

JACKSONVILLE HOUSING FINANCE AUTHORITY



Jacksonville Housing Finance Authority Board of Directors Meeting
June 24, 2019
Noon
214 North Hogan Street, 8th Floor

- AGENDA -

- | | |
|--|------------------|
| Call Meeting to Order | Chair |
| Approval of Minutes of March 3, 2019 Meeting | JHFA Board |
| | |
| I. <u>Public Comments</u> | |
| A. Public Comments | Public |
| | |
| II. <u>REPORTS</u> | |
| A. "To-Do" List Earlier Meetings | Mark Hendrickson |
| B. Staff and Financial Report | Laura Stagner |
| • Financial Statement | |
| • FY 19-20 Operating Budget | |
| • Procurement | |
| C. Financial Advisor Memo | Mark Hendrickson |
| | |
| IV. <u>ACTION ITEMS</u> | |
| A. Board Members Declare Conflicts, if any | Board |
| B. 2020 Bond NOFA | Mark Hendrickson |
| C. Gap Financing NOFA | |
| D. Local Contribution 9% Housing Credit NOFA | |
| E. Local Contribution w/SAIL et al NOFA | |
| | |
| V. <u>NEW BUSINESS</u> | |
| | |
| VI. <u>OLD BUSINESS</u> | |
| A. Update on Single Family Program | Mark Hendrickson |
| B. Update on Existing Rental Properties | Mark Hendrickson |
| • Recent JHFA Activities/Developments | |
| • Occupancy Report | |
| • Millennia Portfolio | |
| • Houston Street Manor | Emerson Lotzia |
| C. Update on 2019 Legislative Session | Mark Hendrickson |
| | |
| VII. <u>ADJOURN JHFA MEETING</u> | Chair |

JACKSONVILLE HOUSING FINANCE AUTHORITY



JACKSONVILLE HOUSING FINANCE AUTHORITY

Board of Directors Meeting

MINUTES

OF

REGULAR MEETING

May 3, 2019

May 3, 2019: JHFA Board Meeting

Noon

214 North Hogan Street, 8th Floor

BOARD MEETING:

Present at the meeting were:

BOARD MEMBERS

Tripp Gulliford, Chair
Dee Bumbarger, Secretary
Nadine Carswell, Member
Jim Citrano, Member
Jeffrey Rosen, Member

PROFESSIONAL STAFF:

Mark Hendrickson, The Hendrickson Company, Financial Advisor
Susan Leigh, The Community Concepts Group, Financial Advisor
Cameron Hill, RBC Capital Markets, Investment Banker
Rhonda Bond-Collins, Bryant Miller Olive, Bond Counsel
Sandra Stockwell, City of Jacksonville Office of General Counsel
Liz Feezer, Bank of New York Mellon, Trustee

CITY STAFF:

Laura Stagner
Jane Bouda
Dr. Johnny Gafney, Mayor's Office

PUBLIC:

Kevin Troup, Vestcor
Brienne Heffner, Southport
Michael Molinari, Southport
Chuck Shealy, LISC

BOARD MEETING

Chairman Gulliford called the meeting to order at 12:00 pm, with a quorum present.

Public Comments

Mr. Ryan Hoover updated the Board on various developments financed by the JHFA. He stated that (1) Lofts at LaVilla and Lofts at Monroe were fully occupied, (2) Lofts at Jefferson would have move-ins beginning late 2019, (3) Lofts at Brooklyn would begin construction by August or September, and (4) The Waves bond transaction would close by August.

Mr. Shawn Wilson reported on Ashley Square, a development that had JHFA local government contribution support for its SAIL application. He stated that the development had been awarded SAIL funds, but still had a \$2.5 million financing gap.

A discussion followed related to the requirements for a NOFA in conjunction with any JHFA rental

development funding, and that the JHFA could not decide to award additional funds to Ashley Square without a NOFA and application process open to all developers who had funding gaps. After discussion, Mr. Citrano moved, with a second by Ms. Bumbarger, that the Board **direct the staff/team to draft a NOFA for GAP financing and bring it to the June meeting for Board consideration**. The motion passed 5-0.

“To-Do” List

Mr. Hendrickson updated the Board on outstanding “to-do” items.

Staff Report and Financial Report

Ms. Stagner updated the Board on JHFA financials and noted that the FY 19-20 JHFA budget would be available for Board approval in June. Ms. Stagner also updated the Board on the delays in the Professional Services procurement process (Investment Banker, Bond Counsel, Trustee, and Financial Advisor), stating that the RFP’s should be issued in May, with a 21-day response period. Ms. Stagner asked Board members who wanted to attend various conferences to contact her so they could be registered.

Board Member Conflicts

Chairman Gulliford and Mr. Citrano disclosed that they had a voting conflict related to matters that involved Vestcor.

Bond Allocation

Ms. Bond-Collins updated the Board on the 2019 bond allocation and procedures related thereto.

Single Family

Mr. Hendrickson updated the Board on the single-family program, noting that the program would produce very few loans until the FHFC \$15,000 forgivable DPA loan program expired.

Local Government Area of Opportunity Funding

Mr. Hendrickson updated the Board on the FHFC process.

Multi-Family Updates

Mr. Hendrickson presented the credit underwriting report and overview of the Monaco Arms I & II bond application. Ms. Bond-Collins explained the Approval Resolution, which would authorize the sale of bonds and closing of the transaction, among several other items. After discussion, Mr. Citrano moved, with a second by Mr. Rosen, that the Board **approve the Approval Resolution for Monaco Arms I & II as prepared by bond counsel**. The motion passed 5-0.

Mr. Hendrickson and Ms. Bond-Collins reported on the status of The Waves bond development, noting that delays caused by HUD had pushed the timing of the financing into mid-2019. Ms. Bond-Collins noted that a new Inducement Resolution was needed. After discussion, Ms. Bumbarger moved, with a second by Ms. Carswell, that the Board approve the Amended and Restated Inducement Resolution for The Waves, as prepared by bond counsel. The motion passed 3-0, with Chairman Gulliford and Mr. Citrano abstaining.

Existing Rental Properties

Mr. Hendrickson updated the Board on occupancy of existing developments and the financings that the JHFA had completed over the past five years.

2019 Legislative Update

Mr. Hendrickson reported on the actions of the Sadowski Education Effort related to the 2019 legislative session.

Adjournment

On a motion by Ms. Bumbarger, seconded by Ms. Carswell, the Board voted unanimously to adjourn the meeting at 12:41 PM.

**JHFA Direction to Team
From September 17, 2015, & September 24, 2018 Meetings**

| Board Direction | Staff | Status |
|---|-------|-------------------|
| September 17, 2015 | | |
| Board withdrew approval of earlier MOU for staffing services with City, and directed that new agreement be brought back to them for review and approval of document and staffing commitments. | | Waiting for City. |
| May 3, 2018 | | |
| Board directed staff/team to draft a NOFA for GAP financing and bring it to the June meeting for Board consideration | MH | On June agenda |
| | | |
| | | |
| | | |

THE HENDRICKSON COMPANY & COMMUNITY CONCEPTS GROUP

To: Board of Directors, Jacksonville Housing Finance Authority
From: Mark Hendrickson & Susan Leigh, Financial Advisors
Subject: June 24, 2019 JHFA Board Meeting
Date: June 17, 2019

I. 2019 Bond Allocation—Informational

| Year | Single Family Amount | Multifamily Amount | Unallocated | Expiration |
|--------------|----------------------|----------------------|---------------------|-------------------|
| 2019 | | | \$48,897,471 | |
| 2018 | \$100,000,000 | \$ 17,500,000 | | December 30, 2021 |
| 2017 | \$ 50,000,000 | \$156,500,000 | | December 31, 2020 |
| 2016 | | \$ 3,800,000 | | December 31, 2019 |
| TOTAL | \$150,000,000 | \$177,800,000 | \$48,897,471 | |

1. The 2019 allocation is \$48,897,471 an increase of \$742,277 (1.5%) over 2018. City Council approved a \$50 million single family TEFRA and allocation has been requested.
2. **Recommendation:** None.

II. 2013 Single Family Loan Program—Informational

1. The **current program guidelines:**
 - 1st mortgage: 5.125 1% origination fee, FHA, VA, RD, 5.375% for Freddie Mac loans
 - First time homebuyers.
 - Income Limit: \$70,386 (1-2 person household) & \$80,944 (3+ person household)
 - Sales Price limit \$199,000.
 - Minimum credit score of 640
 - Interest rate set by the HFA of Hillsborough County, with rate set at level that is anticipated to generate a premium when sold.
 - Loans purchased by the master servicer (US Bank) and converted into MBS.
 - MBS are purchased by the HFA of Hillsborough County, on behalf of all HFA's
 - MBS are sold, with each HFA keeping its pro rata share of any net premium or loss realized from the sale of the MBS.
 - Down payment assistance: \$7,500 second mortgage, due on sale of property, or maturity of first mortgage
 - Mortgage Credit Certificates providing homebuyers a credit in the amount of 50% of mortgage interest paid annually (up to a \$2,000 annually).
2. **DPA Analysis:** The DPA amount was increased to \$7,500 effective March 1, 2019. Because FHFC has a \$15,000 DPA program available, JHFA loan activity will be very low until the FHFC funds are used.

| DPA AUTHORIZED | |
|-------------------------|---------------------|
| Date | Amount |
| 2012 | \$ 250,000 |
| May-15 | \$ 200,000 |
| Jun-15 | \$ 400,000 |
| Sep-17 | \$ 703,000 |
| Jun-18 | \$ 250,000 |
| Jun-18 | \$ 315,443 |
| Feb-19 | \$ 100,000 |
| TOTAL AUTHORIZED | \$ 2,218,443 |

| | |
|--------------------|---------------------|
| LOAN VOLUME | \$ 2,238,510 |
| Adjustments | |
| FHFC | \$ 88,796 |
| Repayments | \$ 65,000 |
| | \$ 153,796 |
| NET VOLUME | \$ 2,084,714 |
| | |
| | |
| AVAILABLE | \$ 133,729 |

3. **Rate Change:** The interest rates were increased by 0.125% in October 2018.

4. **Program Demographics:**

| Sales Price/ # Loans | Loan Amount | Borrower Income | Borrower Age/ Gender | Borrower Family Size | Housing Type | Borrower Ethnicity | MCC Amount |
|------------------------------------|----------------|--------------------|----------------------------|----------------------------|---|--|---|
| \$138,889 453 loans +0 loans | \$132,918 | \$47,130 | 37.0 47% female | 2.3 | SF Detached 93% Condo: 2% Townhouse: 6% Existing: 97% New: 3% | Black: 27% White: 40% Hispanic: 20% Mixed: 1% Asian: 8% Other: 5% | \$23,245,395 \$64,036.90 avg. 363 buyers |

5. **Lender Originations:** Academy (126), SWBC (112), Prime (53), Bank of England (51), Fairway (52), Pacific Union (23), CMG (13), Network Funding (6), Open (5), DHI (4), Ameris Bank (3), Paramount (2), Resource Financial (1), Guild (1) & GSF (1).

6. **MCC's:** The HFA converted \$200.25 million of bond authority into \$50,063,000 of MCC's. Tranche 1 (\$5.25 million) expired at the end of 2015 with \$1,109,274 not utilized. Tranche 2 (\$10.0 million) expired at the end of 2016, with \$9,668,903 not utilized. Tranche 3 (\$14.75 million) expired at the end of 2018, with \$446,149 not used. Tranche 4 (\$20,062,500) expires December 31, 2020.

7. **MCC Program: What Does it Mean to Home Buyer:** With the HFA's average loan of \$132,000 and a 5.125%/30-year mortgage, interest payments in Year 1 = \$6,765. With the 50% MCC rate that the HFA has chosen, **the homebuyer would be able to claim a tax credit of the full \$2,000 per year maximum allowed by federal law** (slightly declining after year 18 as more of monthly payment is principal) until the home buyers sells or moves from the property. The \$2,000 of tax savings lowers the "functional" mortgage rate for the program from 5.125% to approximately 3.0%.

8. **MBS Sales:** The HFA has executed 130 sales, with net revenues of \$1,447,550 (net meaning after payments to RBC and counsel) coming to JHFA.

9. **Hedges & Exposure:** Hillsborough County has 4 hedges totaling \$4.02 million in place. With full delivery, the projected net revenues are estimated at \$135,469 (shared pro rata with counties based upon originations). The unhedged pipeline as of June 14 is \$1,450,497 (changes daily).
10. **Size of Program:** The initial legislation wherein City Council authorized the program limited it to no more than \$1.5 million of loans in pipeline at any time. In June, the Board changed the authorization to \$1.5 million of unhedged loans. Loans originated or in progress are \$60.2 million.
11. **Recommendation:** None.

III. New Rental Financings—Action

1. **Monaco Arms** closed on May 31.
2. **Ashley Square** applied for the Local Preference, and when not selected, accepted an offer from the JHFA for the local contribution required for a SAIL application. They were awarded SAIL funds by FHFC and will be moving forward with bond financing. The developer stated that the development needs gap financing to proceed.
3. The 2019 Bond Application is now “open”, meaning applications will be evaluated on a first-come first-evaluated basis. The tentative due date for SAIL applications is October 10, and the FHFC rules require that if using local bonds, the applicant must have submitted a complete application prior to the application for SAIL.
4. Last year, JHFA initiated a “dual” application for bonds, with one for those also applying for SAIL, and one for those applying only for JHFA bonds.
5. The Board directed staff to prepare a NOFA for consideration, related to the provision of gap financing. On multiple occasions JHFA has provided gap financing on JHFA bond deals, the latest being the \$1 million loaned to Cathedral Terrace (2016) and \$2.2 million loaned to Caroline Arms (2015). However, JHFA does not have unlimited resources that are replenished each year by an appropriation. Ms. Stagner’s analysis is that JHFA could reasonably commit \$2 million to gap financing at this time.
6. **Recommendations:** None.
 - Authorize publication of a NOFA for 2020 Bond Applications, with dual application (one for SAIL or other FHFC gap financing program applicants, the second for all others)
 - Authorize publication of Gap Financing NOFA, for applicants using JHFA bonds, and utilizing the selection criteria required by ordinance, plus a detailed explanation of the need for JHFA gap financing, the leveraging of those funds with other resources, and any innovative aspects of the development

IV. Local Government Area of Opportunity Funding (Preference) & Local Contribution for Multiple FHFC RFA's—Action

1. For the upcoming FHFC 9% Housing Credit RFA, Duval County has been designated as one of two large counties where “Geographic Area of Opportunity” will control the award of credits rather than LGAOF. This means that the local preference process used successfully for the past four years will be replaced this year with one where local preference is trumped by FHFC’s preference for a deal in a “GAO”. The tentative due date for application is November 7.
2. GAO’s are areas which FHFC believes are of higher income, educational achievement and employment. Many of the GAO areas are suburban with higher land costs and lack of transportation and job opportunities for residents.
3. In other counties, the GAO has led to the return of the lottery, where multiple deals in GAO’s are ranked simply by which lottery number they are assigned. Because there are multiple cities plus the County is these areas, there are multiple deals with the minimum contribution. This is a return to the worst aspects of the allocation of public resources.
4. Unlike other counties, Jacksonville has consolidated government, meaning only one government can provide the minimum local contribution. As a result, the City and JHFA have an opportunity to control the outcome of the selection process.
5. GAO deals still need the minimum local contribution—and a deal in a GAO with the contribution will rank higher than one without the contribution. Rather than giving every deal the local contribution, JHFA can initiate a selection process similar to our preference selection process but limited to developments in GAO’s—awarding only one deal the minimum contribution.
6. While this is not ideal (as the areas JHFA have targeted are generally not in GAO’s), it will allow the City to select what JHFA determines is the best development in a GAO, rather than a lottery free-for-all.
7. Applicants applying for SAIL, other 9% Housing Credits, or other FHFC financing may also need local contributions.
8. **Recommendations:**
 - Authorize publication of a NOFA and application for the minimum local contribution on 9% Housing Credit applications, layering all non-geographic selection factors from the last LGAOF application/NOFA into this year’s local contribution NOFA/application, and including location within a Geographic Area of Opportunity as a mandatory criteria.
 - Authorize publication of a NOFA and application for the minimum local contribution on all other FHFC RFA’s, including SAIL

| | The Waves | Ashley Square |
|---|--|--|
| Developer/ Location | Jacksonville Housing Authority & Vestcor Jacksonville, FL | Blue Sky Communities Tampa, FL |
| Development Location | Nine scattered JHA public housing sites in Jacksonville Beach | 127 E. Ashley St. & 116 E. Beaver St. Cathedral District |
| City Council District | Bill Gulliford | Reggie Gaffney |
| Type | New Construction Garden | New Construction Mid-Rise |
| Demographic | Family | Elderly |
| Bond Request | \$15,800,000 \$124,409/unit | \$16,500,000 \$137,500/unit |
| TEFRA Hearing | 2-28-18/3-20-19 | 2-1-19 |
| TEFRA Approval | 4-24-18/6-11-19 | 3-26-19 |
| Preliminary Agreement | 12-31-19 | 6-20-20 |
| Expiration | | |
| Credit Enhancement | Private Placement to SunTrust Bank | TBD |
| Credit Underwriter | First Housing | First Housing |
| Closing Date | Fall 2019 | Early 2020 |
| Units | 127 | 120 |
| Permanent 1st Mortgage Estimate | \$11,240,000 | \$5,000,000 |
| SAIL, ELI, NHTF (FHFC) | \$8,675,037 | \$8,243,000 |
| JHFA Loan | \$115,000 | \$110,000 |
| Housing Credits | Wells Fargo Bank \$10,025,927 \$78,944/unit | TBD \$9,267,790 \$77,232/unit |
| TDC | \$30,055,964 | \$25,867,655 |
| TDC per unit | \$236,661 | \$215,564 |
| Land Cost | \$1,590,000 \$12,520/unit | \$1,500,000 \$12,500/unit |
| Acquisition of Building | NA | NA |
| Hard Construction or Rehabilitation Cost | \$19,441,662 \$153,084/unit | \$16,590,420 \$138,253/unit |
| Set Aside Period | 50 years | Perpetuity |
| Set Aside Levels | 90%<60% AMI 10%<33% AMI | 85.0%<60% AMI 10.0%<33% AMI 5.0<22% AMI |

V. Update on Existing Rental Properties—Informational

1. JHFA marketed its bonds, JHFA loans, and JHFA local government contributions to developers. As a result, the following has been accomplished in the last three years:

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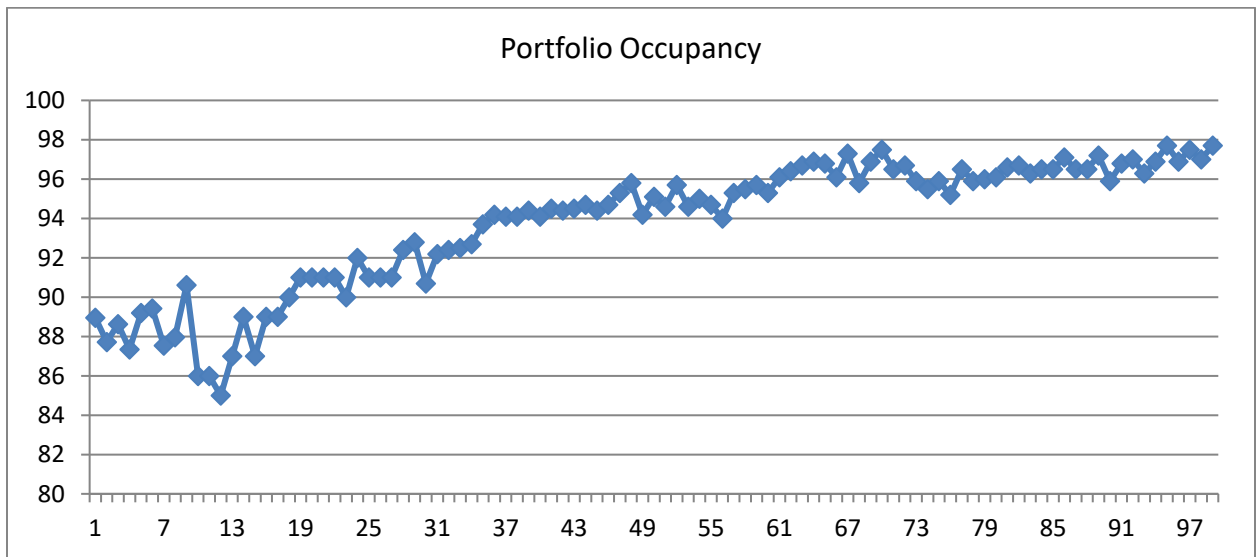
| Development | Location | Building Type Demographic | Units | TDC | JHFA Loan |
|--|---|-----------------------------------|--------------|----------------------|--|
| Caroline Oaks 4-22-15 | North Main, east side just south of E. 43 rd Street | 3-Story Elevator NC Elderly | 82 | \$14,146,603 | \$5.6 million bonds \$2.2 million JHFA loan |
| Cathedral Terrace 1-21-16 | 701 N. Ocean St. | High Rise Rehab Elderly | 240 | \$25,604,057 | \$12.5 million bonds \$1.0 million JHFA loan |
| Peyton Ridge 4-7-16 | 1800 Corporate Square Blvd | 3-Story Elevator NC Elderly | 120 | \$16,894,456 | \$115,000 |
| Mt. Carmel Gardens 8-19-16 | 5746 Mt. Carmel Terrace | High Rise Rehab Elderly | 207 | \$21,631,853 | \$9.75 million bonds |
| Mary Eaves 8-19-16 | East of intersection of Myrtle Ave. N. & West 16 th St. | Mid-Rise NC Elderly | 80 | \$13,325,568 | \$300,000 |
| Lofts at LaVilla 10-12-16 | 906 West Bay Street | Mid-Rise NC Family | 130 | \$23,382,885 | \$265,000 |
| Timberwood Trace 2-1-17 | 12250 Atlantic Boulevard | Garden Rehab Family | 224 | \$31,238,140 | \$16.0 million bonds |
| Oakwood Villa 6-30-17 | 8201 Kona Avenue | Garden Rehab Family | 200 | \$23,092,183 | \$12.7 million bonds |
| Lofts at LaVilla on Monroe 9-29-17 | 1000 West Monroe Street | Mid-Rise NC Family | 108 | \$20,245,500 | \$303,750 |
| Houston Street Manor | 615 Houston Street | Mid-Rise NC Elderly | 72 | \$21,465,333 | \$115,000 |
| Caroline Arms 7-3-18 | 6457 Fort Caroline Road | Garden Rehab Family | 204 | \$22,630,922 | \$12.5 million bonds |
| Lofts at Jefferson Station 10-3-18 | 799 Water Street | Mid-Rise NC Family | 98 | \$20,943,699 | \$225,750 |
| Millennia Portfolio 10-24-18 | Valencia (Eureka Gardens) 1214 Labelle Street The Weldon (Moncrief Village) 1650 Moncrief Village Drive N. Palmetto Glen (Southside) 2301 Westmont St. Calloway Cove (Washington Heights) 4229 Moncrief Rd. West | Garden Rehab Family | 768 | \$129,590,169 | \$81.6 million bonds |
| Desert Winds/Silver Creek 12-28-18 | 300 Silver Creek Trace | Garden Rehab Family | 304 | \$38,294,751 | \$22.0 million bonds |
| Monaco Arms 5-31-19 | 10415 & 10525 Monaco Drive | Garden Rehab Family | 156 | \$20,375,112 | 16.38 million bonds |
| TOTAL | | | 2,837 | \$443,161,231 | \$189.03 million bonds \$4.525 million JHFA loans |

2. **Occupancy:** The current portfolio occupancy using a weighted average is 98.1% (+0.3%).

3. **Millennia Portfolio:** While performing the rehabilitation of **Palmetto Glen**, the contractor found multiple issues that will cause the cost to rise. The additional costs will be handled from the hard cost contingency and by infusion of funds by the developer. First Housing (servicer) summary:
 - Upon demolition of the units, it has been determined the plumbing pipes that were behind the walls are deteriorating and need to be replaced.
 - As a result, the amount of asbestos abatement needs to be increased, as originally spot abatement was scoped. A larger area is being disturbed with the plumbing pipes being replaced.
 - According to the PCA provider, since the renovation has increased in scope, they city wants the electrical updated.
 - Also, more drywall (gypsum board) will be needed and the HVAC should be updated.
 - To complete the above items, it is estimated that it will cost approximately \$1.6 million.
 - The developer and contractor are in discussions on how to proceed.
 - Most likely, the developer will have to invest additional monies into the property and/or defer additional developer fee.
 - The good news is that the developer is financially strong, and the property is receiving the attention it needs to renovate necessary items and to make sure that it meets all applicable code requirements.

4. **Houston Street Manor:** Emerson Lotzia and Laura Stagner will have a status update on the development, which has requested that JHFA fund the loan to the development. Counsel is evaluating whether the owner has met all the conditions required for loan funding.

5. **Recommendation:** None.



VI. 2019 Legislative Session—Informational

1. The 2019 legislative session began March 5 and is ended May 4.

2. The total available for appropriation in FY 19-20 from the Housing Trust funds was approximately \$353 million.

3. Governor DeSantis released his proposed budget February 1 and including full funding for housing—using every penny in the trust funds for housing programs and sweeping no monies. The Senate also proposed full funding; however, the House proposed sweeping over 60% of the funds to General Revenue—and appropriating money only for Panhandle counties impacted by Hurricane Michael. The final result:

| | GOVERNOR | SENATE | HOUSE | FINAL BUDGET FY 19-20 | FINAL BUDGET FY 18-19 |
|---|----------------------|----------------------|----------------------|--------------------------|--------------------------|
| FHFC: SAIL Line 2315 | \$ 85,448,000 | \$ 61,775,600 | \$0 | \$ 39,040,000 | \$ 79,180,000 |
| FHFC: SAIL Workforce Keys Line 2315 | \$ 20,000,000 | \$0 | \$0 | \$0 | \$0 |
| SHIP Line 2316 | \$246,930,000 | \$170,102,400 | \$0 | \$ 46,560,000 | \$ 43,950,000 |
| Hurricane Housing Recovery Program (SHIP-like program for Hurricane Michael disaster counties only) Line 2316A | \$0 | \$ 90,000,000 | \$ 49,450,000 | \$ 65,000,000 | \$ 0 |
| Rental Recovery Loan Program (SAIL-like program (for Hurricane Michael disaster counties only) Line 2316 A | \$0 | \$ 10,000,000 | \$ 74,180,000 | \$ 50,000,000 | \$ 0 |
| TOTAL HOUSING | \$352,378,000 | \$331,878,000 | \$123,630,000 | \$200,600,000 | \$123,630,000 |
| SHTF SWEEP | \$0 | \$0 | \$ 60,000,000 | \$ 10,000,000 | \$ 54,600,000 |
| LGHTF SWEEP | \$0 | \$0 | \$140,000,000 | \$115,000,000 | \$127,400,000 |
| TOTAL SWEEP | \$0 | \$0 | \$200,000,000 | \$125,000,000 | \$182,000,000 |
| Unallocated SHTF | \$0 | \$ 600,000 | \$ 7,358,000 | \$ 300,000 | \$2,600,000 |
| Unallocated LGHTF | \$0 | \$15,610,000 | \$17,100,000 | \$7,060,000 | \$5,850,000 |

Proviso/Back of the Bill for FHFC:

- 10% of SAIL for competitive grant for housing for persons with developmental disabilities
- \$8 million from SAIL for Jacksonville Urban Core Workforce Housing Program (Senate Form 2071)
- \$500,000 from SHIP for Catalyst Training
- \$1 million from SHIP for grants to nonprofit organizations that build, modify, maintain, transfer & enhance home to and for Florida veterans (at least 15 homes)
- HHRP funds may be spent on (including, not limited to) repair and replacement of housing; assistance to homeowners to pay insurance deductibles; repair, replacement and relocation assistance for manufactured homes; acquisition of building materials for home repair and construction; housing re-entry assistance, such as security deposit utility deposits, and

temporary storage of household furnishings; foreclosure eviction prevention, including monthly rental assistance for a limited period of time; or strategies in the approved local housing assistance plans.

- HHRP distribution by FEMA damage assessment data and population.

| Additional Homeless Funding | | | | |
|---|--------------------|------------------------|---|--------|
| Item | Amount | Line Item | Source | Agency |
| Challenge Grants | \$3,181,500 Senate | 346 | GR | DCF |
| Federal Emergency Shelter Grant Program | \$7,803,393 | 347 | Federal Grants TF & Welfare Transition TF | DCF |
| Homeless Housing Assistance Grants—note specific projects funded from this listed below | \$4,490,800 Senate | 348 | GR | DCF |
| Homeless Veterans Housing Assistance Brevard County | \$150,000 | 348 Senate Form 1535 | GR | DCF |
| CESC, Inc. Homeless Services | \$1,000,000 | 348 Senate Form 1996 | GR | DCF |
| The Transition House Homeless Veterans Program | \$200,000 Senate | 348 Senate Form 1369 | GR | DCF |
| Citrus Health Safe Haven for Homeless Youth | \$140,800 | 348 Senate Form 2136 | GR | DCF |
| CASL Renaissance Manor Independent Supportive Housing (Lee County) | \$500,000 | 373 Senate Form 1342 | GR | DCF |
| Housing First for Persons with Mental Illness (Miami-Dade County) | \$100,000 | 373 Senate Form 1925 | GR | DCF |
| Five Star Veterans Center Homeless Housing & Reintegration | \$250,000 | 575A Senate Form 1891 | GR | Health |
| | | | | |
| Homeless Collaborative of Broward County Rapid Rehousing | \$250,000 | 2307A Senate Form 1063 | GR | DEO |
| | | | | |

| Other Projects | | | | |
|---|-----------|------------------------|--------|--------|
| Item | Amount | Line Item | Source | Agency |
| Facility Improvement for City-Owned Elderly Housing Properties- Hialeah | \$635,000 | 2307A HB 3745 | GR | DEO |
| Casa Familia Village Pilot Program | \$300,000 | 2307A Senate Form 1605 | GR | DEO |
| NeighborWorks Florida Collaborative Catalyst for Florida | \$250,000 | 2307A Senate Form 1189 | GR | DEO |
| | | | | |
| | | | | |

4. The SHIP distributions—at full funding—were calculated, and Jacksonville would have received \$11,446,821. **Under the House proposal, Jacksonville would have received \$0 for both SHIP and SAIL. In the end, the SHIP funding is \$1,356,063. Jacksonville will also receive a \$8 million appropriation for Jacksonville Urban Core Workforce Housing**
5. The team is working to request Governor DeSantis to veto of the sweep. Twelve editorials have been written in support of a veto.
6. The analysis of all legislation that passed in ongoing. One particularly bad provision was removed (would have prohibited inclusionary zoning).
7. **Recommendations:** None

OCCUPANCY LEVELS

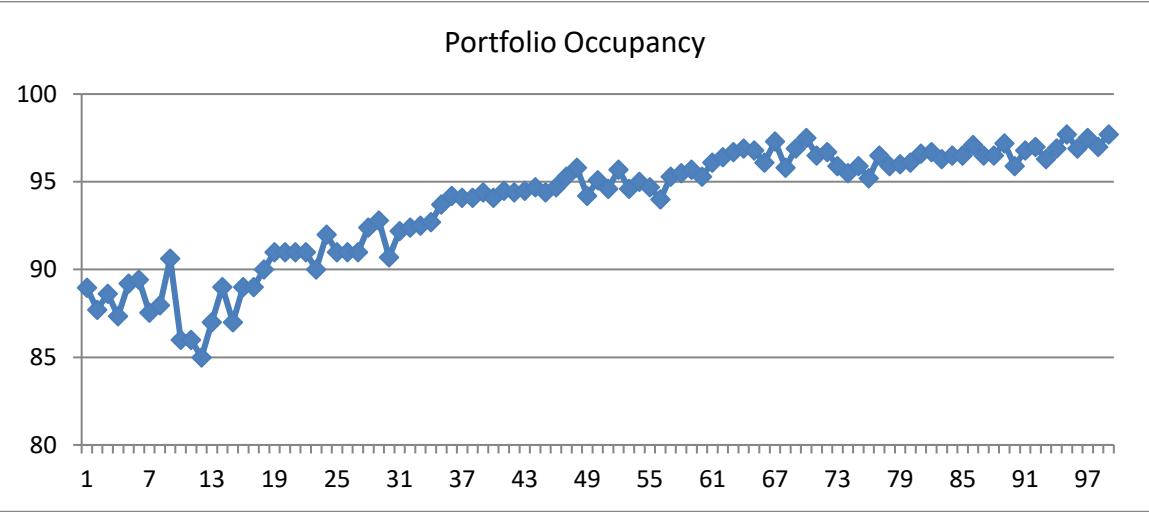
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Active Rental Developments—Financed by DCHFA or JHFA

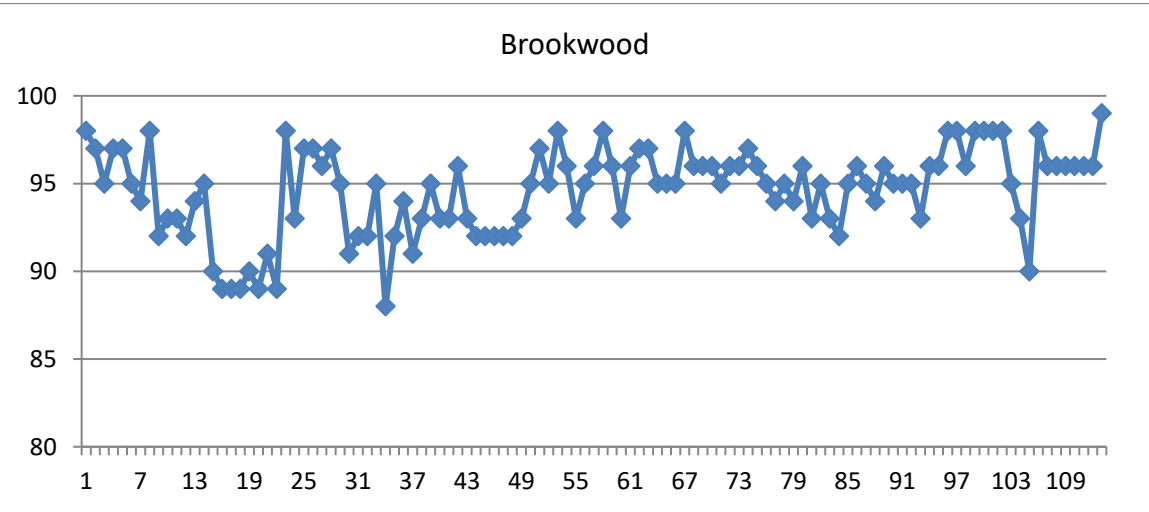
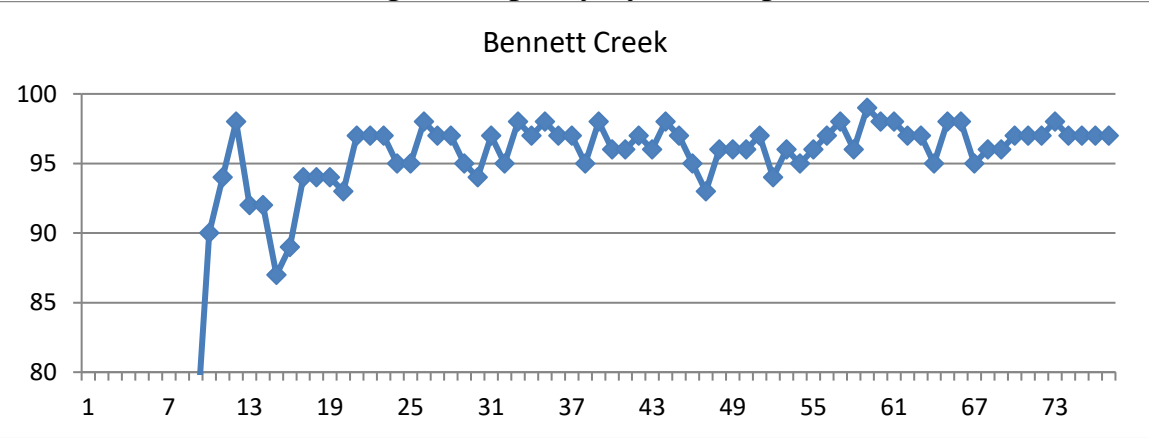
| Development & Address | Developer | Original Bonds & Issue Date | Units & Occupancy |
|---|----------------|--|--|
| Bennett Creek 3585 Salisbury Drive 32216 | Richman | \$21,600,000 12-21-10 | 264 97% (-0%) |
| Brookwood Forest Apartments 1251 Fromage Way 32225 | CED | \$10,000,000 2005 | 168 99% (+3%) |
| Camri Green Apartments 3820 Losco Road 32257 | Vestcor | \$9,200,000 2003 | 184 100% (+0%) |
| Caroline Arms 6457 Fort Caroline Road 32277 | Lincoln Avenue | \$12,500,000 7-3-18 | 204 97% (-2%) |
| Caroline Oaks 5175 Main Street N. 32208 | Vestcor | \$5,600,000 4-22-15 | 82 100% (+0%) |
| Cathedral Terrace 701 N. Ocean St. 32202 | Blue Sky | \$12,500,000 1-21-16 | 200 96% (-2%) |
| Christine Cove 3730 Soutel Dr 32208 | Carlisle | \$6,000,000 2006 | 96 99% (+1%) |
| Desert Winds/Silver Creek 233 Sahara Ct. & 300 Silver Creek Trace 32216 | LEDIC | \$22,000,000 12-28-18 | 304 99% (+1%) Rolling Rehab |
| Hartwood (AKA Hampton Ridge) 11501 Harts Road 32218 | Southport | \$5,840,000 2006 | 110 97% (+8%) |
| Lofts at LaVilla 995 Water Street 32204 | Vestcor | Housing Credits \$265,000 JHFA loan 10-12-16 | 130 99% (+0%) |
| Lofts at Monroe 906 W. Monroe Street 32204 | Vestcor | Housing Credits \$303,750 JHFA Loan 9-29-17 | 108 100% (+1%) |
| Lofts at Jefferson 799 Water Street 32204 | Vestcor | Housing Credits \$225,750 JHFA Loan 10-3-18 | 98 |
| Millennia Portfolio Calloway Cove: 24% complete Palmetto Glen- 13% complete The Weldon- 24% complete Valencia Way- 22% complete | Millennia | \$81,600,000 10-24-18 | 768 Rolling Rehab 200/84% 74/81% 94/88% 400/87% |
| Mary Eaves 1250 16 th Street West 32209 | Vestcor | FHFC bonds \$300,000 JHFA loan 8-19-16 | 80 100% (+2%) |
| Monaco Arms 10415 & 10525 Monaco Drive 32218 | Lincoln Avenue | \$16,380,000 5-31-19 | 156 |
| Mt. Carmel Gardens 5846 Mt. Carmel Terrace 32216 | BREC | \$9,750,000 8-19-16 | 207 99% (-1%) |
| Oakwood Villa 8201 Kona Avenue 32211 | Southport | \$12,700,000 6-30-17 | 200 94% (-1%) |
| Peyton Ridge | Vestcor | Housing Credits \$115,000 JHFA loan 4-7-16 | 123 100% (+1%) |
| Timberwood Trace 12250 Atlantic Blvd. 32225 | Southport | \$16,000,000 2-1-17 | 224 99% (+2%) |
| Timuquana Park Apartments 5615 Seaboard Ave. 32244 | Southport | \$4,300,000 2004 | 100 98% (+3%) |

OCCUPANCY LEVELS
4-30-19

113 Month Occupancy Levels—Entire Portfolio Average Occupancy

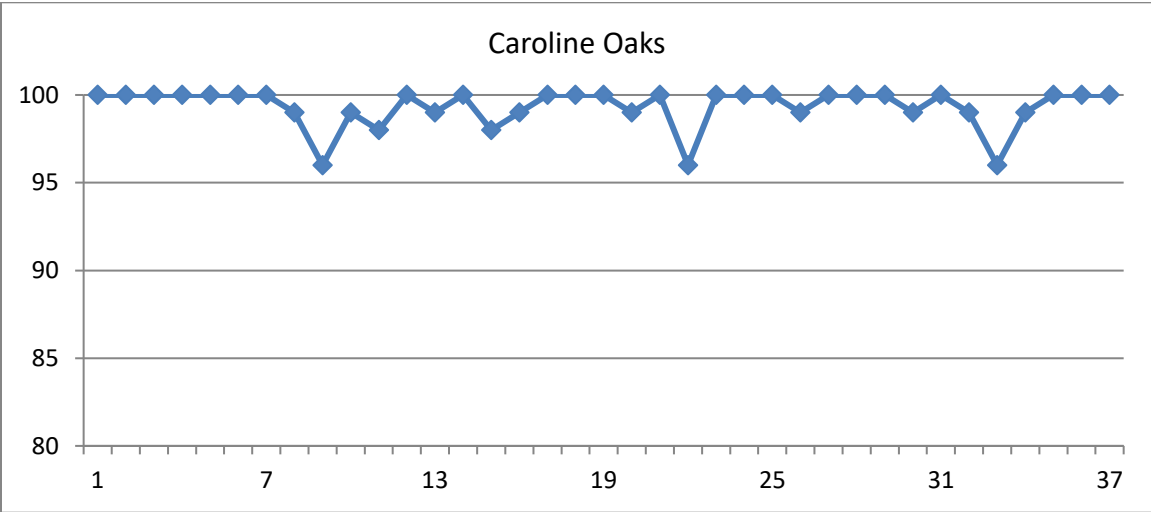
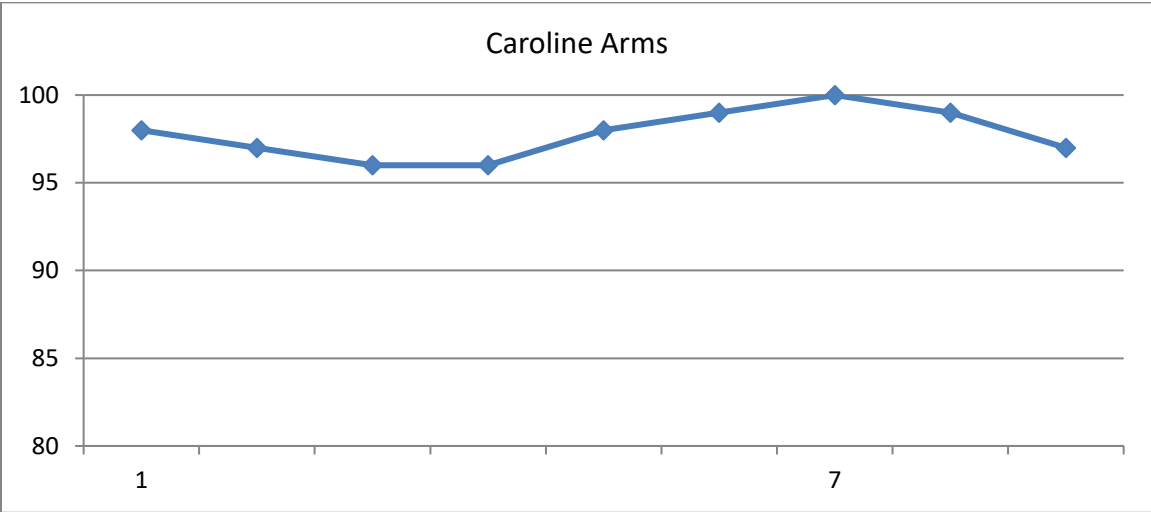
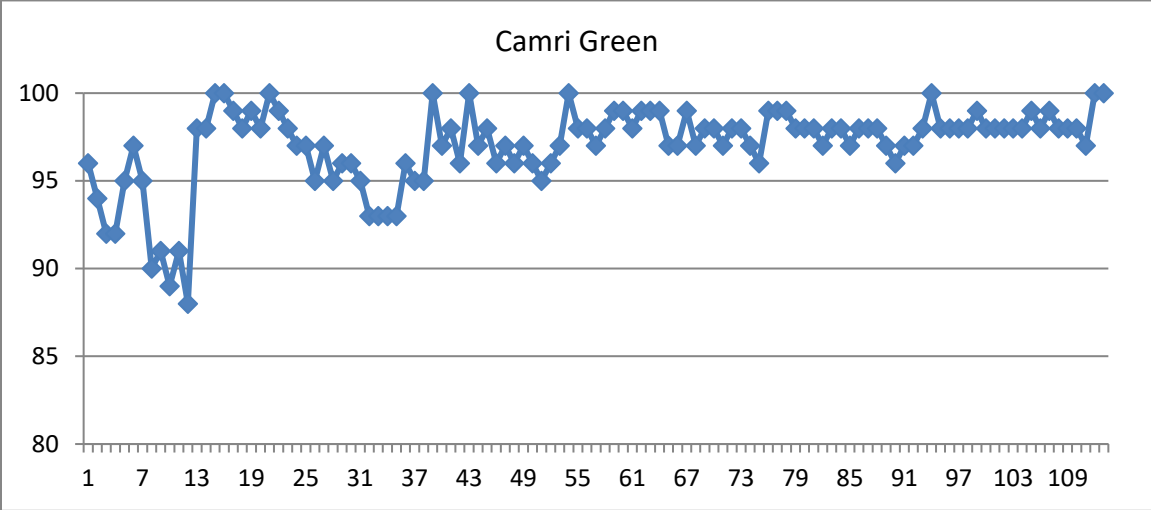


Average Occupancy by Development



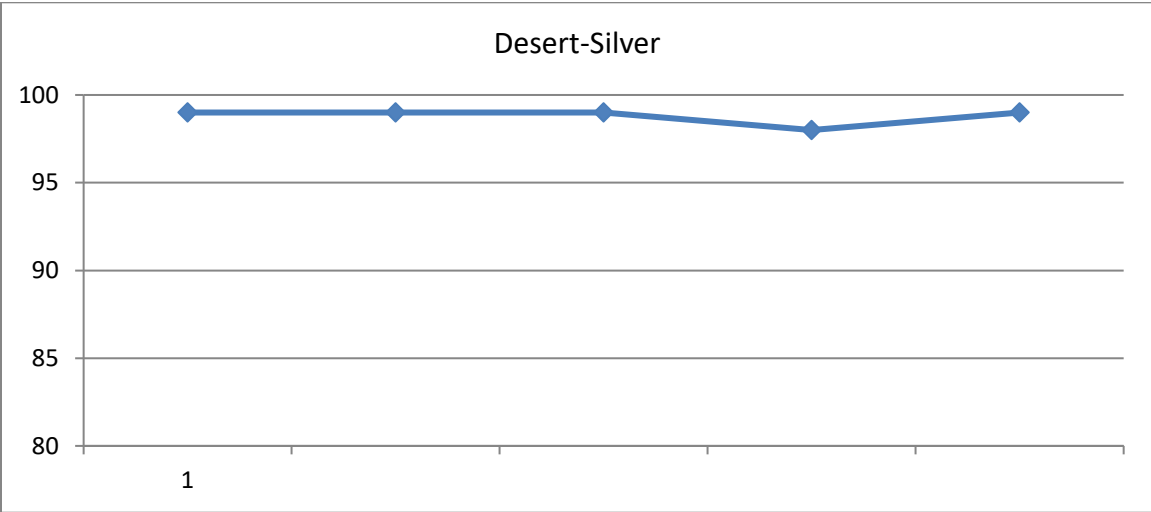
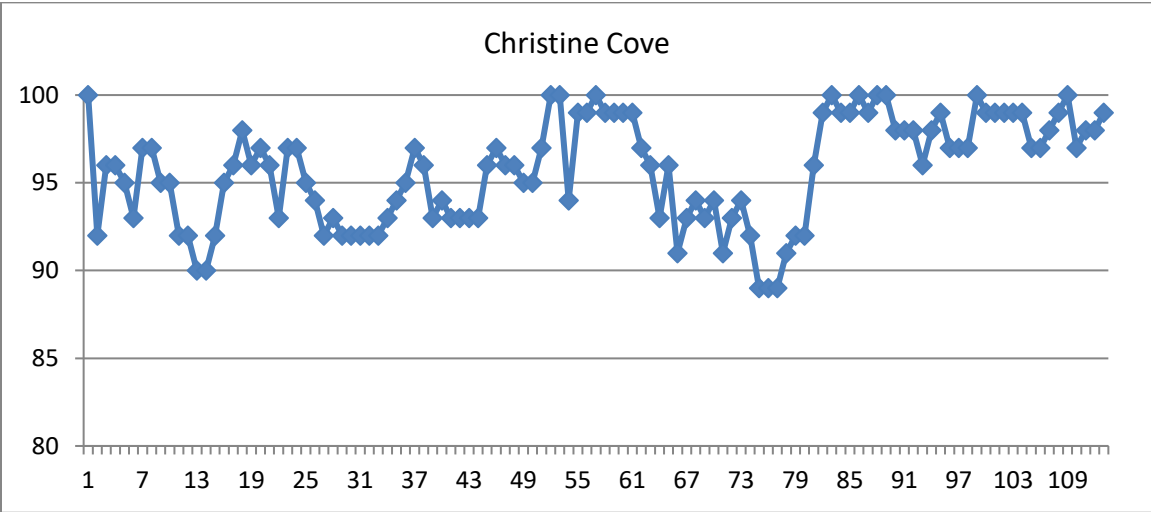
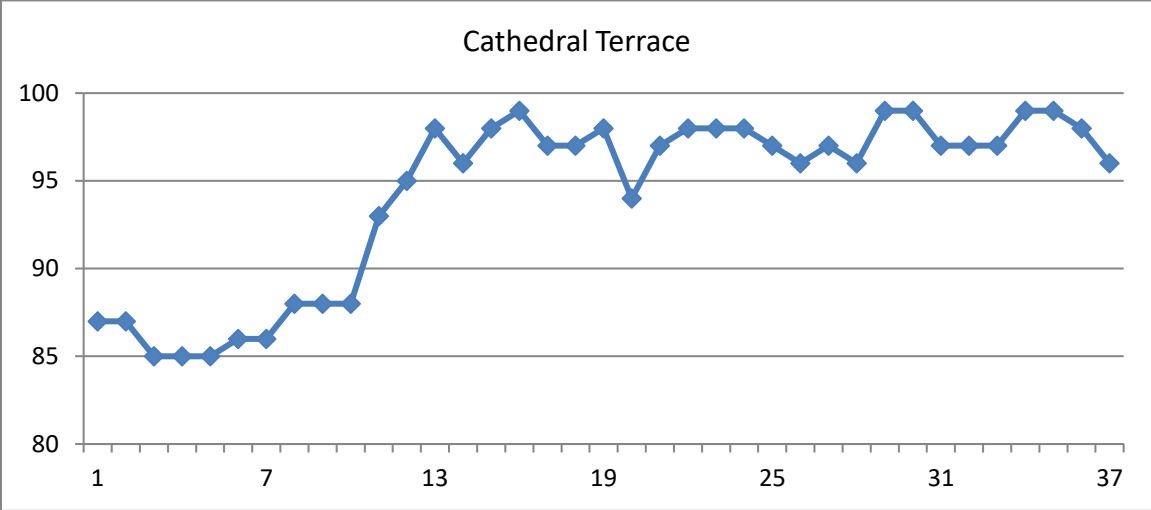
OCCUPANCY LEVELS
4-30-19

Average Occupancy by Development



OCCUPANCY LEVELS 4-30-19

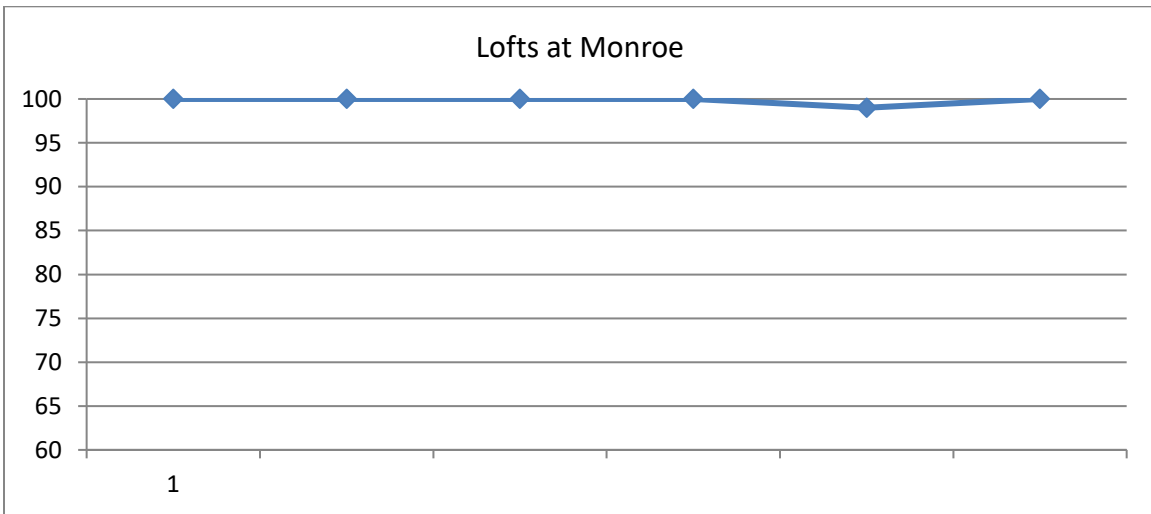
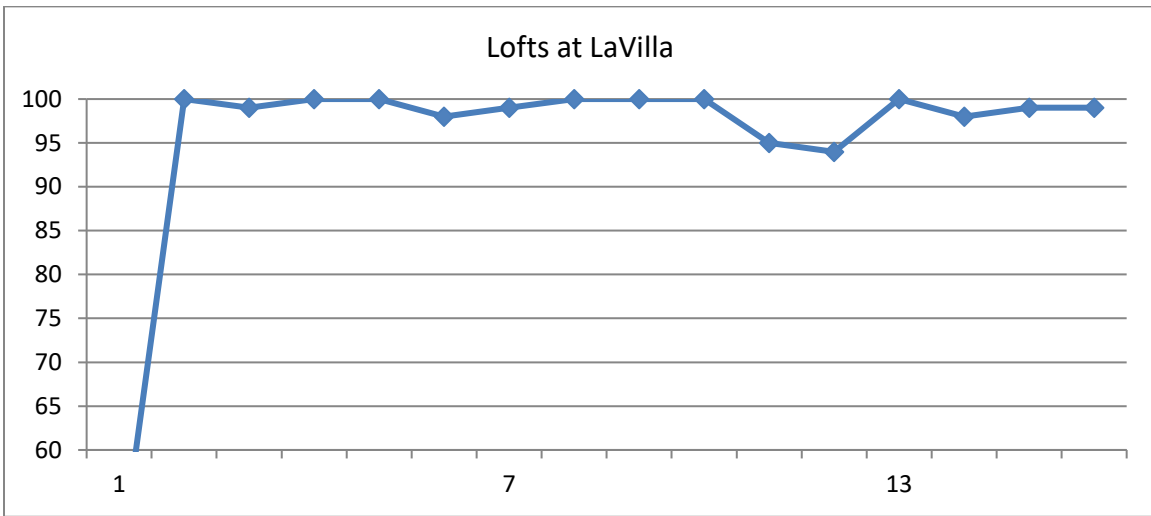
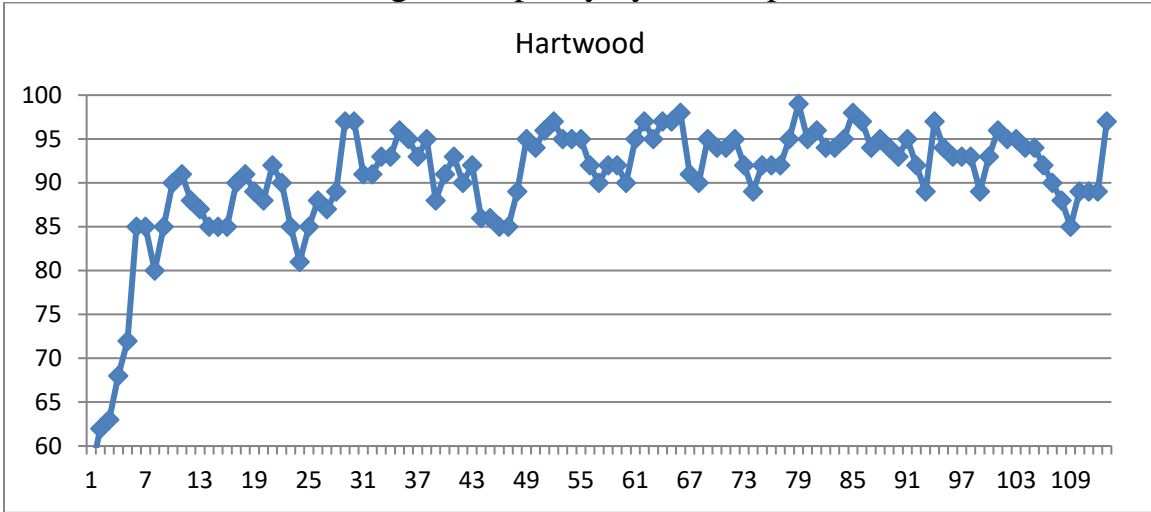
Average Occupancy by Development



OCCUPANCY LEVELS

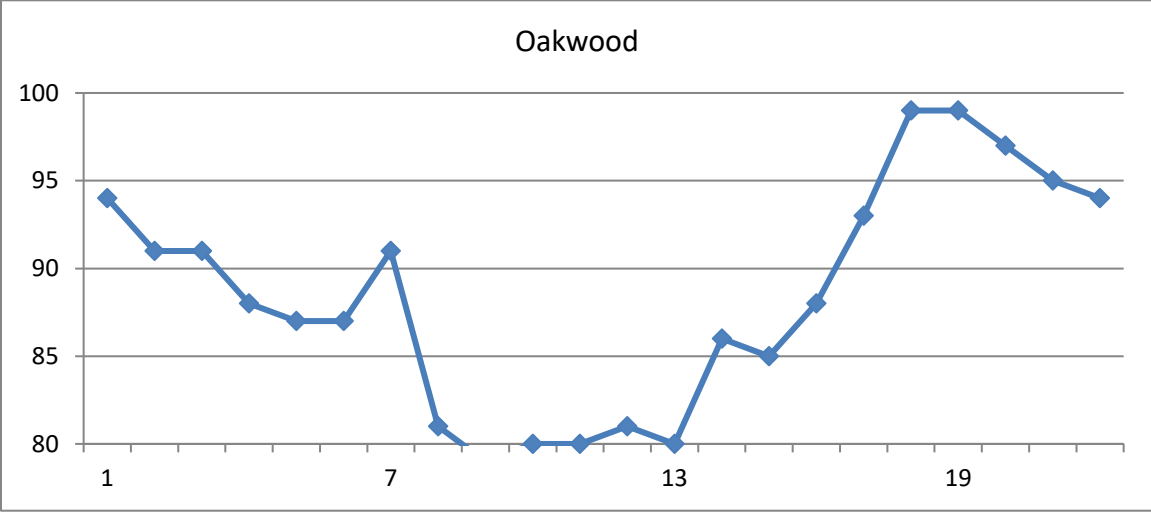
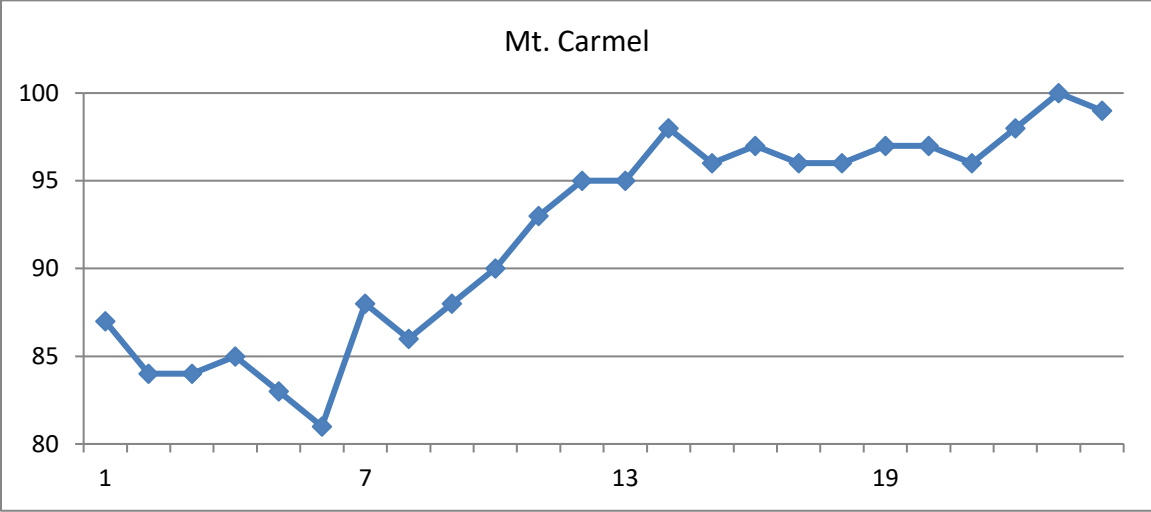
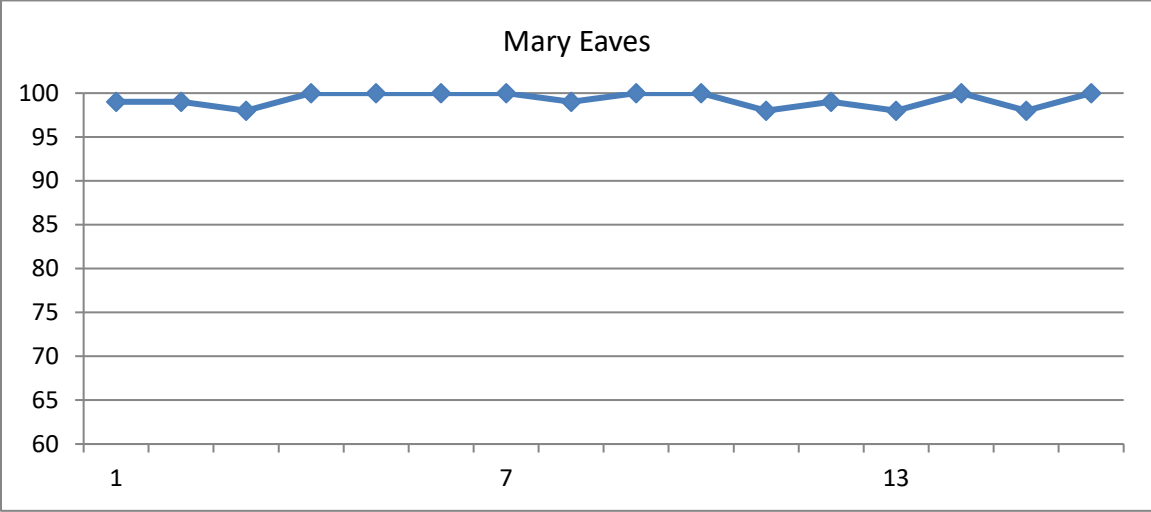
4-30-19

Average Occupancy by Development



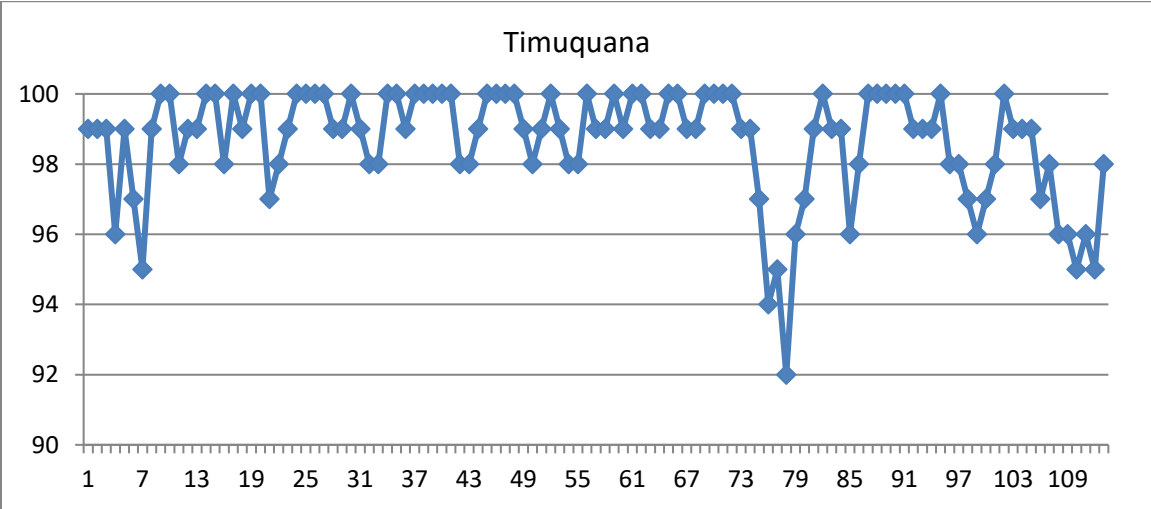
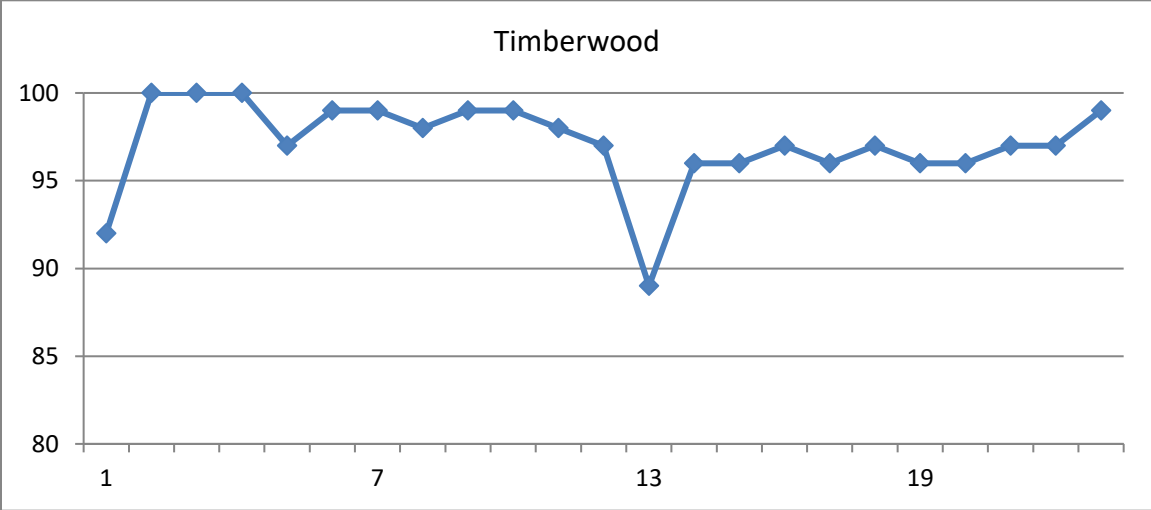
OCCUPANCY LEVELS 4-30-19

Average Occupancy by Development



OCCUPANCY LEVELS 4-30-19

Average Occupancy by Development



September 19, 2018

Applications Due: November 9, 2018

JACKSONVILLE HOUSING FINANCE AUTHORITY

NOTICE OF FUND AVAILABILITY/

REQUEST FOR APPLICATIONS/

2019 ALLOCATION

MULTIFAMILY MORTGAGE REVENUE BONDS

The Jacksonville Housing Finance Authority (the "Authority") announces the availability of funds and is requesting applications for the consideration of providing tax-exempt revenue bond financing 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. 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 if the Applicant will be invited into credit underwriting. Submission of an application does not entitle the Applicant to bond financing, even if sufficient bond allocation remains to fund the development.

The estimated amount of 2018 tax-exempt bond authority that is available for multi-family development is approximately \$40,000,000.

The Authority will not consider issuing obligations to provide financing for any development unless the applicant has satisfied the general requirements set forth in its 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 Handbook. Copies of the Application and of the Handbook are available at the bottom of this page.

The Authority will not consider issuing obligations 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 Handbook. Copies of the Application and of the Handbook are available at the Authority's website (<http://www.coj.net/departments/independent-boards-and-agencies/jacksonville-housing-finance-authority/multifamily-programs.aspx>). 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 below market rate loans of bond proceeds for construction, rehabilitation and permanent financing of multifamily housing developments. The funds are made available through the issuance by the Authority of revenue bonds (the "Bonds"). If the Authority requires credit enhancement on the Bonds, the borrower must arrange to secure or collateralize the Bonds. The Bonds are secured solely by the credit enhancement provided by the borrower and/or by revenues from the development. In no event shall public revenues ever secure the bonds. The Authority is merely a conduit and shall not be liable on any Bonds. From time to time the Authority may approve other financing structures to the extent permitted by law.

The multifamily program has been undertaken by the Authority in order to alleviate the shortage of affordable housing available to persons and families in Jacksonville; to generate affordable multifamily rental capital for investment in Jacksonville, to stimulate economic development; and to create jobs. Applicants are strongly encouraged to consider participating in Jacksonville's Program.

Preference may be given to any application that is currently in the multi-family review process, but not does currently have allocation.

BONDS WITH SAIL APPLICATION

The 2019 Bonds with SAIL application will be available August 25, 2018. This application is only available to applicants for HFA bond financing that are also seeking SAIL or other gap financing funds from FHFC.

BONDS WITHOUT SAIL APPLICATION

The 2019 Multi-Family Application (applicants seeking bond financing who are not also seeking SAIL) will also be available August 25, 2018.

The 2019 Multi-Family Application is available online and either application is **due no later than 5:00 PM, Eastern Standard Time, November 9, 2018**. For more information, contact Mark Hendrickson (contact information below). Information on fees that are due with the application and where applications are to be submitted is included within the Application and the Application Procedures and Program Guidelines Handbook. **If bond allocation is available after the application deadline, the Authority will continue to accept applications, which will be reviewed on a first-come first-evaluated basis.**

APPLICATION FEES

Please see each application for the fees associated with submission.

Firms participating with the Jacksonville Housing Finance Authority:

Investment Banking Firms acting as senior managing underwriter and remarketing agent for the issuance of the Authority's multifamily housing revenue bonds:

RBC Capital Markets

100 2nd Avenue S. Suite 800

St. Petersburg, FL 33701

Telephone: (727) 895-8892

Contact: Helen Feinberg helen.feinberg@rbccm.com

Financial Advisor:

The Hendrickson Company and The Community Concepts Group

1404 Alban Avenue

Tallahassee, Florida 32301

850.671.5601

Contact: Mark Hendrickson mark@thehendricksoncompany.com

Or Susan Leigh at 850.656.2808 sleigh@comcast.net

Applications Due: SEPTEMBER 28, 2018
for
LOCAL GOVERNMENT AREA OF OPPORTUNITY FUNDING REQUESTS
In Conjunction with FHFC RFA 2018-112

JACKSONVILLE HOUSING FINANCE AUTHORITY

**NOTICE OF FUND AVAILABILITY &
REQUEST FOR APPLICATIONS**

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 Area of Opportunity Funding for developments seeking FHFC Housing Credits in conjunction with FHFC RFA 2018-112 and/or loans providing Local Government Contributions in conjunction with FHFC RFA 2018-112. 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:

<http://www.coj.net/departments/independent-boards-and-agencies/jacksonville-housing-finance-authority/multifamily-programs.aspx>

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 approximately \$1,500,000. Up to this amount can be used for multi-family developments seeking Housing Credits from FHFC pursuant to FHFC RFA 2018-112, and Local Government Area of Opportunity Funding from 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 for the Local Government Area of Opportunity Funding. One loan made in conjunction with FHFC RFA 2018-112 will be in the dollar amount necessary to score the maximum amount of points for the Local Government Area of Opportunity Funding, while another loan will be in the dollar amount necessary to score the maximum number of points for the Local Government Contribution.

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 2018-112 or any other FHFC RFA are due no later than 5:00 PM, Eastern Standard Time, **SEPTEMBER 28, 2018**. 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
Laura Stagner, Director of Finance
214 North Hogan Street, 7th Floor
Jacksonville, FL 32202
PDF to be emailed to lstagner@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

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.

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 Government Area of Opportunity Funding:**
 - ✓ **Location within the boundaries of the Jacksonville City Limits (Pre-Consolidation, 1968)**
 - ✓ **Maximum Economic Impact**
 - ✓ **Developments which provide a lift to the neighborhood, and could lead to additional revitalization and/or neighborhood improvement**
 - ✓ **Projects that result in the adaptive reuse or redevelopment of existing structures or properties**
 - ✓ **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.**
 - ✓ **Developments which commit to an affordability period beyond the minimum 50 year period required by FHFC and JHFA**

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. However, if the Board determines that a family development equals or exceeds an Elderly development in terms of the Board’s evaluation of the criteria and priorities detailed above, the development serving the Family demographic will be selected.

Note: A map is included with the NOFA that shows the boundaries of the Jacksonville City Limits, (Pre-Consolidation, 1968). If you are unsure if a site is within that area, you may submit the site to Mark Hendrickson (mark@thehendricksoncompany.com) who will consult with the City and provide a determination prior to the application deadline.

3. LOAN TERMS:

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

The loan amount for Applicants seeking a Local Government Area of Opportunity Funding loan will depend upon development type, and are detailed within FHFC RFA 2018-112. The terms for such loans are:

- ✓ Loan Amount to be determined by development type, as detailed in FHFC RFA 2018-112
- ✓ Term of loan to be the minimum required by FHFC RFA 2018-112 or for development financial feasibility
- ✓ Monthly payment schedule
- ✓ Amortizing or non-amortizing, but amortizing preferred
- ✓ 0% interest possible, but not preferred
- ✓ Loan due in full in balloon payment at end of loan period if not already amortized

- 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.
- 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**

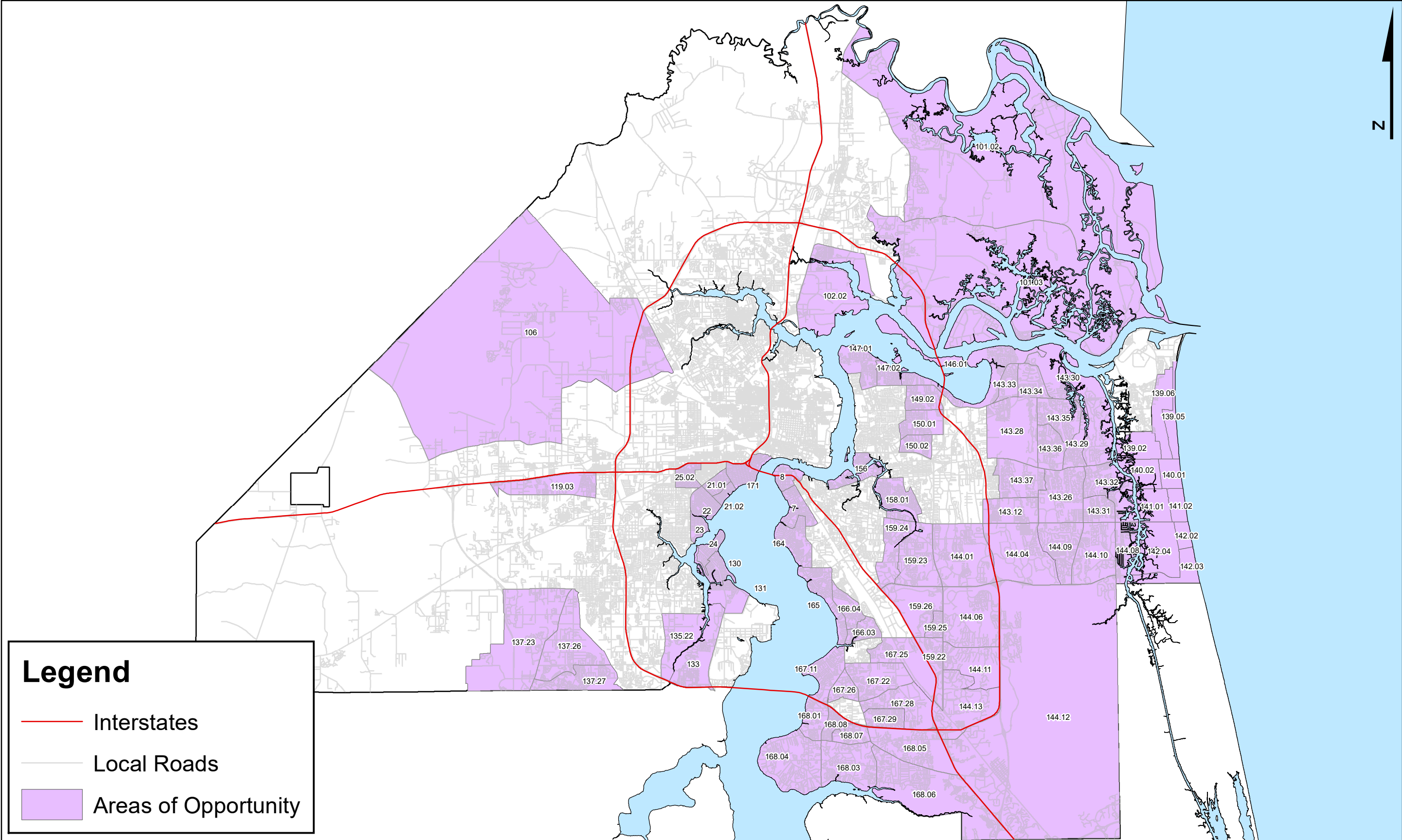
- \$5,000 Application fee due with original application, check made out to JHFA
- \$3,000 Review fee, due with copies of application, but mailed to and check made out to The Hendrickson Company
- \$5,000 Closing Fee, due at loan closing.

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 2018-112, or any other FHFC RFA, related to the NPV calculation or the calculation for the Area of Opportunity Funding. JHFA is assuming NO LIABILITY if FHFC or any judicial or quasi-judicial body comes to a conclusion that the funding levels or loan terms do not qualify the Applicant for the Local Government Area of Opportunity or Local Government Support points within the FHFC RFA/Application.

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 Laura Stagner and Mark Hendrickson prior to the submission deadline.

City of Jacksonville Geographic Areas of Opportunity



**Applications Due:
November 9, 2018 for Loans Made in Conjunction with FHFC RFA 2018-116
or any other FHFC Housing Credit RFA**

JACKSONVILLE HOUSING FINANCE AUTHORITY

**NOTICE OF FUND AVAILABILITY &
REQUEST FOR APPLICATIONS**

LOCAL GOVERNMENT SUPPORT LOANS

**(1) FOR DEVELOPMENTS APPLYING FOR FHFC SAIL SEEKING THE REQUIRED
LOCAL GOVERNMENT CONTRIBUTION &**

**(2) FOR DEVELOPMENTS APPLYING FOR OTHER FHFC GAP FINANCING SEEKING
THE REQUIRED LOCAL GOVERNMENT CONTRIBUTION**

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 Support for developments seeking FHFC funding. 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:

<http://www.coj.net/departments/independent-boards-and-agencies/jacksonville-housing-finance-authority/multifamily-programs.aspx>

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 approximately \$1,500,000. Up to this amount can be used for multi-family

developments seeking SAIL from FHFC pursuant to FHFC RFA 2018-116 and/or seeking FHFC gap financing or housing credits through another RFA.

The maximum amount of the Local Government Support loans funded pursuant to this NOFA is the amount that will allow local projects to score the maximum number of points for local government contribution (not Local Government Area of Opportunity Funding) under FHFC RFA 2018-116, or other FHFC Housing Credit or Gap Financing RFA. Loans will be structured to achieve a net present value contribution of the amount necessary to score the maximum amount of points.

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 are due no later than 5:00 PM, Eastern Daylight Time, **November 9, 2018**. 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:

SUBMIT ORIGINAL (WITH \$500 BOND APPLICATION FEE & \$5,000 LOCAL CONTRIBUTION FEE) AND 6 COPIES TO:

Laura Stagner
Director of Finance
Housing and Community Development
214 N. Hogan St., 7th Floor
Jacksonville, Florida 32202
Contact: Laura Stagner, 904.255.8279 lstagner@coj.net

One (1) hard copy, a PDF of the entire application & Review Fee of \$3,000 (Check made payable to the Hendrickson Company) to:

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

NOTE: THE APPLICATION FOR LOCAL CONTRIBUTION FUNDING IS THE BONDS WITH SAIL & LOCAL CONTRIBUTION APPLICATION

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.

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 priority for Applicants applying for the local government contribution in conjunction with a SAIL application:**
 - ✓ **Utilizing JHFA Bonds**

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 FHFC SAIL applications or Housing Credit applications other than the Local Government Area of Opportunity Funding loan made in conjunction with FHFC RFA 2017-113 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.
- 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, check made out to JHFA
- \$3,000 Review fee, due with copies of application, but mailed to and check made out to The Hendrickson Company
- \$5,000 Closing Fee, due at loan closing.

5. DISCLAIMER

The JHFA will determine the NPV of the loan/contribution at the time of the loan commitment.

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 2018-112, FHFC RFA 2018-116, or any other FHFC RFA, will ultimately agree with this calculation. It is our best estimate of the NPV, but we are 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 Laura Stagner and Mark Hendrickson prior to the submission deadline.

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