

Financing and Supporting Rental Development

Sponsored by the
Florida Housing Finance Corporation's
Affordable Housing Catalyst Program

Florida Housing Coalition

August 16th, 2022



Presenters



Gladys Cook

Resilience and Recovery Director
and Technical Advisor

Cook@flhousing.org

(813) 830-3450



Amanda Wander

Ending Homelessness Team
Director

Wander@flhousing.org

(239) 218-5008



Ashon Nesbitt

Chief Programs Officer and
Technical Advisor

Nesbitt@flhousing.org

(813) 476-4170



Special Guest:

Matthew Wyman

Housing Services Manager
Leon County

THE FLORIDA HOUSING COALITION



Our Thanks to the Florida Housing Catalyst Program



AFFORDABLE HOUSING CATALYST PROGRAM

Sponsored by the Florida Housing
Finance Corporation



we make housing affordable™

THE FLORIDA HOUSING COALITION



Today's Agenda

- Support for the development process
- Financing rental development and FHFC's RFA process
- Stabilizing rental development through master leasing
- Rental development examples
- Featured case study

Poll: Who's attending today?

- Local government
- Nonprofit developer
- For profit developer
- Other

Support For the Development Process

THE FLORIDA HOUSING COALITION



The Development Process

- Conceptual vision
- Site Selection
- Programming/Preliminary Design
- Funding Application
- Credit Underwriting
- Funding Award and Initial Closing
- Construction and Lease-Up
- Project Stabilization and Final Closing
- Project Operation and Program Compliance



THE FLORIDA HOUSING COALITION



The Four Meetings of Pre-Development

Board of
Directors

City and County
Housing Staff

Team Members

Technical
Advisor

THE FLORIDA HOUSING COALITION



Key topics to cover in initial meeting with Nonprofit

- Proposed project description- does it meet local needs?
- Where in the process is the proposal- what is the timeline?
- What are the needs/gaps
 - Site?
 - Team?
 - Funding?
- Potential funding sources
- Development review process as applicable
- Any potential roadblocks

Understanding the Development Review Process

- Types of review needed
- Who will be involved and the typical timeline
- Fees that need to be paid – estimated amounts and timing
- Best practice: Offer pre-submittal meetings
- Best practice: Offer a navigator

Expedited Permitting

- Every local government that receives SHIP funds is required to expedite permits for affordable housing projects “to a greater degree” than other projects. See F.S. 420.9071(18), 420.9072, 420.9075, 420.9076.
- "Affordable" housing as defined in 420.9071(2)
- The SHIP statute does not establish a specific timeframe for approving permits, only that affordable projects are expedited “to a greater degree” than other projects
- If FHFC finds that a SHIP jurisdiction has failed to implement this strategy, it can withhold SHIP funds. F.S. 420.9075(13)(b).



Benefits of an Expedited Permit Process

- Time is Money!
- Lowers overall development costs
- Helps avoid setbacks by designating a local government staff member to shepherd a project through the approval process
- Gives housing staff opportunity to work closely with the developer to offer additional support as necessary



What qualifies for expedited approval?

- Any step involving an affordable housing developer's attempt to develop a parcel of land should be expedited.
- Opportunities for Expedited Review:
 - Site Plan Review- any level from preliminary to final
 - Rezoning
 - Variance
 - Right of way vacations
 - Permitting- building and development order
 - Scheduling for public hearings

Explaining the Regulatory Incentives in Your Toolbox

- Need clearly drafted guidelines
- Requires negotiation by appropriate staff- empowered planners
- Some incentives appear in other contexts- graywater, environmental
- [See AHAC Guidebook](#)
- [AHAC Webinar](#)

Listen, review, consider, collaborate!

THE FLORIDA HOUSING COALITION



Regulatory Incentive Examples

- Pasco County: expedited processing of permits and predevelopment meetings with departments
- City of Orlando: impact fee waivers- reimbursement upon completion
- City of Orlando: technical review for zoning flexibility
- HB 1339: allows local governments to approve the development of affordable housing on any parcel zoned for residential, commercial or industrial use

Impact Fee Options

- Fee Deferment
- Fee Waiver
 - When impact fees have been pledged as repayment source for local bonds, they cannot be waived.
 - Future bond issues may have built in waiver for certain circumstances, such as affordable housing.
- Fee Modification: base on square foot rather than unit. Unit fee is regressive because greater impact on smaller/more affordable unit.
- Alternative sources of payment for impact fees

Predevelopment Loan Program (PLP)

- Administered by Florida Housing (FHFC)
- Acquisition and soft costs
- Rate 1% (PHA/100% NP)
- \$500k (\$750k if land acquisition)
- Usually secured by site- 2nd position
- Due in full at close of construction financing
- Fees-\$1200 (refunded at payoff)
- Technical Assistance

Predevelopment Loan Program: Key Issues and How Local Government Can Help

- Site control
- Approvals needed for construction
- Construction and permanent financing requirements and timelines
- Local Government Contribution and/or
- Local Government Area of Opportunity

Financing for Rental Development and Florida Housing's RFA Process

THE FLORIDA HOUSING COALITION



Florida Housing's RFA Timeline

- Rulemaking Workshops
- Preliminary description, amounts and timeline for each RFA released
- For each RFA
 - Workshop
 - RFA Release
 - Applications Due and Reviewed
 - Recommendations for Funding
 - FHFC Board Approval of recommendations

Main Sources for Large-Scale Development

LIHTC

MMRB

Commercial Loans

Investors

THE FLORIDA HOUSING COALITION



Florida Housing Small-Scale RFAs

- Several RFAs for small-scale development annually for
 - Homelessness
 - Special Needs
 - Special Populations
- Sources of Funding
 - SAIL
 - Housing Credits
 - National Housing Trust Fund
 - Other agency funding

THE FLORIDA HOUSING COALITION



Benefits of Small-Scale Development

- Attainable for many nonprofits
- Can have high impact on neighborhood development
- Rental revenue can help nonprofits build financial capacity
- Experience can qualify nonprofits for larger developments and financing with FHFC

Why are these RFAs Less Competitive or Undersubscribed?

- The Applicant
 - Experience
 - Capacity
- The Proposal
 - Addressing all areas required in narratives
 - Site selection and site control
 - Local government and community support

Supporting Small-Scale Rental Development at the Local Level

- Land use and zoning flexibility
- Low-cost construction financing
- Gap financing
 - SHIP
 - SLFRF
 - Other
- Public-private partnerships
 - Community development financing institutions
 - Philanthropy

THE FLORIDA HOUSING COALITION



Local Government Application Procedures

- Three Types:
 - Incentive applications or appeals- based on project
 - Local Government Contribution (FHFC and HFA) – competitive
 - Area of Opportunity RFP (FHFC and HFA)- competitive

Local Government Contribution

- Rehab projects automatically get 5 points
- Others must demonstrate local govt support in the form of \$ grants, loans, fee deferral, or waiver of fees
- Minimum contribution is defined in RFA
- Net Present Value calc is used for loans and deferral of fees
- There are many types of contribution that are NOT approved so review carefully
- **Not to be confused with Local Government Areas of Opportunity Contributions**
- There are forms for grant, fee waiver, loan or fee deferral

Local Government Areas of Opportunity

- Funding goals in certain RFA's
- Higher minimum contribution required
- Same jurisdiction cannot be awarded funding under the funding goal in consecutive cycles
- Local Government may only select one LGAO development per RFA
- Contributions **MUST** be in the form of a loan or grant as a permanent source of financing
- Be aware of what is **NOT** considered a LGAO Contribution (fee waivers, contributions from developer, from PHA, or donation of land)

RFA Funding Process and Local Government Role

- Track RFA funding timeline and prepare competitive cycle to coincide with due dates
- Understand each RFA and requirement for Local Government Contribution or Area of Opportunity
- Prepare other forms as needed:
 - Verification of Zoning and Land Use regulations
 - Verification of Infrastructure- sewer and water
 - Within 21 days of invitation to credit underwriting:
 - Verification of environmental safety Phase 1 ESA
 - Phase II ESA if required
 - Verification of infrastructure- electricity, roads

Gap Financing for Rental Development

SAIL

HOME

SHIP

CDBG

Local
trust fund

OZ

Surplus
Land

SLFRF

ERA2

CHIRP

THE FLORIDA HOUSING COALITION



Surplus Land

- FL Statute 125.379 for counties & FL Statute 166.0451 for municipalities
 - Every 3 years create an inventory list of real property with fee simple title appropriate for affordable housing
 - Review the list at a public hearing and may revise it at the conclusion of the public hearing
 - Adopt a resolution with the inventory list
- Discounted or donated land can improve project feasibility
 - Lowers development cost without impacting tax credits
 - Removes acquisition barrier for nonprofits
- Recommend permanent affordability



Construction Housing Inflation Response Program (CHIRP) Updates

- Self-source applicants eligible to participate
 - Eligible RFAs: 2019-116, 2020-205 or 2021-205
 - Must waive right to a qualified contract
 - Have 30 days from August 5, 2022 to apply
 - Will be held to all other original deadlines
- Timing extensions for
 - completion of credit underwriting generally
 - closings on limited partnership agreements, Corporation funding and construction funding for those seeking additional Loan Funding, NHTF or HOME-ARP
 - Where tax credit investors are willing to close prior to credit underwriting, deadline for credit underwriting report will be set forth in Carryover Allocation agreement



State and Local Fiscal Recovery Funds

- From the American Rescue Plan
- \$350 billion to support state, local, and Tribal governments in their response and recovery
- Allocation information at the [Treasury's website](#)
- Uses for rental housing
 - Land acquisition
 - Site development
 - Adaptive reuse
 - Construction



Using Coronavirus State & Local Fiscal Recovery Funds (SLFRF) for Affordable Housing

The American Rescue Plan (ARP) created the Coronavirus State and Local Fiscal Recovery Fund (SLFRF), which can be used on a number of activities to address the public health and economic effects of the pandemic. This program provides a once-in-a-generation opportunity for local governments to address the affordable housing crisis. Now is the time for advocates, housing professionals, and local governments to devote a substantial amount of SLFRF dollars to address the housing crisis.

How can this money be spent on affordable housing?

Local governments have the flexibility to spend their SLFRF funds on a broad variety of affordable housing activities. The following list describes the activities that Treasury has confirmed are eligible. Even if a use is not stated here or in the Treasury Final Rule, a use may be eligible if the local government can show that the use is addressing the economic effects of COVID-19.

Construction costs	Rent and mortgage assistance	Demolition or deconstruction of vacant or abandoned buildings
Land acquisition and title clearing	Environmental remediation	Conversion of vacant or abandoned properties into affordable housing
Down payment assistance	Housing vouchers and relocation assistance	Inspection fees
Gap Financing	Supportive housing services	Site prep work and infrastructure
Operating support, housing counseling, and legal aid	Home repair and preservation	Home repair and preservation

Who is eligible?

Any housing activity that would be eligible under the HOME Investment Partnerships Program (HOME) or the National Housing Trust Fund (HTF) is presumed eligible for SLFRF funding. The following households and communities are also presumed to be eligible. Even if a household or population is not presumed eligible, a local government may still serve them if it can show the household or population was impacted economically by the pandemic.

Low- or moderate-income households or communities as defined by Treasury	Households that qualify for LIHEAP	Households and developments in a Qualified Census Tract (QCT)
Households that qualify for Section 8 vouchers	Households that experienced unemployment or housing insecurity	Households that qualify for Medicaid, TANF, SNAP, SSI, and other listed programs.

What are the main messages for advocates?

- Even though local governments are allowed to use these federal funds for a broad range of programs, there are few as pressing as the ones that address the affordable housing crisis.
- This is a once-in-a-generation opportunity to address the affordable housing shortage.
- The amount in ARPA funds that a local government receives drastically exceeds what a local government receives in SHIP funds annually.

For questions on advocacy or implementation of SLFRF-funded affordable housing programs, contact Kody Glazer at glazer@flhousing.org

This program provides a **once-in-a-generation opportunity for local governments to address the affordable housing crisis.**



Updated SLFRF Rules for Use with Rental Housing Development

- SLFRF can now be used to fund the full principal amount of certain loans that finance long-term affordable housing investments
- Loan must support an eligible use
- Must have maturity at least 20 years
- Must have affordability period of at least 20 years
- For LIHTC:
 - project owner must waive right to request a qualified contract
 - Must repay loaned funds at time of noncompliance
- See Affordable Housing How-To Guide [HERE](#)



Emergency Rental Assistance 2

- Grantee may use funds that are unobligated on October 1, 2022 for “affordable rental housing and eviction prevention purposes” serving very-low-income families
- Affordable rental housing purposes are for:
 - Construction, rehabilitation and preservation of rental housing
 - Operation of affordable rental housing projects
- To use for this purpose, must have obligated at least 75% of total ERA 2 funds for financial assistance to eligible households, eligible household stability services and eligible administrative costs
- Income limits for use of funds imposed through covenant or LURA for at least 20 years
- See FAQ 46 in Treasury guidance [HERE](#)



HOME-ARP Uses



**PRODUCTION OR
PRESERVATION OF
AFFORDABLE HOUSING**



**TENANT-BASED RENTAL
ASSISTANCE (TBRA)**



**SUPPORTIVE SERVICES,
HOMELESS PREVENTION
SERVICES, AND HOUSING
COUNSELING**

HOME-ARP Populations

- Homeless
- At risk of Homelessness
- Domestic Violence, Sexual Assault, Stalking, Human Trafficking
- Other Populations including those at greatest risk of Housing Instability



HOME-ARP Acquisition, Rehab and Construction

- Not less than 70 percent of affordable rental housing units acquired, rehabilitated, or constructed with HOME ARP funds must be occupied by households in the qualifying populations.
- Units not restricted to occupancy by qualifying populations subject to income targeting.
- HOME ARP does not impose income restrictions on units restricted for qualifying populations



HOME-ARP Acquisition, Rehab, and Construction

Can cover up to 100% of eligible costs

1. Development hard costs
2. Refinancing for rehab projects covered with HOME ARP
3. Acquisition
4. Related soft costs
5. Relocation costs
6. Costs relating to payment of loans
7. Operating costs Minimum compliance period 15 years, BUT you can make it longer to ensure affordability



Master Leasing

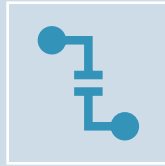
THE FLORIDA HOUSING COALITION



What is Master Leasing?



Recipient/subrecipient leases units from a property owner and in turn subleases the units to program participants



Could be individual units or cover multiple properties/units



Also referred to as Sponsor Based Leasing

THE FLORIDA HOUSING COALITION





Master Leasing helps reduce barriers for people with;

- Eviction history
- Low/No credit
- Criminal history
- Inconsistent/Lack of employment history

THE FLORIDA HOUSING COALITION



Advantages all around

Property Owner/Landlord	Service Provider	Participant
<ul style="list-style-type: none">✓ Guaranteed rent, no vacancy losses✓ Service provider address concerns with participant✓ Service provider re-house before eviction occurs✓ Local government incentives✓ Manage multiple units to one lessee	<ul style="list-style-type: none">✓ More available housing options to move participants in quickly✓ Increases options for participants with legal histories, poor credit or rental history, and low incomes✓ Can build up larger portfolio as landlords may be willing to lease more than one unit to a program over time✓ Supports leading with equity	<ul style="list-style-type: none">✓ Relaxed tenant screening criteria✓ Opportunity to build positive landlord reference✓ Service provider help mitigate tenancy issues✓ Reduces housing discrimination✓ Creates more equitable access to housing✓ Low/no security deposit✓ Shorter term sublease agreements

Considerations

Reduced risk for property owner/landlord, but increased risk to service provider

Flexible funding needed to cover vacancies and gaps between tenants

Increased liability for service providers when a participant needs to be removed or damage occurs

Faith partners and civic groups will often donate time, materials, and skills for minor cosmetic repairs between tenants.

Funding Master Leases

HUD CoC funding for Permanent Supportive Housing allows for Master Leasing

HOME-ARP allows PJs the flexibility to permit a sponsor to execute a lease for an individual unit or master lease units restricted to TBRA households

ESG funds can be used to cover rent while a participant is in the unit but flexible funding is needed to maintain the master lease with the property owner while turning over the unit if longer than 30 days

Local funding or general revenue is a great source of funding to cover unit turn over between tenants

THE FLORIDA HOUSING COALITION





Master Leasing Financing Scenarios

Local Government Owns a 32 Unit
Apartment Building

There is HUD CoC PSH, ESG-CV, HOME-
ARP, and United Way funding to cover
rent assistance for 24 month for clients
exiting homelessness

Local non-profit enters into a master
lease with the local government for 12
units in the building

Participant Scenarios and Funding of a unit for 12 months

Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
ESG-CV Emergency Shelter Funds (1-3 months)			HUD CoC Transitional Housing Funds						HUD CoC PSH Funds		
ESG-CV Rapid Rehousing Funds					Participant Payment of Rent					ESG-CV Homeless Prevention Funds	
ESG-CV Rapid Rehousing Funds				HOME-ARP TBRA							

THE FLORIDA HOUSING COALITION



Rental Housing Development Examples

Small Scale

Large Scale

Nonprofit solo, partnership, LGAO

THE FLORIDA HOUSING COALITION



RFA 2109-104 SAIL Financing for Smaller Developments for Persons with Disabling Conditions



At least 80 percent of the total units will be set aside for Permanent Supportive Housing for Persons with Special Needs; 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)



(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;



RFA 2109-104 SAIL Financing for Smaller Developments for Persons with Disabling Conditions

RFA 2019- 104 SAIL Financing for Smaller Developments for Persons with Special Needs	
Developer Profile	
Nonprofit Applicant	2 NFP Developers
New Construction	22 Units
Construction Costs	\$ 4,260,518
Developer Fee	\$ 666,323
Land	\$ 455,000
TDC All in	\$ 5,381,841

Construction Sources			Permanent Sources	
SAIL	\$ 4,639,841		SAIL	\$ 4,639,841 \$ 210,902
ELI Loan	\$ 287,000		ELI Loan	\$ 287,000 \$ 13,045
Grants	\$ 75,000		Grants	\$ 75,000 \$ 3,409
Equity contribution	\$ 305,000		Local Govt Def Loan	\$ 75,000 \$ 3,409
Total Construction Sources	\$ 5,306,841		Equity Contribution	\$ 305,000 \$ 13,864
			Total Permanent Sources	\$ 5,381,841 \$ 244,629

THE FLORIDA HOUSING COALITION





RFA 2020-205 SAIL Financing for Affordable Multifamily Housing Used in Conjunction with Tax-Exempt Bonds and Non-Competitive Housing Credits (4%) Scattered site example

- ☐ After School Program for Children
- ☒ Adult Literacy
- ☒ Employment Assistance Program
- ☐ Family Support Coordinator
- ☒ Financial Management Program
- ☐ Homeownership Opportunity Program

If the Applicant has a proposed Development located in Miami-Dade County or if the Applicant selected the Development Category of New Construction or Redevelopment, with or without Acquisition (i.e., the Application is not eligible for automatic points), has a Local Government committed to provide a contribution to the proposed Development?

Yes

Total Set-Aside Breakdown Chart	
Number of Residential Units for 50-year commitment	AMI Level
<u>Enter Number</u>	At or Below 20%
<u>7</u>	At or Below 30%
<u>Enter Number</u>	At or Below 40%
<u>Enter Number</u>	At or Below 50%
<u>14</u>	At or Below 60%
<u>21</u>	At or Below 70%
Enter Number	At or Below 80%
<u>Enter Number</u>	Market Rate Units

RFA 2020-205


Developer Profile

Nonprofit Applicant 2 NFP Developers
 1 FP Developer
 42 Units Scattered
 Sites
 New Construction
 Construction Costs + \$ 9,601,157
 Developer Fee \$ 1,725,000
 Land \$ 268,400
TDC All in \$ 11,594,557

Construction Sources		Permanent Sources		
Local HFA Bonds	\$ 6,500,000	Local HFA Bonds	\$ 4,300,000	\$ 102,381
SAIL	\$ 2,940,000	SAIL	\$ 2,940,000	\$ 70,000
ELI Loan	\$ 571,300	ELI Loan	\$ 571,300	\$ 13,602
Housing Credit Equity	\$ 2,609,191	HC Equity	\$ 3,727,416	\$ 88,748
Deferred Developer Fee	\$ 1,100,000	Deferred Dev Fee	\$ 250,000	\$ 5,952
Total Construction Sources	\$ 13,720,491	Total Permanent Sources	\$ 11,788,716	\$ 280,684

THE FLORIDA HOUSING COALITION





Coleman Park Revitalization Initiative



THE FLORIDA HOUSING COALITION



RFA 2019-113 Housing Credit Financing for Affordable Housing Development Medium County/LGAO

(1) Select one (1) of the following minimum set-aside commitments:

40% of units at 60% or lower

(vi) Does the proposed Development qualify as a Local Government Area of Opportunity?

Yes

If “Yes” provided the required information as **Attachment 14**

- ☐ After School Program for Children
- ☒ Adult Literacy
- ☒ Employment Assistance Program
- ☐ Family Support Coordinator
- ☒ Financial Management Program

Funding Goals

a. Is the proposed Development eligible for the Local Government Areas of Opportunity Funding Goal?

Yes

THE FLORIDA HOUSING COALITION



RFA 2019-113

Developer Profile

For Profit Applicant LLC Investor
 LLC Owner
 90 Units Mid-Rise Med
 County
 New Construction
 Construction Costs + \$ 15,997,289
 Developer Fee \$ 2,559,565
 Land \$ 700,000
TDC All in \$ 19,256,854

Construction Sources	
Mortgage Lender	\$ 15,750,000
Local Govt Subsidy	\$ 469,313
Housing Credit Equity	\$ 2,371,263
Deferred Developer Fee	\$ 2,000,000
Total Construction Sources	\$ 20,590,576

Permanent Sources		Per Unit
Mortgage Lender	\$ 3,400,000	\$ 37,778
Local Govt Subsidy	\$ 469,313	\$ 5,215
Housing Credit Proceeds	\$ 15,808,419	\$ 175,649
Deferred Dev Fee	\$ 1,000,000	\$ 11,111
Total Permanent Sources	\$ 20,677,732	\$ 229,753

THE FLORIDA HOUSING COALITION





Case Study: Orange Avenue Apartments



Matthew Wyman, Housing Services Manager
Leon County

THE FLORIDA HOUSING COALITION





Supporting the Redevelopment of the Orange Avenue Apartments

People Focused. Performance Driven.



Background

- Leon County, Florida
 - Located in the panhandle;
 - Population of just under 300,000
- City of Tallahassee
 - State Capital
 - Only municipality in Leon County
 - Home to approximately 2/3 of Leon County's population
- Orange Avenue Apartments
 - Tallahassee Housing Authority property
 - 29-acre complex of 200 housing units (Approximately 5 acres are in a designated flood zone)
 - Built between 1971 and 1972.



Tallahassee-Leon County Affordable Housing Workgroup

- Established jointly in October 2016 by the Leon County and City of Tallahassee Commissions to
 - highlight opportunities for greater collaboration and coordination among County and City governments and affordable housing stakeholders
- October 2017 - the Workgroup made 13 recommendations to the County Board and City Commission including:
 - supporting the redevelopment of the Orange Avenue Apartments; and
 - forming a partnership with Purpose Built Communities; and
 - revitalization of the neighborhoods surrounding the Apartments into the broader scope of the placemaking project.
- On December 11, 2017, the Board adopted the Workgroup's recommendation as a strategic initiative.



Purpose Built

- In December 2017, Purpose Built Communities invited to assist in developing the master plan for the Orange Avenue Apartment and the South City neighborhood
- Purpose Built, co-founded by Warren Buffet, provides guidance to communities to address concerns of long-standing inter-generational poverty, high crime, poor health, and failing schools via:
 - Mixed-income housing;
 - An education strategy that would engage the youth from cradle-to-college; and,
 - Easy access to resources that support the community's health and wellness



Redevelopment Master Plan

- In December 2016, Columbia Residential was selected to assist with developing a Master Plan for the Orange Avenue Corridor and a preliminary Site Plan for the redevelopment of the Orange Avenue Apartments.
 - Numerous citizen engagement workshops took place to enhance project awareness; obtain input and ideas on the project design and relocation plans.
- The master plan proposes the redevelopment of the Orange Avenue Apartments into a mixed-income multi-family housing development with 400+ units in the following 3 phases:
 - Magnolia Family I - 130 housing units all of which will be dedicated to households with incomes not greater than 60% of area median income (AMI);
 - Magnolia Family II - 160 housing units; 128 will be dedicated to households with incomes not greater than 60% of area median income (AMI); and 32 units will be market rate;
 - Magnolia Senior - 110 units via a single, three floor residential structure with an elevator dedicated to housing elderly tenants with incomes not greater than 60% of area median
- The plan also incorporates open green spaces, courtyards, and pedestrian pathways that enhance the aesthetics of the development and the quality of life for residents.



Order of Events - 2020

- March 2020 - the FHFC preliminarily approved SAIL financing for Phase I.
- April 2020 - Board approved TEFRA for the issuance of \$15 million bond for Phase I
 - Phase I total cost is \$24.8 million in 2020
 - Relocation plan being developed by Housing Authority and consultant.
- June 2020 - FHFC made a final, favorable decision on SAIL for Phase I
- December 2020 – Board approved TEFRA for the issuance of \$30.5 million bonds (II - \$17; Sr. - \$13.5)
 - Unfortunately, SAIL was not awarded.



Order of Events - 2021

- February 2021 – Board reauthorized the TEFRA for issuance of the \$15 million bond for Phase I.
- April 2021 - Phase II unexpectedly awarded 9% Federal Low-Income Housing Tax Credits valued at approximately \$34 million.
- June 2021 - HUD issued approval for the demolition and disposition of the Orange Avenue Apartments.
- September 2021 – Due to the increases in the cost of Phase I of the redevelopment, the Board approved the TEFRA for the issuance of the \$18 million
 - total cost of Phase I increased from approximately \$25.66 million to just over \$33 million.



Order of Events - 2022

- March 2022 –At the request of the staff and the Housing Finance Authority of Leon County and confirmed a funding gap of \$1,230,706
 - The Board approved \$1,002,853 of American Rescue Plan Act (ARPA) SLFRF funding to support the request of the Tallahassee Housing Authority for the redevelopment of the Orange Avenue Apartments Phase I.

Phase	County*	City	County & City**
Magnolia Family I	\$18,000,000	\$275,000	\$1,025,000 (\$512,500 County & City each)

- Current - Relocation near complete and Demolition of Phase I complete



Order of Events - Future

- Closing on Phase I within weeks
- Developer to secure gap funding for Phase II and obtain CHIIRP from the FHFC
- Secure funding for Phase III.
- Construction will take 18 months to be completed for each Phase.



Phase One Funding Sources

CONSTRUCTION/PERMANENT SOURCES:

Source	Lender	Construction	Permanent	Perm Loan/Unit
Local HFA Bonds	KeyBank N. A.	\$18,900,000	\$8,400,000	\$64,615.38
FHFC - SAIL	FHFC SAIL	\$5,611,577	\$5,611,577	\$43,165.98
FHFC - SAIL ELI	FHFC ELI	\$600,000	\$600,000	\$4,615.38
FHFC - NHTF	FHFC NHTF	\$1,113,000	\$1,113,000	\$8,561.54
Seller Financing	City of Tallahassee	\$1,527,853	\$1,527,853	\$11,752.72
Other	Leon County	\$1,002,853	\$1,002,853	\$7,714.25
Other	THA	\$350,000	\$350,000	\$2,692.31
HC Equity	RBC	\$2,294,771	\$15,298,470	\$117,680.54
Deferred Developer	NAHP LLC	\$4,674,712	\$2,171,013	\$16,700.10
TOTAL		\$36,074,766	\$36,074,766	\$277,498.20

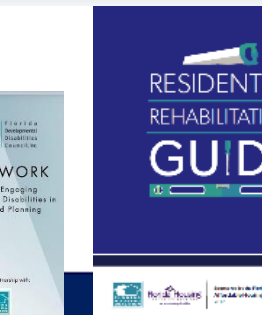
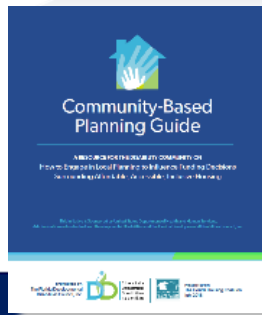
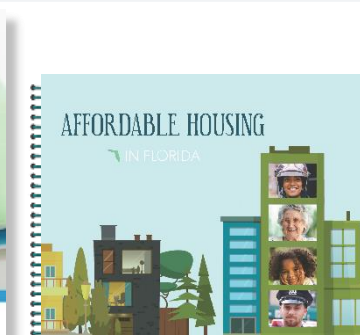
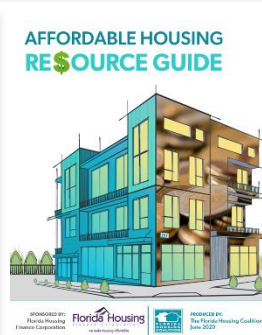
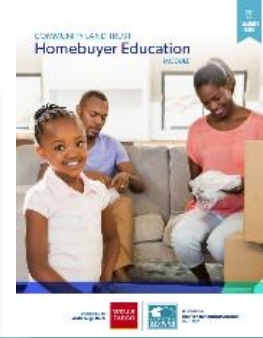
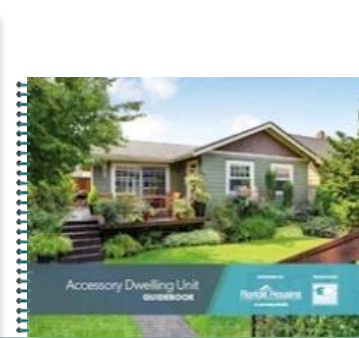
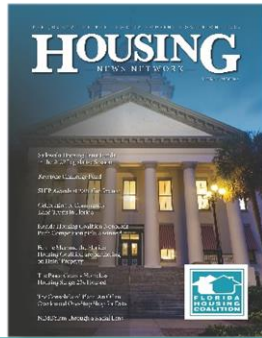
ANY
QUESTIONS
?

THE FLORIDA HOUSING COALITION



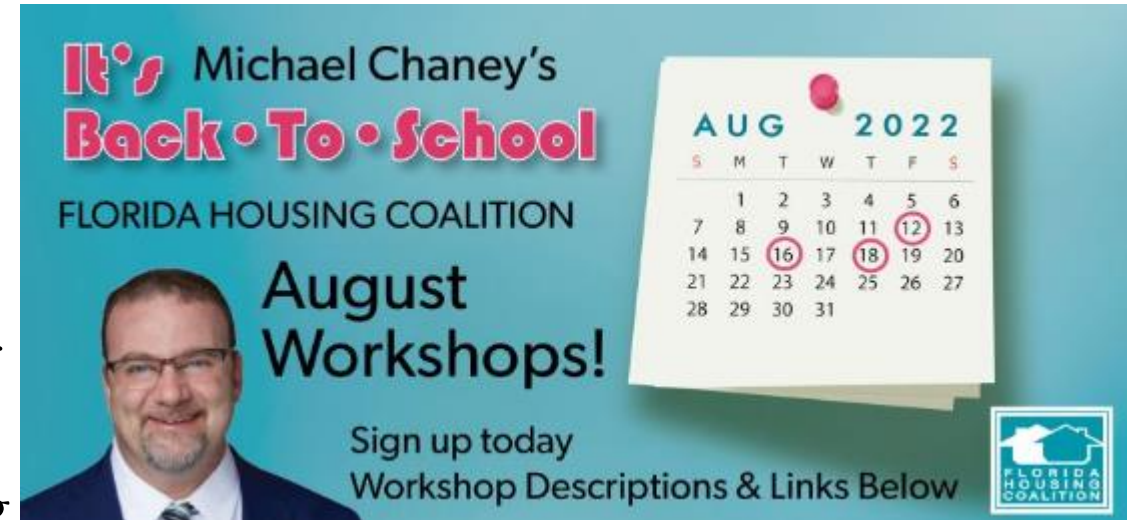
FLORIDA HOUSING COALITION PUBLICATIONS

Access these valuable resources and more under the Publications tab at Flhousing.org



Other Upcoming Trainings

- August 18th – Post-Disaster Emergency Housing
- August 24th – AHAC Orientation: Part 1
- **Development Series**
 - September 14th – Local Government Areas of Opportunity and Contributions
 - October 19th – Mixed-Income Rental Housing
- To Register, visit <https://flhousing.org/events/>



THE FLORIDA HOUSING COALITION





9-7-22 General Workshop for Upcoming Special Needs Demographics RFA's

Florida Housing will host a General Workshop for Upcoming Specialized Demographics RFAs on September 7, 2022 at 2:00 p.m. The meeting will provide an overview and solicit comments for the upcoming Specialized Demographics RFAs listed below:

<https://www.floridahousing.org/programs/developers-multifamily-programs/competitive/2023/2023-102>

<https://www.floridahousing.org/programs/developers-multifamily-programs/competitive/2023/2023-103>

<https://www.floridahousing.org/programs/developers-multifamily-programs/competitive/2023/2023-105>

<https://www.floridahousing.org/programs/developers-multifamily-programs/competitive/2023/2023-106>

THE FLORIDA HOUSING COALITION



2022 Rental Market Study

The 2022 Rental Market Study is prepared for Florida Housing by the Shimberg Center for Housing Studies at the University of Florida. It provides information about the characteristics of households in need of affordable rental housing and the subsidized housing available in the state. This study assists Florida Housing in setting demographic and geographic funding priorities for the State Apartment Incentive Loan program, as well as other rental programs administered by Florida Housing.

Questions about the data presented in the Rental Market Study Supporting Tables can be sent to Anne Ray, Florida Housing Data Clearinghouse Manager at the Shimberg Center for Housing Studies.

-
- [2022 Rental Market Study](#)
[2022 Rental Market Study Board Presentation, June 2022](#)
[2022 Rental Market Study Report Tables](#)
-
- Contact: Anne Ray
- Email: aray@ufl.edu
Phone: 352-273-1195

THE FLORIDA HOUSING COALITION



Our Thanks to the Florida Housing Catalyst Program



AFFORDABLE HOUSING CATALYST PROGRAM

**Sponsored by the Florida Housing
Finance Corporation**



we make housing affordable™

THE FLORIDA HOUSING COALITION



More questions? Need help with a project? Just ask!

- Technical Assistance Hotline
800-677-4548
www.flhousing.org
- Amanda Wander
239-218-5008
wander@flhousing.org
- Gladys Cook
813-830-3450
cook@flhousing.org



THE FLORIDA HOUSING COALITION

