

FLORIDA HOUSING FINANCE CORPORATION

**Workshop Agenda – RFA 2020-102 SAIL Financing for Smaller Developments for
Persons with Special Needs**

**February 11, 2020, 10:00 a.m., Eastern Time
227 N. Bronough Street, Tallahassee, Florida**

Call-In Information: 1.888.339.2688 Passcode: 495 761 29

The RFA Webpage can be found at <https://www.floridahousing.org/programs/developers-multifamily-programs/competitive/2020/2020-102> (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. Approximately \$9,340,730 in SAIL funding is available for Applications to provide Permanent Supportive Housing* for Persons with Special Needs as defined in Section 420.0004(13), F.S.

These persons may be living in residential facilities, homeless, or living in the community but lack affordable and permanent rental housing that provides assistance with housing stability and coordinated access to appropriate community-based healthcare and supportive services. Applicants that commit to the Persons with Special Needs demographic commitment must also commit 20 percent of the total units for Permanent Supportive Housing* for individuals and families that meet the Homeless definition as defined in Section 420.621(5), F.S.

*Permanent Supportive Housing means affordable rental housing that is leased for continued occupancy for as long as the tenant complies with lease requirements. The lease must be a minimum of 7 months and have no limits on length of tenancy related to the provision or participation in supportive services. Permanent Supportive Housing shall facilitate and promote activities of daily living, access to community-based services and amenities, and inclusion in the general community. Permanent Supportive Housing shall strive to meet the needs and preferences of the intended households.
 - 2. This RFA is open to Non-Profit Applicants proposing new construction or acquisition and Substantial Rehabilitation to create new housing for Persons with Special Needs.
 - 3. Developments in small counties are limited to a minimum of 4 units and up to a maximum of 15 units and Developments in medium and large counties are limited to a minimum of 10 units and up to a maximum of 30 units.
 - 4. The Application must meet a minimum score threshold in order to be eligible for funding.
 - 5. Group homes, Assisted Living Facilities, and other specialized licensed residential facilities, or units within a condominium complex are not eligible for funding.

Outline of RFA

- A. Section One - Introduction, page 2

- B. Section Two – Definitions, page 2
Exhibit B of the RFA, page 63, and Rules, which are posted on RFA website
- C. Section Three –RFA Procedures and Provisions, including Submission Requirements, page 2
Note: All Applicants requesting funding in this RFA shall submit to the Corporation as a part of the Application submission a non-refundable Application fee of \$1,500.
- 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. Persons with Special Needs Demographic Commitment
Applicants that commit to serve the Persons with Special Needs demographic commitment will be required to make the following set aside commitments:

At least 70 percent of the total units must consist of Permanent Supportive Housing for Persons with Special Needs as defined in Section 420.0004(13), F.S. ;

AND

At least 20 percent of the total units must consist of Permanent Supportive Housing for individuals and families that meet the definition of Homeless as defined in Section 420.621(5), F.S., (which may be the same units set aside for Persons with Special Needs).
 - b. Applicants must specify the defined Persons with Special Needs subpopulation(s) they intend to serve.
 - (1) Adult persons requiring independent living services in order to maintain housing or develop independent living skills and who have a Disabling Condition that currently impairs or is likely to impair their physical mobility;*
 - (2) Persons receiving benefits under the Social Security Disability Insurance (SSDI) program or the Supplemental Security Income (SSI) program or from veterans’ disability benefits;*
 - (3) Adult persons requiring independent living services in order to maintain housing or develop independent living skills and who have a Disabling Condition that neither currently impairs nor is likely to impair their physical mobility, such as persons with a mental illness;***
 - (4) Young adults formerly in foster care who are eligible for services under Section 409.1451(5), F.S.;** and/or

*Due to the likelihood that residents of the subpopulations described in (1) and (2) above may have Mobility Impairments, Applicants that select (1) and/or (2) above must, at a minimum, meet the accessibility, adaptability, universal design and visitability features requirements outlined in Section Four A.8.c.(1) (“Level 1 Accessibility Requirements”).

- (5) Survivors of domestic violence as defined in Section 741.28, F.S.**

**Because residents of the subpopulations described in (3), (4), and (5) above are less likely to have Mobility Impairments, Applicants that select (3) and/or (4) and/or (5) above and that do not also select (1) and/or (2) above must at a minimum meet the accessibility, adaptability, universal design and visitability features requirements outlined in Section Four A.8.c.(2) (“Level 2 Accessibility Requirements”).

- c. The Applicant must also describe the Persons with Special Needs population(s) to be served. For example, a subpopulation might be Persons with a Disabling Condition with mental illness or veterans with brain or spinal cord injuries. 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 8

- (1) State the name of the Applicant
- (2) Evidence that Applicant is legally formed entity
- (3) **Only Non-Profit Applicants are eligible for funding.** Applicants must meet the definition of a Non-Profit as set out in the RFA, and provide documents outlined in RFA.

Note: Applications that commit to provide 100 percent of the Developer Fee to one or more non-profit Applicant entities will be considered Tier 1 Applications. All Applications for proposed Developments that did not qualify as Tier 1 Applications will be considered Tier 2 Applications. Tier 1 Applications will be receive preference over Tier 2 Applications in the Funding Selection Process.

- (4) Homeless Assistance Continuum of Care requirements, page 9
 - (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 10

- (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

A natural person Principal of at least one experienced Developer entity must have, since January 1, 2000 completed at least one affordable rental housing development. At least one of the completed developments must consist of a total number of units no less than 50 percent of the total number of units in the proposed Development.

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 11. 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.

- (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, if using a Management Company, page 12
- e. Authorized Principal Representative / Operational Contact Person, page 13

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 13

- 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, page 14 (Garden Apartments, Duplexes, Triplexes, Quadraplexes)

d. Enhanced Structural Systems Construction Qualifications, page 14

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, page 15

a. The RFA is open to all counties. All counties are listed as Small, Medium and Large Counties on page 15

b. Provide the address of the proposed Development, page 15

c. State whether the proposed Development consists of Scattered Sites, page 15

d. Latitude/Longitude Coordinates, page 16

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. Number of Buildings and Units

a. Number of Units, page 16

- Small County: minimum 4 units, maximum 15 units
- Medium and Large Counties: minimum 10 units, maximum 30 units

b. Breakdown of number of units that are new construction or rehabilitation, page 16

c. If the Development Category is Acquisition with Substantial Rehabilitation, indicate whether there are any existing units on the Development site as of Application Deadline, and if so, the occupancy status of such units.

d. Set-Aside Commitments, page 16

(1) Total Income Set-Aside Units

100 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).

Applicants may rent units as Shared Housing* to allow unrelated persons the choice to share units.

* Shared Housing is defined as a rental dwelling unit that is shared by Persons with Special Needs who are not related or significant others. Each resident must have non-exclusive access to shared living space, consisting at a minimum of a kitchen and a living/dining area. Each resident in a Shared Housing unit shall sign a separate lease and shall be considered a separate household for the purposes of determining compliance with set-aside commitments, income eligibility, and rent payments.

(2) Required ELI Commitments, page 17

(a) Applicants must commit to set aside 20 percent of the total units in the proposed Development to serve Extremely Low Income (ELI) Households

- (b) A Development utilizing any type of federal or state administered project based rental assistance for a unit can apply the unit towards the requirement to set aside 20 percent of the total units as ELI units if the unit serves ELI Households.
- (c) If the ELI Set-Aside units are not proportionately distributed across the unit mix, the Corporation will redistribute the ELI Set-Aside units as needed, which may cause a reduction to the ELI Loan Amount as further outlined in 10.a.(1)(b) of the RFA.
- e. Unit Mix, page 58
- (1) 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 30 percent of the total units, rounded up, must be Zero Bedroom or one Bedroom Units;
 - No more than 25 percent of the total units, rounded up, may be three (3) bedroom units; and
 - Two (2) and three (3) bedroom units may consist of Shared Housing. One Bedroom Units are not eligible for Shared Housing.
- (2) The maximum ELI funding amount per eligible ELI Set-Aside unit the proposed Development is eligible to receive is based on the information listed by the Applicant on the Unit Mix Chart.
- f. Number of residential buildings must be provided, page 59
- g. Compliance Period Requirements, page 59
- (1) Applicants must irrevocably commit to the Persons with Special Needs demographic commitment for a minimum of 30 years.
- (2) Applicants must irrevocably commit to the Persons with Special Needs subpopulation(s) demographic commitment (outlined in 3.b. above) for a minimum of 12 years.
- (3) Applicants must irrevocably commit to the income set aside commitment for a minimum of 30 years, except that Applicants must commit to the ELI set-aside commitment for a minimum of 15 years. After 15 years all of the ELI set-aside units may convert to serve residents at or below 60 percent AMI.
7. Readiness to Proceed, page 59
- 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. Construction Features

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 24

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 25

c. Accessibility, Adaptability, Universal Design and Visitability Features, page 26

(1) Level 1 Accessibility Requirements

(2) Level 2 Accessibility Requirements

d. Required Green Building Features for all Developments, page 27

Applicants must choose additional Green Building options in Exhibit A, page 60.

9. Resident Community-Based Services Coordination, page 29

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 30

a. Corporation Funding

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

(a) \$230,000 per unit, (which will be in addition to the Eligible ELI Request Amount);

(b) \$3,450,000 per Development in a Small County, (which will be in addition to the Eligible ELI Request Amount); or

(c) \$4,670,000 Development in a Medium or Large County (which will be in addition to the Eligible ELI Request Amount)

(2) ELI Loan Request Amount

- All Applications are eligible for ELI gap funding for the required ELI Set-Aside units, not to exceed 20 percent of the total units.

- 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 not requesting the maximum amount of ELI funding will still be required to set

aside 20 percent of the total units in the proposed Development to serve Extremely Low Income Households.

- The 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.

(3) 2019 ELI County Chart is on page 17

b. Interest Rate of the SAIL loan is 0% - 1% and is based on the percentage of units that are set aside for Persons with Special Needs, page 31

c. Developer Fee / General Contractor Fee/Operating Deficit Reserve, pages 35-36

(1) Developer fee shall be limited to a total of 16 percent of Development Cost.

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

(3) Operating Deficit Reserves

Up to five percent of the Development Costs will be permitted in the Application. The operating deficit reserve will be verified and sized during credit underwriting. Any operating deficit reserve account approved in credit underwriting will be held by the Corporation or its services.

d. Qualifying Financial Assistance Funding Preference, page 38

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

(1) Cash Funding Equals at Least 3 Percent of the Eligible SAIL Loan Amount, page 37

Note: 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.

(2) Donation of Land by a Local Government, page 38

e. Per Unit Construction Funding Preference, page 38

f. Total Development Cost Per Unit Limitation, page 47

g. Leveraging, page 50

Narrative Scoring, page 63

1. Operating/Managing Experience (Maximum of 40 points)

2. Access to Community-Based Services and Resources (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 with a Person with Special Needs Applying for Tenancy (Up to 20 Points)

SCORING AND EVALUATION PROCESS

1. Tier 1 and Tier 2

Applications that commit to provide 100 percent of the Developer fee to one or more Non-Profit entities will be considered Tier 1 Applications. All Applications for proposed Developments that did not qualify as Tier 1 Applications will be considered Tier 2 Applications. Tier 1 Applications will be listed above Tier 2 Applications.
2. Application Sorting Order

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

 - a. By the Application's Qualifying Financial Assistance Funding Preference;
 - b. By the Application's Per Unit Construction Funding Preference;
 - c. By the Application's Eligible SAIL Request Amount per set-aside unit;
 - d. By the Application's SAIL Request as Percentage of Total Development Cost Preference;
 - e. By the Application's eligibility for the Florida Job Creation Preference; and
 - f. By lottery number.
3. Funding Selection Process

Exhibits to RFA

1. Exhibit A – Application, page 51
2. Exhibit B – Definitions used in RFA that are not defined in Rule, page 65
3. Exhibit C – Additional Information
 - a. Total Development Cost Per Unit Limitation methodology used in credit underwriting and final cost certification, page 67
 - b. Florida Job Creation Funding Preference, page 75
 - c. Fees, page 76

- d. Additional Requirements, page 79
- 4. Exhibit D – Timeline, page 81
- 5. Exhibit E – intentionally omitted
- 6. Exhibit F – Rehabilitation Scoping Process with a Capital Needs Assessment, page 86
- 7. Exhibit G - Tenant Application and Selection Requirements, page 94
- 8. Exhibit H – Credit Underwriting Procedures for the ELI Loan, page 96

Credit Underwriting Process

Other Important Information

- 1. Question and Answers process outlined in Section Three, D. of the RFA
- 2. Expected Timeline

<i>Issue RFA</i>	<i>March 4, 2020</i>
<i>RFA Due Date</i>	<i>April 1, 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>

Other Discussion Topics