

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT**  
**FY 2018 RFA**  
**ADDENDUM #1, as of January 22, 2018**

**All addendums apply to CDBG, HOME and ESG**

**Questions from the RFA Workshops and sent to PHCD via  
communitydevelopmentservices@miamidade.gov**

Any updates to the RFAs, including responses to questions, will be posted on-line at the PHCD website. Prospective applicants should check the PHCD website regularly for updates at <http://www.miamidade.gov/housing/community-development.asp>

**CDBG**

- 1) Question: If we apply for building improvement assistance under the Public Facilities/Capital Improvements category, do we have to complete and submit the Verification Forms on pages 65-71 of the CDBG RFA or are these forms for organizations applying for Housing Developments?**

**Answer:** Whether the Verification Forms are needed is dependent on the scope of work. Public Facilities projects that are repurposed, having modified its zoning or are doing major rehabilitation will require the submission of the verification forms.

- 2) Question: In the CDBG booklet (page 11) applicants are asked to download their entire application to a CD. Is this correct?**

**Answer:** Applicants **DO NOT** need to submit the entire application via CD. However, items such as Environmental Phase I and II, architectural plans, etc. should be placed on a CD and indicated in the appropriate tab that they can be located on the CD.

- 3) Question: In the Economic Development category, can you provide a job previously frozen (i.e., 'bring a job back)?**

**Answer:** No. The job(s) created must be a new job(s). The agency doing micro-lending, technical assistance or providing an incubator is not the entity creating the job. It is the businesses they are assisting that are responsible for creating the new job.

- 4) Question: What about the Special Economic Development (SPED) category?**

**Answer:** SPED will be a separate application. The application should be available within two weeks, but routinely check the PHCD website concerning the availability of the SPED application.

- 5) Question: Can for-profit entities apply for the Public Service Disaster-Related assistance (i.e., energy audit or disaster contingency plan)?**

**Answer:** No. For-profits are not eligible for Public Service Disaster-Related funding.

**6) Question: What about displaced Puerto Ricans now in Miami? Can they receive Public Service Disaster-Related assistance?**

**Answer:** No. HUD has designated Miami-Dade County as being adversely impacted by Hurricane Irma. Puerto Rico has its own entitlement and has been provided the various waivers due to Maria.

**7) Question: Must I prove that populations my organization served that were affected by the hurricane (i.e., schools, shelters) registered for FEMA assistance? Is it possible to retroactively fund services that were provided?**

**Answer:** Yes, retroactive reimbursement is allowable. However, the provider is responsible for providing proof of the client's registration with FEMA and that there is no duplication of services.

**8) Question: Attachments –Maps of Targeted Urban Areas (TUAs) – must the project be located within a TUA?**

**Answer:** No, the TUAs were used for economic development projects in the past. There is no loss of points if an activity is not located within a TUA.

**9) Question: Is an Environmental Phase I required?**

**Answer:** Construction related projects require the submittal of a Phase I and possibly a Phase II, if warranted. These reports may be submitted on a CD instead of in the binders, but the tab notification must indicate that the information is on the CD.

**10) Question: If property is located within the City of Miami, will it be eligible for funding?**

**Answer:** Yes, if applicant can demonstrate Metropolitan Significance/county-wide benefit.

**11) Question: Which category requires FEMA documentation/registration of persons/clients served?**

**Answer:** The Public Service Disaster-Related and Housing category.

**12) Question: What if a service is open to a limited population, but serves clients countywide – is it eligible?**

**Answer:** Yes, these services may be eligible under the Public Service category.

**13) Question: Is the CDBG housing new construction category restricted to disaster related?**

**Answer:** Yes, if the new construction applicant is not a community based development organization, new construction of housing units will be permitted to address damage by Hurricane Irma.

- 14) **Question: Are the Public Service-Disaster Related application scored by a committee?**

**Answer:** Yes, a committee scores Public Service-Disaster Related applications.

- 15) **Question: What is the criteria to determine if a cultural facility is open to the public?**

**Answer:** The facility must be a government facility, owned by a not-for profit and opened and available to the public during normal business hours.

- 16) **Question: Is there a possibility for an online, fillable application form?**

**Answer:** No. That option is not available at this time.

## **HOME**

- 1) **Question: Does the application require a market study?**

**Answer:** Yes, the market study for any housing activity should be included in the application submission via CD. The study must demonstrate a demand or need for the project.

- 2) **Question: Is an Environmental Phase I required?**

**Answer:** Construction related projects require that you submit a Phase I and possibly a Phase II, if warranted. These reports may be submitted on a CD instead of in the binders, but the tab notification must indicate that the information is on the CD.

- 3) **Question: On page, 21 of the HOME RFA, completed architectural and engineering plans are cited. Is this a minimum threshold item?**

**Answer:** No, this is not a threshold item. However, it is highly recommended that the A&E plans be included to indicate that the project is ready to proceed.

- 4) **Question: In the HOME RFA, must I provide the Internet Readiness Form?**

**Answer:** Yes.

- 5) **Question: On page 22 of the HOME RFA an Ordinance is cited that if applicants are willing to do one additional UFAs unit (or up to 5%), then you get bonus points. Does that apply to this application?**

**Answer:** In order to receive bonus points the Ordinance requirement must be exceeded.

- 6) **Question: Page 12, item 11, the HOME RFA states priority on NRSAs and EBGs – how is this taken into consideration on the score sheet?**

**Answer:** It is not reflected in the scoresheet. However, our 2013-2017 Consolidated Plan addresses these County's priorities.

- 7) **Question: Does winning funding through the RFA preclude participation for the same project as in the Surtax RFA to be issued later this year?**

**Answer:** No. You can apply for both but they are independent funding sources and HOME has timely expenditure regulations and the timing of the funding cycles may preclude you from using the different funding sources.

- 8) **Question: On page 22 of the HOME RFA an Ordinance is cited that if applicants are willing to do one additional UFAs unit (or up to 5%), then you get bonus points. Does that apply to this application?**

**Answer:** Yes, per Ordinance 14-56 developers and applicants who propose up to five (5%) additional set aside units for Disabled Households beyond that which may be required by applicable Federal, State or local fair housing laws or other applicable laws may receive bonus points if the Ordinance requirement is exceeded. The current HOME RFA awards five (5) bonus points when this is met.

- 9) **Question: Do you anticipate awarding all \$1,440,290 of the HOME program funds to one applicant if the applicant with the highest score requests all of it?**

**Answer:** The dollar amount noted above is earmarked for a variety of services as noted in the RFA. Additionally, an applicant's score is one of the deciding factors in funding recommendations. The Evaluation/Selection Committee, has at their discretion the ability to consider other factors in their recommendations (i.e., variety of program services, geographic distribution of services, cost effectiveness, etc.).

- 10) **Question: When doing HOME Rehabilitation, is there a maximum percentage of developer's fee allowed?**

**Answer:** For LIHTC projects the developer fees for all categories (including developer's overhead, developer's fees and consultant fees) combined cannot be more than 18% for 4% Low Income Housing Tax Credits (LIHTC) with Florida Housing Finance Corporation (FHFC) or Housing Finance Authority (HFA) bonds, and no more than 16% on 9% LIHTC projects.

For Non-LIHTC, the developer's fee is commensurate with the level of risk. Project development costs (including fees and soft costs) should reflect a pro-rata share of the total funding awarded by the County and all other funding sources. If the project receives funding from the County from multiple funding years (i.e., 2017 and 2018 funding), the Developer's Fees shall be prorated in accordance with the terms of those respective funding years and the Requests for Applications and the respective applications for funding submitted to the County. Developer's Fees must be prorated among funding sources. The County's funds may not be used to pay a greater portion of the Developer's Fee than the proportion of the County's loan to the overall development costs absent the consent of the County. Developer fees must be reflective of actual construction completed. No part of the developer's fee can

be disbursed until all loan closing conditions have been met. Under no condition will Miami-Dade County reimburse developers for costs incurred on the development prior to an executed written agreement and loan closing with recorded documents in effect.

**12) Question: Is there a maximum standard cost per unit?**

Answer: HUD has waived the maximum per unit subsidy limit for HOME –assisted units due to Hurricane Irma. However, the per unit cost must be reasonable as determined by PHCD.

**13) Question: In the HOME program is there an ability to serve higher incomes (clients with incomes above 80% AMI ?**

Answer: No.

**14) Question: In one section of the RFA (p.62), it states that utility allowances published by the PHA no longer are permitted. At the same time the 1/1/2018 PHA published allowances are provided as an RFA attachment.**

**We are applying for gap funding for a development with some HOME funds already in place which are already underwritten using the HUD (PHA) allowances.**

**Which allowances should I use for the 2018 HOME RFA?**

**Answer:** Effective immediately, Miami-Dade County will no longer permit the use of the utility allowance established by the local Public Housing Authority (PHA) for HOME-assisted rental projects for which HOME funds were committed on or after August 23, 2013. Projects to which HOME funds were committed before the effective date of the 2013 HOME Rule may continue to use the PHA utility schedule. U.S. HUD has notified all Participating Jurisdictions (PJs) that methods used by PHAs to establish utility schedules vary across the country and, therefore, may generate inconsistent or inaccurate allowances. PHA utility schedules are based on average consumption rates across a PHA's portfolio. Application of standardized utility allowances may result in undercharging of rent, particularly in projects where tenants pay utilities directly. As more projects are constructed or rehabilitated to higher energy-efficiency standards, the use of a standard utility allowance may not represent actual utility costs. Pursuant to U.S. HUD regulations, all PJs must establish a local policy for determining the UA for HOME projects based on the specific type of utilities used at the project.

PHCD will only accept the Utility Company Estimate project-specific methodology, as per 26 CFR Part 1.42-10(b)(4)(B). PHCD will approve UAs based upon estimates obtained from a local utility company for each of the utilities used in the project. IRS regulations state that the estimate must be obtained in writing and must be based on the estimated cost of that utility for a unit of similar size and construction for the geographic area in which the building containing the unit is located.

## **Corrections/Clarifications**

- In all categories, wherever the threshold item “Successfully passed Due Diligence Review” is listed, the RFA is amended to read, “Submits Signed Due Diligence Affidavit.” The Due Diligence Affidavit is required in order for PHCD to conduct required Due Diligence Review.
- Per HUD definition:30% of median income is extremely low income
- Davis-Bacon Act is triggered when more than \$2000 is expended in CDBG funds for construction and for the construction of 12 or more HOME funded units.
- Shovel ready is defined as: the environmental site assessment reports (Phase I and II) are completed with a “No Further Action” recommendation, construction plans and specifications have been completed and approved by all local agencies, full funding of the construction phase is committed in writing (minus the funding gap requested), and construction is ready to start pending the selection and award of the general contractor within sixty days (60) from the contract execution date with the County
- Throughout both RFAs, wherever [phcdresidentservices@miamidade.gov](mailto:phcdresidentservices@miamidade.gov) is referenced, the correct address is [communitydevelopmentservices@miamidade.gov](mailto:communitydevelopmentservices@miamidade.gov).
- The cover page of the CDBG RFA should have as its release date December 28, 2017.
- CDBG Book Page 63 –MUST Presentation Form, the fax number and e-mail address on the form is incorrect. Do not fax form. It should be sent to: [communitydevelopmentservices@miamidade.gov](mailto:communitydevelopmentservices@miamidade.gov).
- Infrastructure and Zoning forms (beginning on page 44 of the HOME RFA and page 64 of the CDBG RFA) must be completed and submitted with your application(s) if you have a construction project.
- All required attachments must be completed and submitted with the application.
- HUD has waived the new construction prohibition to enable CDBG grantees to replace affordable housing units that are lost because of Hurricane Irma.
- Firm commitment definition: financing, matching or other funds for the project. A commitment in writing and signed by a person authorized to make the commitment. Letters of commitment must indicate the total dollar value of the commitment; including a calculation to show how the value of the commitment was derived; be dated between the publication date of this RFA and the application deadline for this RFA; and indicate how the commitment will relate to the proposed project.
- PHCD will NOT amend the requirement that proof of zoning and infrastructure etc. be provided as part of the exhibit. Environmental clearance must be obtained prior to any funds being expended.