 1 Application and authorize the tentative selection of the 1 Application (set out on Exhibit D) for funding.
- b) If no notice of protest or formal written protest is filed in accordance with Section 120.57(3), Fla. Stat., et. al., staff will proceed to issue an invitation to enter credit underwriting to the Application set out on the Exhibit E.
- c) There is \$825,000 in SAIL funding remaining. As provided in Section Five, B. of the RFA, any remaining funding will be distributed as approved by the Board.
- d) If a notice of protest or formal written protest is filed in accordance with Section 120.57(3), Fla. Stat., et. al., then at the completion of all litigation, staff will present all Recommended Orders for Board approval prior to issuing invitations to enter credit underwriting to those Applicants in the funding range.

MULTIFAMILY PROGRAMS

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D. RFA 2022-301 Housing Credit Financing For Affordable Housing Developments Located In Duval County

1. Background

- a) On January 24, 2022, Florida Housing Finance Corporation (Florida Housing) issued RFA 2022-301 offering \$1,868,000 in 9% Housing Credits for award to proposed Developments located in Duval County.
- b) The deadline for receipt of Applications was 3:00 p.m., Eastern Time, February 8, 2022.

2. Present Situation

- a) Florida Housing received 4 Applications in response to this RFA. The Review Committee members, designated by the Executive Director, were Rita Guzman, Multifamily Allocation Analyst (Chair), Tammy Bearden, Loan Closing Coordinator, and Matt Jugenheimer, Development Finance Administrator. Each member of the Review Committee independently evaluated and scored their assigned portions of the submitted Applications, consulting with non-committee staff and legal counsel as necessary and appropriate.
- b) At its February 22, 2022 Review Committee meeting, the individual committee members presented their scores and the Committee carried out the funding selection process in accordance with Section Five, B. of the RFA. The individual scores are set forth on the RFA webpage and can be accessed [here](#).
- c) The RFA 2022-301 All Applications chart (provided as [Exhibit E](#)) lists the eligible and ineligible Applications. The Applications are listed in assigned Application Number order. There were no ineligible Applications.
- d) The Review Committee considered the following motions:
 - (1) A motion for the Review Committee to approve the scoring results as set out on Exhibit E and recommendations for funding as set out on [Exhibit F](#):
 - (2) A motion to recommend that the Board approve the scoring results as set out on Exhibit E and recommendations for funding as set out on Exhibit F.
- e) The motions passed unanimously.

MULTIFAMILY PROGRAMS

Action

3. **Recommendation**

- a) Approve the Committee's recommendations that the Board adopt the scoring results of the 4 Applications (set out on Exhibit E) and authorize the tentative selection of the 1 Applications (set out on Exhibit F) for funding.
- b) If no notice of protest or formal written protest is filed in accordance with Section 120.57(3), Fla. Stat., et. al., staff will proceed to issue an invitation to enter credit underwriting to the Application set out on the Exhibit F.
- c) If a notice of protest or formal written protest is filed in accordance with Section 120.57(3), Fla. Stat., et. al., then at the completion of all litigation, staff will present all Recommended Orders for Board approval prior to issuing invitations to enter credit underwriting to those Applicants in the funding range.
- d) There is no Housing Credits funding remaining. As provided in Section Five, B. of the RFA, any remaining funding will be distributed as approved by the Board.

MULTIFAMILY PROGRAMS

Action

E. Request for Approval to Allocate Remaining Funding from RFA 2021-201 to RFA 2022-208

1. Background

- a) On July 20, 2021, staff issued RFA 2021-201 Housing Credit Financing For Affordable Housing Developments Located In Medium And Small Counties, offering \$14,971,500 in Housing Credits for Developments located in Medium and Small Counties.
- b) The Review Committee met on November 18, 2021 and recommended the tentative selection of 10 Applications for funding. The Review Committee recommendations were approved by the Board on December 10, 2021. There was \$576,850 in Housing Credits remaining. As provided in Section Five, B. of the RFA, any remaining funding will be distributed as approved by the Board.
- c) Petitions were filed in RFA 2021-201 and the hearing was held before an Administrative Law Judge (ALJ) on February 9, 2022.

2. Present Situation

- a) While the Recommended Order for RFA 2021-201 from the ALJ has not yet been received, it is anticipated that regardless of the results of the litigation, at least \$300,000 in available Housing Credits will remain.
- b) A workshop regarding RFA 2022-208 SAIL and Housing Credit Financing For The Construction Of Workforce Housing In Monroe County was held on January 26, 2022 and staff originally planned to issue the RFA on February 25, 2022. The RFA currently offers \$5,520,000 in State Apartment Incentive Loan (SAIL) funding and \$1,500,000 in Housing Credits for the construction of Workforce Housing in Monroe County.
- c) As RFA 2021-201 targets medium and small Counties, and RFA 2022-208 targets Monroe County, a small county, staff would like to add \$300,000 of the remaining Housing Credits from RFA 2021-201 to 2022-208, making the total available Housing Credits in RFA 2022-208 \$1,800,000, to allow for the capacity to award more units that with the currently available Housing Credit allocation. Staff will issue the RFA on March 7, 2022, with an Application Deadline of March 31, 2022. The Review Committee meeting will be held on April 19, 2022, with results presented to the Board for approval on April 29, 2022.

3. Recommendation

- a) Authorize staff to allocate \$300,000 of the remaining Housing Credit funding from RFA 2021-201 to RFA 2022-208 SAIL and Housing Credit Financing For The Construction Of Workforce Housing In Monroe County.

MULTIFAMILY PROGRAMS

Action Supplement

I. MULTIFAMILY PROGRAMS

A. Request to Exchange Original Award of CDBG-DR Funding with Available Corporation Resources for Metro Grande III (RFA 2019-102 / 2020-041D)

Name of Development: Metro Grande III	Location: Miami-Dade
Developer/Principal: Cornerstone Group Partners, LLC / Mara S. Mades	Demographic/Number of Units: Workforce / 84 Units
Funding Request Amount: \$3,175,000 – CDBG-DR \$1,524,816 – 4% Housing Credits Local Tax-Exempt Bonds	Development Category: New Construction/High Rise

1. **Background**

- a) On July 30, 2019, staff issued RFA 2019-102 Community Development Block Grant-Disaster Recovery (CDBG-DR) To Be Used In Conjunction With Tax-Exempt MMRB And Non-Competitive Housing Credits In Counties Deemed Hurricane Recovery Priorities. The Application Deadline was September 24, 2019 and the Board approved the Review Committee’s Recommendations on December 13, 2019. Following the completion of litigation and approval of the Board, staff issued a preliminary commitment letter on April 23, 2020.
- b) The Applicant had a deadline of April 24, 2021 to complete the credit underwriting report and be issued a firm loan commitment. On March 12, 2021, the Board approved an extension of the firm commitment deadline to October 28, 2021 due to conditions created by the COVID-19 pandemic.
- c) On September 2, 2021, staff received a final credit underwriting report with a positive recommendation for a CDBG-DR loan in the amount of \$3,175,000 and Non-Competitive Housing Credits annually in the amount of \$1,524,816. The Board approved the credit underwriting report on September 10, 2021 and a firm loan commitment was issued.

2. **Present Situation**

- a) Pursuant to the RFA, Developments are required to comply with the HUD environmental requirements as provided in 24 CFR Part 58 and National Environmental Policy Act of 1969. Additional environmental compliance requirements were added to the funding in the Federal Register authorizing the use the CDBG-DR for Hurricane Irma.
- b) The Development will not achieve compliance with these additional HUD environmental requirements and is therefore not eligible for CDBG-DR funding. The Applicant has requested ([Exhibit A](#)) to return the CDBG-DR funding in exchange for other available Corporation funding.

3. **Recommendation**

- a) Approve the request for alternative available Corporation funding, comprised of Program Income earned from previous disaster funding, upon the Applicant’s return of the CDBG-DR funding.

PROFESSIONAL SERVICES SELECTION (PSS)

Action

I. PROFESSIONAL SERVICES SELECTION (PSS)

A. Competitive Solicitation for Unified Threat Management Hardware

1. Background

- a) Unified threat management (UTM) is an approach to information security where a single hardware or software installation provides multiple security functions and a single management/reporting point for staff.

2. Present Situation

- a) Florida Housing currently uses Check Point Software Technologies' premium support UTM software and has budgeted for a hardware upgrade in 2022. This upgrade is critical to support ongoing efforts to prevent, detect, and respond to a wide range of potential threats to our network quickly and effectively.

3. Recommendation

- a) Authorize staff to proceed with a competitive solicitation to procure the required hardware required to support Florida Housing's UTM system.

PROFESSIONAL SERVICES SELECTION (PSS)

Action

B. Competitive Solicitation for the Housing Stability for Homeless Schoolchildren Initiative

1. Background

- a) Florida Housing established two demonstration projects, in Hernando and Santa Rosa Counties, to evaluate the use of federal HOME funds for tenant-based rental assistance, paired with Department of Education McKinney-Vento Program resources and community-based case management resources to help families with school-aged children who are experiencing homelessness establish housing stability and achieve self-sufficiency.
- b) At its January 2020 meeting, the Board adopted Florida Housing's current Strategic Plan. Priority III of this plan is to "enhance opportunities for special needs and homeless households to access rental housing paired with supportive services." One of the sub-strategies under this Priority is to "continue efforts, such as the Homeless Schoolchildren Pilot in Rural and Small Communities, to evaluate and address the housing-related needs of homeless households with school-age children that facilitate housing stability, continuity in the children's educations and greater self-sufficiency for the family."
- c) The results from these demonstration projects proved successful, which led to the prioritization of this demonstration project becoming a more formalized effort within Florida Housing as the Housing Stability for Homeless Schoolchildren Initiative.
- d) In May 2020, with approval from the Board, Florida Housing staff took efforts to replicate the best practices learned from these demonstration projects and expand the Initiative into additional counties. Staff developed a competitive solicitation with the intent to award additional counties with up to \$500,000 in HOME funds to provide tenant-based rental assistance for families with children participating in the school district's McKinney-Vento Program.
- e) The Initiative assists eligible households obtain and keep suitable rental housing for a period of up to 24 months. The tenant-based rental assistance provided by Florida Housing is administered by the local Public Housing Authority through a contractual agreement with Florida Housing. Supportive services are provided by successful applicants and their partner organizations.
- f) In August 2020, successful applicants from Alachua, Bay, and Charlotte Counties were approved by the Board for funding. Each partnership included commitments from representatives of the County's School District, the local Public Housing Authority, a Case Management Organization, and the local homeless Continuum of Care lead agency.

2. Present Situation

- a) Florida Housing currently supports five counties participating in the Housing Stability for Homeless Schoolchildren Initiative – Alachua, Bay, Charlotte, Hernando, and Santa Rosa counties. Staff meet regularly with members from each county partnership to address specific questions and/or challenges faced. Additionally, staff work to coordinate peer meetings between counties to foster collaborative approaches that yield positive results in similar communities.

PROFESSIONAL SERVICES SELECTION (PSS)

Action

- b) Florida Housing has done its due diligence to determine if a new competitive solicitation should be issued for eligible county partnerships. Staff believes that based upon identified needs throughout the state the continuation of this strategy can and will meet housing stability needs of eligible households in smaller and more rural communities.

3. **Recommendation**

- a) Approve staff recommendation that the Board authorize Florida Housing to issue a new competitive solicitation to expand the Housing Stability for Homeless Schoolchildren Initiative with up to three new County partnerships. Each Board approved Applicant will be eligible to receive up to \$500,000 in HOME Funds to provide tenant based rental assistance for families with children participating in the respective school district's McKinney-Vento Program for homeless schoolchildren.

PROFESSIONAL SERVICES SELECTION (PSS)

Action

C. **Competitive Solicitation to provide Mortgage Loan Servicing and other Master Servicer functions for the Single Family Homebuyer Loan Program**

1. **Background**

- a) Florida Housing contracts with an outside firm to perform all of the loan servicing functions for the Single Family Homebuyer Loan Program (“Program”). These functions include: pooling first mortgage loans into mortgage backed securities (“MBS”), perform all loan servicing functions for both first and second mortgages in conjunction with the Program, provide reporting on loans pooled into MBS, provide periodic lending training sessions as needed, and sell whole loans in the cash window as requested by FHFC.

2. **Present Situation**

- a) The current contract for these services with U.S. Bank expires on September 30, 2022, and Florida Housing has a continuing need for these services.

3. **Recommendation**

- a) Authorize staff to proceed with a competitive solicitation to select one or more qualified firms to provide servicing for the Program.

PROFESSIONAL SERVICES SELECTION (PSS)

Action

D. Competitive Solicitation for Compliance Administration for the Single Family Homebuyer Loan Program

1. Background

- a) In 2018, the Board authorized staff to issue a competitive solicitation for compliance administration services and a contract was awarded to Housing and Development Services Inc., d/b/a eHousing Plus to provide compliance administration services for the Single Family Homebuyer Loan Program.

2. Present Situation

- a) The contract is set to expire on September 30, 2022 and there is a continuing need for these services.

3. Recommendation

- a) Authorize staff to proceed with a competitive solicitation to select one or more qualified firms to provide compliance administration services for the Single Family Homebuyer Loan Program.

PROFESSIONAL SERVICES SELECTION (PSS)

Action

E. Request for Applications (RFA) 2022-02 for the Homebuilders New Construction Pilot Program

1. **Background**

- a) At the December 10, 2021 meeting, the Board authorized Florida Housing staff to issue a competitive solicitation for the Homebuilders New Construction Pilot Program and authorized the Executive Director to establish a Review Committee to make a recommendation to the Board.

2. **Present Situation**

- a) Request for Applications (RFA) 2022-02 was issued on January 3, 2022. The deadline for receipt of applications was 2:00 p.m., January 26, 2022. A copy of the RFA is provided as [Exhibit A](#).
- b) Five responses were received from the following:
 - (1) Fader & Co. LLC
 - (2) FCA LLC
 - (3) Future Leaders Community Development Corporation
 - (4) HBR Construction LLC
 - (5) Homes Bring Hope, LLC
- c) Members of the review committee were Nicole Gibson (Chairperson), Federal Loan Programs Director; Amanda Franklin, Federal Loan Programs Manager; and Donna Phillips, Senior Federal Loan Programs Analyst.
- d) Each member of the Review Committee individually reviewed the proposal prior to convening for the Review Committee meeting which was held at 2:00 p.m., Wednesday, February 16, 2022.
- e) At the February 16th meeting, the Review Committee provided final scores for the response. The score sheet is provided as [Exhibit B](#).

3. **Recommendation**

- a) The Review Committee recommends that the Board authorize Florida Housing to proceed with the funding process for HBR Construction, LLC and Homes Bring Hope, LLC. Should negotiations fail or should either firm be unsuccessful in credit underwriting, the Review Committee recommends proceeding with the third-highest scoring applicant, Future Leaders Community Development Corporation.

PROFESSIONAL SERVICES SELECTION (PSS)

Action

F. **Contract Renewal for To-Be-Announced (TBA) Program Administrator for the Homebuyer Loan Program**

1. **Background**

- a) At the July 17, 2020 meeting, the Board authorized Florida Housing staff to enter into contract negotiations with Hilltop Securities, Inc., to serve as the Corporation's TBA Program Administrator for the Homebuyer Loan Program. The current contract for these services expires August 12, 2022.
- b) Contingent upon satisfactorily performing its obligations under the contract as determined by Florida Housing, this contract may be renewed for an additional two-year period.

2. **Present Situation**

- a) Florida Housing staff supports using the two-year renewal option.

3. **Recommendation**

- a) Staff recommends the Board direct staff to proceed with the two-year renewal option.