Applications Due: JANUARY 26, 2022
For

JACKSONVILLE HOUSING FINANCE AUTHORITY
NOFA 2022-1

NOTICE OF FUND AVAILABILITY &
REQUEST FOR APPLICATIONS

LOCAL GOVERNMENT CONTRIBUTIONS
In Conjunction with FHFC RFA 2022-301

The Jacksonville Housing Finance Authority (the "Authority") announces the availability of funds and is requesting applications for the consideration of providing local government support for qualified multifamily housing developments which meet the goals of the Authority and comply with applicable federal and state law. The Authority has adopted the following guidelines to set forth the general requirements and procedures that apply to the financing of multifamily housing developments. The Authority may waive specific provisions of these guidelines where good cause is shown and adequate supporting documentation is provided. Any waiver is at the sole discretion of the Authority, and may require approval by the Jacksonville City Council. In addition, these guidelines may be amended, revised, repealed or otherwise altered by the Authority with or without notice. The Authority specifically welcomes requests for proposed alternative resident programs or development/unit features.

All applications submitted will be reviewed by the Authority's Financial Advisor, who will make recommendations to the Board. The Board will decide whether or not to authorize commitment letters and loans providing Local Government Contributions for developments seeking FHFC Housing Credits in conjunction with FHFC RFA 2022-301. Submission of an application does not entitle the Applicant to financing, even if sufficient funds remain.

The Authority will not consider issuing commitment letters to provide financing for any development unless the applicant has satisfied the general requirements set forth in these guidelines, submits a timely, complete, and acceptable application and complies with all of the procedures and requirements contained within the Authority's application procedures and program guidelines. Copies of the Application are available at the Authority's website or upon request by email to mark@thehendricksoncompany.com

The Authority reserves the right to impose additional requirements on any particular development. Compliance with these guidelines does not and shall not create any right by an applicant to a commitment or assurance that the Authority will provide the requested financing.

The Authority provides local government support to assist in the construction, rehabilitation and permanent financing of multifamily housing developments. The estimated amount of funds available for local government support is the amount needed to meet the requirements of FHFC RFA 2022-301. Up to this amount may be used for multi-family developments seeking Housing Credits from FHFC pursuant to FHFC RFA 2022-301, and Local Government Support Loans from JHFA. The amount utilized may be increased or decreased at the sole discretion of the JHFA.

The maximum amount of the Local Government Support loans funded pursuant to this NOFA is the amount that will allow an Applicant to receive the maximum points or preference within FHFC RFA 2022-301. The JHFA reserves the right to provide loans to zero, one, or multiple applicants.

All applications received will compete with each other and be selected by the Authority for the available funding. Applications will be reviewed against the criteria listed below and, if selected, each loan will be subject to the minimum loan terms stated below.

Applications related to FHFC RFA 2022-301 are due no later than 5:00 PM, Eastern Standard Time, **JANUARY 26, 2022**. The application cycle will be processed according to the Authority's guidelines (which guidelines provide, however, that any remaining allocation available after the application cycle may be made available to applicants on a first-come, first-served basis). For more information, contact Mark Hendrickson.

Applicants must submit an original and a total of two (2) copies to the Authority as follows:

An original, one (1) hard copy, and a PDF of the entire application, and a $5,000 application fee (check to JHFA) to:

Jacksonville Housing Finance Authority
c/o Tom Daly, Chief, Housing & Community Development Division
214 North Hogan Street, 7th Floor
Jacksonville, FL 32202
PDF to be emailed to tdaly@coj.net

One (1) hard copy and a PDF of the entire application, and $3,000 review fee (check made out to The Hendrickson Company) to:

Mark Hendrickson
1404 Alban Avenue
Tallahassee, Florida 32301
Contact: Mark Hendrickson, 850.671.5601 mark@thehendricksoncompany.com

PDF must have resolution setting that permits PDF to be emailed

GUIDELINES

1. PROJECT THRESHOLD CRITERIA

- Project must be located within Duval County, Florida;
- Applicant must provide evidence of ownership or other legal control of the project site (e.g., a contract or option to purchase the project site);
- Applicant must provide a set-aside of rental units equal to or greater than the standards for low income Housing Tax Credits or applicable FHFC Program, as the case may be; and,
- Project must have evidence of land use and zoning authorizing the use of the property for multi-family residential uses.
- Project may have no more than 160 units
- Projects must have affordability in perpetuity
- No more than two applications from any development company, including related parties, as defined in the FHFC Priority I and Priority II process

2. **PROJECT SELECTION CRITERIA**

- Project feasibility as determined by:
  - ✓ Applicant's development and construction experience;
  - ✓ Applicant's management experience; and
  - ✓ Financial feasibility to complete and operate the project (including, but not limited to, cost estimates, cash flows, debt service, coverage ratios, the percentage of public monies requested compared to project cost; leveraging)
- Applicant's performance and/or compliance (including any prior defaults) of any prior loans or contracts with the JHFA or the City;
- The extent to which social services and assistance is offered to occupants (including, but not limited to, job training, computer training, home purchase assistance, health-related support);
- The extent to which there is temporary (for any rehabilitation projects) or permanent displacement of existing tenants (then in which event either shall be scored as a negative factor); and,
- The following shall receive emphasis in scoring:
  - ✓ Existing projects with either expiring Section 8 rental assistance contracts, or
  - ✓ The preservation of projects that have expiring affordable housing land use restrictions.
- **The JHFA established the following funding priorities for Applicants applying for the Local Contribution in conjunction with FHFC RFA 2022-301:**
  - ✓ **Maximum Economic Impact**
  - ✓ **Developments which provide a lift to the neighborhood, and could lead to additional revitalization and/or neighborhood improvement**
  - ✓ **Proximity to public transportation**
  - ✓ **Leveraging of JHFA funds with other City resources that could be used to meet the FHFC required contribution level, and leveraging of JHFA funds with other funds to achieve greater impact on the community/neighborhood**
  - ✓ **Ability to meet FHFC requirements for the contribution to be a part of permanent financing with minimum loan term, and maximum interest rate**
  - ✓ **Significant difference in number of units produced**
  - ✓ **Innovative Aspects of the Development**
  - ✓ **Proximity to Employment**
  - ✓ **Review of the period of time/number of days required for the developer to close its financing with the JHFA (for previous developments that utilized JHFA financing) – i.e., the number of days from JHFA board approval to closing with the JHFA – and the number of days from JHFA board approval to the developer's delivery of the residential units for occupancy. Note: this will be considered as a negative factor for developers who have received financing from JHFA and had issues related to timing of delivery of units. Developers with no track record or good track record will be evaluated as equal on this factor**
  - ✓ **Impact on recently funded JHFA developments**
  - ✓ **Overall quality of the site**
  - ✓ **Resident programs, unit and development amenities and energy efficiency**

Note: The Board directed that the Guidelines include the following notice: Applications for developments serving the FHFC demographic groups of both Family and Elderly will be accepted.

3. LOAN TERMS:

To be determined at time of loan commitment(s). The following will apply to all JFHA loans:

- ✓ The following loan terms shall apply: (a) the JHFA may charge interest at a rate it determines (including zero percent interest); (b) the term of the loan may vary but shall not exceed forty (40) years; and, (c) the JHFA shall provide for the manner of amortization, and payment to the JHFA, of principal and interest (including, but not limited to, a balloon payment of the entire principal amount of the loan, together with any then accrued and unpaid interest, at maturity or sooner in the event of an uncured event of default. The preferred loan amount and terms for loans made in conjunction with this NOFA are:
- ✓ $115,000 loan amount
- ✓ 20 year term
- ✓ Monthly payment schedule
- ✓ Non-amortizing
- ✓ 0% interest
- ✓ Loan due in full in balloon payment at end of 20 year loan period

- The loan documents shall provide for the standard default provisions; and upon default, the loan shall accrue interest at the highest rate then permissible under Florida law from and after an event of default that remains uncured.
- Each loan shall be evidenced by a promissory note in the full-face amount of the Local Government Support, and secured in its entirety by a subordinate lien mortgage, and shall include such other standard loan documents as necessary to evidence and complete the transaction.
- Requirements of the JHFA and commitments by the Applicant shall be included in a Land Use Restriction Agreement or Extended Use Agreement
- The loan shall not be disbursed until the following minimum due diligence is received and satisfactory (however, additional requirements may be necessary for the project): mortgagee title insurance policy (or a marked-down commitment for the same), boundary survey certified to the JHFA, environmental site assessments certified to the JHFA, and evidence of concurrency and all permits authorizing construction of the project.
- The loan shall be issued in the name of the JHFA. Such loan shall be reviewed, implemented, and administered by the JHFA.

4. **FEES**

- $5,000 Application fee due with original application, sent to the Authority with check made out to JHFA
- $3,000 Review fee, due with copies of application, sent to and check made out to The Hendrickson Company
- $5,000 Closing Fee, due at loan closing.
- All legal costs of the JHFA associated with the loan closing

5. **DISCLAIMER**

The JHFA is taking no responsibility that FHFC in their initial scoring, or in any scoring revisions that take place due to legal disputes between applicants in FHFC RFA 2022-301, related to the NPV calculation or will ultimately agee with this calculation. JHFA is assuming NO LIABILITY if FHFC or any judicial or quasi-judicial body comes to another conclusion.

If approved for a loan, and with that understanding, if you would like to have a local government contribution loan form executed by the City, please fill out the form and submit to both Tom Daly and Mark Hendrickson prior to the submission deadline.

If you dispute the NPV calculation, please contact Mark Hendrickson to discuss.

6. WAIVERS, ERRORS & RIGHT TO OBTAIN ADDITIONAL INFORMATION FROM APPLICANTS

The JHFA reserves the right to waive any provision of the NOFA and/or the accompanying application. The JHFA reserves the right to waive any minor irregularity in the application, with the JHFA to be the sole entity to determine what constitutes a "minor irregularity". The JHFA also reserves the right to seek additional and/or clarifying information from any Applicant and to use that information in its evaluation and decision making process.

7. COMMITMENT TO ABIDE BY PROVISIONS OF JHFA MULTI-FAMILY HANDBOOK

THE APPLICANT UNDERSTANDS AND AGREES TO ABIDE BY THE PROVISIONS OF THE APPLICABLE FLORIDA STATUTES AND AUTHORITY PROGRAM POLICIES, RULES AND GUIDELINES, INCLUDING THOSE DETAILED IN THE NOFA, THIS APPLICATION & THE JHFA MULTI-FAMILY HANDBOOK.