

**Miami-Dade Public Housing and Community Development**  
Responses to the FY 2022 SURTAX/SHIP/HOME RFA - DRAFT  
Issuance Date: July 2022

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**United Architects, Inc.**

**Comment:** I looked at the diversity breakdown in your solicitation. Nowhere does it say anything about gender. Women are more than 50% of the population yet nobody seems to be aware of that fact or care much about it. Did you know that when I asked about a year ago through Public Information, PHCD had never contracted with a female architect for an affordable housing project and no woman architect had ever been part of a development team? Mayor Daniella Levine Cava introduced her diversity platform and goals with much fanfare recently back in April. I would like to know when you plan to have goals for the inclusion of female architects in these development project. I am sure that you have had engineers and landscape architects, but the design leaders of these teams are always the architects. Where are the women architects? When do you plan to develop a strategy for the inclusion of female architects in your projects?

**Answer:** Miami-Dade County's legislative policy requiring diversity in the use of Surtax funding as outlined in R-1080-14 does not mention nor exclude women for purposes of this RFA. However, the RFA does explicitly allow applicants to use documented contracts with Women Business Enterprises (WBEs) to satisfy the diversity requirement.

**Resia (formerly AHS Residential Homes)**

**Question:** Is there a possibility of receiving bonus points for developers who "self-source" or private financing a level of gap financing rather than seeking other state sources like SHIP or LIHTC, for which bonus points are provided. This can tie into the innovation we provide, which would also include our technology and our commitment as part of our site plan approval that we are conveying a portion of our units (TEN UNIT DUPLEXES) to the Miami Dade Homeless Trust at our current Old Cutler development currently under way. Thank you for the consideration.

**Answer:** The RFA has been amended to allow points for self-sourcing.

**Related Urban Development Group**

**Question:** In ZoomGrants, under (Part VI-Financing and VIII-Rents and Operating Pro-formas) in section (Units and Rental Rates—Miami-Dade County Assisted & Non-Assisted Units) it would be helpful if there was an option add fields/rows. Certain projects (particularly those using Income Averaging) serve various AMI's thus (6) rows/fields are not enough to properly illustrate which units are MDC assisted/non-assisted.

**Answer:** ZoomGrants will be updated to allow for the additional fields/rows. Applicants must upload and attach ALL documents that support an application, in addition to completing fields in zoomgrants.

**Question:** Please provide HUD's 2022 Maximum HOME Subsidy per unit limits for studio, 1-bed, 2-bed, 3-bed and 4-bed apartments? The one's on your website are outdated.

**Answer:** HUD's 2020 Maximum HOME Subsidy per unit limits may be used until further notice. Applicants should monitor the PHCD website for possible updates to the subsidy limits.

**Question:** Please confirm that the maximum Total Development Cost exclude property purchase price and operating deficit reserves as it does in FHFC's calculations.

**Answer:** That is correct.

### **Atlantic Pacific Communities**

**Suggestion:** In relation to the proposed change on Page 26 of the draft RFA which states "Applications for GAP funding shall be limited to a maximum of \$6,000,000 for a single application," we respectfully request that PHCD not add any additional limitations beyond those required by legislation. The affordable housing industry is facing many challenges, including unprecedented increases in construction costs, inflation, and interest rates. Recent construction cost estimates in the affordable housing industry are up to 50% higher than in 2021, driven in part by the market-wide labor and material price increases. We have also lost significant ground on first mortgage loan amounts due to rising interest rates and insurance premiums; we've seen increases of 275 basis points on rates and insurance premiums on a per unit basis have tripled in less than a year. In an environment where developments are increasingly becoming infeasible, we ask that PHCD not reduce the amount of gap financing available, thus exacerbating the ongoing challenges. We request that at a minimum, PHCD delay implementation of this reduction in gap financing per deal until the next RFA round in order to preserve feasibility of developments that have already successfully secured financing from FHFC and allow the development community to plan accordingly with upcoming FHFC applications.

**Response:** In light of the current housing crisis in Miami-Dade County, there has been a significant increase in the need for gap funding. Limiting the amounts an applicant can apply for allows the County to leverage funds that result in the maximum number of affordable housing units for its residents. This change helps to create balance between the need to produce more units with revenues that are limited.

### **City of Miami Beach Housing Authority**

**Question:** Please consider providing bonus points in the RFA for developments that have been awarded Project-Based Vouchers by PHCD or a local PHA. The RFA should recognize the benefit of partnerships that result in PBVs being utilized in low-poverty, resource-rich areas as a mechanism to counter the gentrification and high rents that are increasingly prevalent in our community.

**Answer:** Bonus points for vouchers are not being considered at this time nor is consideration of vouchers in the subsidy calculation. These are considerations for future RFAs.

**Suggestion:** The HACMB respectfully requests that PHCD not implement proposed changes that reduce the amount of gap financing available per application in this RFA. The affordable housing industry is facing unprecedented increases in construction costs, inflation, and higher

interest rates due to market-wide labor and material price increases. Reducing the amount of gap financing available at this time will only exacerbate these ongoing challenges and threaten the feasibility of developments that have already successfully secured financing from Florida Housing Finance Corporation.

**Response:** In light of the current housing crisis in Miami-Dade County, there has been a significant increase in the need for gap funding. Limiting the amounts an applicant can apply for allows the County to leverage funds that result in the maximum number of affordable housing units for its residents. This change helps to create balance between the need to produce more units with revenues that are limited.

### **Centennial Management Corp**

**Question:** Are Year-end 2020 financial statements acceptable to meet the Financial Capacity threshold requirement?

**Answer:** Yes, as long as they are Audited or Certified Financial Statements certified by an independent 3<sup>rd</sup> party auditor, which cannot be performed by an affiliate or staff member.

### **Swerdlow Group**

**Suggestion:** Upon reviewing the FY 2022 SURTAX, SHIP and HOME RFA, Block 55 Residential, LP suggests that consideration for funding be given to projects that have already closed their financing and/or are already under construction for the following reasons:

The project budget increased significantly due to Covid delays, supply chain disruptions, and inflation. These following issues have affected us in numerous ways including:

- 1) Labor and material cost increases
- 2) Inability to get building permits in a timely manner as a result of staff shortages due to sickness and off-site work requirements, as well contradictory communications between City and County agencies.
- 3) Said building permit delays resulted in increased prices from subcontractors

In summary, since these escalations could not have been anticipated, we now have a large gap between our current tax-exempt bond financing, which is capped, and our updated total project cost. We now need a combination of Surtax, HOME and any other available funds to help cover this gap so that this affordable project can continue unabated.

**Response:** The department is considering ways we can provide assistance to address this issue. However, the current RFA will not be amended to allow funding requests for projects that have already closed on financing or have previously received Surtax awards. We recognize that costs have increased and are examining the possibility of finding resources to address this problem.

### **Florida & Caribbean Community Development**

**Question:** I am looking to use an option to lease as my form of site control. The option has reference to the following.

- Option to lease through July 31, 2023
- 99-year lease term
- Annual lease payments
- Specific performance by landlord/grantor

I believe this form should be acceptable similar to a purchase and sale agreement. Please confirm if the form of agreement would be acceptable as site control on the application. I have attached a copy for your review as well.

**Answer:** The RFA has been amended to include this as an option to establish site control.

### **The Integral Group, LLC**

**Question:** In the draft Surtax RFA document you allow site control by way of a letter from a District County Commissioner. Will you consider a change to the language so that a city commissioner can also provide same documentation for purpose of site control or will you limit this form of site control solely to county owned parcels within the county?

**Answer:** Site control as defined in the RFA requires a County government resolution as acceptable documentation for County owned land. Letters from a commissioner are not acceptable.

**Question:** In the scoring sheets for all categories, there is an item that provide points for the “Number of Housing HOME Set Aside-Units”.

In the Countywide (Page 63, Item 5.), Elderly Housing (Page 72, item 5.), Small Developments (Page 82, Item 4.), and Innovation (Page 90, Item 4.) categories, this item seems to be located within the “Set Asides for Extremely Low Income (ELI) – at or below 33% AMI” scoring. Is the intent of PHCD to provide points based on the percentage of ELI units that are set-aside as HOME units?

In the Workforce Housing (Page 68, Item 7.), Public Housing (Page 77, Item 6.), and Faith-Based Developments (Page 86, Item 7.) categories, this item seems to be located within the “Disability Set-Aside[...]” scoring. Is the intent of PHCD to provide points based on the percentage of units provided to disabled households that are set-aside as HOME units?

**Answer:** No, ELI and HOME set-asides are two different things and have been clarified in the RFA. An applicant can achieve points for both disability set-asides and points for HOME set-asides.