

COMMENTS AND RESPONSES FOR THE FY 2020 SURTAX/SHIP/HOME RFA – May 22, 2020

Adrian Alberto Madriz - Struggle for Miami's Affordable and Sustainable Housing – SMASH

1. **Question: I wanted to know which of the following RFAs would be best to apply for as a small, triplex developer:**

Answer: Based on your project as described, the category for small developments appears to be the most appropriate in this RFA.

2. **Question: Although the subject RFA Clearly favors Rental activities, would PHCD consider evaluating, scoring and funding a CLT *homeownership* condominium development under the *innovations* category?**

Answer: No. PHCD will issue a separate RFA for Homeownership activities.

3. **Question: If no, has PHCD made provisions for a subsequent RFA round in 2020 for homeownership activities?**

Answer: Yes. PHCD will be issuing a FY 2020 Homeownership RFA.

Ahmad Zachary - New Urban Development

4. **Question: Environmental Review, page 26 of 85. Review forms must be submitted in applications. Does this only apply when requesting HOME funds?**

Answer: No, environmental review forms must be submitted with all applications.

5. **Question: Page 42 of 85, #6, states information can be provided on a “CD”. Can information be provided on a thumb drive?**

Answer: PHCD will be using ZoomGrants for the electronic submission of applications.

6. **Question: Countywide Scoring sheet, page 60 of 85, states 110 possible points (not including bonus points), but only add up to 100. Please confirm the total possible points.**

Answer: An applicant can receive a total of 110 possible points excluding bonus points in the countywide category.

7. **Question: Workforce Scoring Sheet, page 64 of 85, states 110 possible points (not including bonus points), but only add up to 101. Please confirm the total possible points.**

Answer: The correct total possible points excluding bonus points in the workforce category is 110 points.

8. **Question: Elderly Scoring sheet, page 60 of 85, states 110 possible points (not including bonus points), but only add up to 100. Please confirm the total possible points.**

Answer: An applicant can receive a total of 110 possible points excluding bonus points in the elderly category.

9. **Question: Innovation Scoring sheet, page 82 of 85, states 34 possible bonus points, but add up to 41. Please confirm the total possible points.**

Answer: Correction, an applicant can receive a total of 120 possible points excluding bonus points in the innovations category.

10. Question: How is RER conducting their pre-meetings during the current Covid- 19 Pandemic?

Answer: RER is conducting virtual pre-application meetings on Thursdays. Applications for the pre-application process have to be scheduled by noon Wednesday of the previous week.

11. Question: Will the application cover sheet, development cost pro- forma, and housing development checklist work form be provided in a form that allows the applicant to properly input the information?

Answer: PHCD will be using ZoomGrants for the electronic submission of applications. Applicants will have the ability to upload and attach completed forms to an application electronically.

12. Question: How is the “ bonus points” section (Tab 23) going to reviewed, is there a preferred way to show the assumed achievable bonus points within tab 23?

Answer: Points will only be awarded when supporting documentation outlined in the Application Checklist is attached to your electronic application. If supporting documentation is too large for upload, applicant may upload attachments in multiple submissions.

Michael O'Hara - Housing Authority of the City of Miami Beach

13. Question: Page 6 – What is the anticipated month/year of issuance for the conditional loan commitment? We believe we are going to get to BCC by the end of the year.

Answer: A conditional loan commitment is offered to awarded applicants after receiving BCC approval. PHCD anticipates obtaining Board approval for FY 2020 Surtax/SHIP/HOME by December 2020.

14. Question: Page 6 – Can an Applicant request a specific funding source within an activity category (i.e. Surtax or SHIP, and not HOME)?

Answer: Yes, applicants may request multiple funding sources as outlined on page 6 of the RFA. HOME funds may or may not be combined with a request for Surtax/SHIP funding. Please note that Surtax/SHIP is considered one funding source.

15. Question: Page 6 – Please consider including a separate rental activity and funding for Permanent Supportive Housing and/or Homeless projects.

Answer: PHCD believes the existing categories in the FY 2020 RFA could fit the project described, including but not limited to small developments.

16. Question: Page 9 – Firm Commitment – Will an Invitation to Underwriting from FHFC for a non-LIHTC funded project be considered a firm commitment?

Answer: Yes

17. Question: Page 14 – Total Maximum Development Cost per Unit – Can PHCD revise the policy to include all applications awarded funding by FHFC? The policy as-written only includes tax credit applications, and does not include non-LIHTC projects and any associated TDC Multipliers and Add-Ons.

Answer: This policy is based on a Board resolution, R-343-15, which sets a policy limitation on the total amount of Surtax funding awarded to any affordable housing development for gap funding to a percentage of the Total Development Cost for that development. Our current RFA allows Total Maximum Development Costs that are consistent with FHFC's 2020 RFA applications. The Total Maximum Development Costs apply to all projects.

18. Question: Page 22 – Please confirm that Resolution No. R-617-18 applies to elderly housing projects only.

Answer: Correct, it applies to all affordable elderly housing developments, exceptions can be found in section 5 of R-617-18.

19. Question: Page 31 – Financing Options – Which options are available to projects funded by FHFC but without LIHTC and bonds (i.e. CDBG-DR or SAIL only)?

Answer: All, however 1B does include tax exempt and bond financing which typically is awarded in conjunction with SAIL and CDBG-DR deals. See page 31 that includes clarification on loan terms.

20. Question: Page 31 – Financing Options – Is a multi-family rental project (not public housing), solely developed by a PHA, eligible for the financing options under: Homeless and Public Housing Not-For-Profit Developers?

Answer: No.

21. Question: Page 35 – Features for Elderly Housing Developments – does R-617-18 apply to elderly housing projects funded under the Small Developments and/or Innovations rental activities category (page 6)?

Answer: Correct, it applies to all affordable elderly housing developments, exceptions can be found in section 5 of R-617-18.

22. Question: Pages 76 & 80 – Mixed Income Projects – CDBG-DR funds awarded by FHFC required a demographic commitment for Workforce households at or below 80% of the Area Median Income, serving general occupancy. Please consider revising the point structure to allow 100% at or below 80% AMI. As written, these small projects (less than 30 units) would receive 0 points in this category.

Answer: Point structure for mixed income categories has been updated to include projects with income averaging and workforce housing.

23. Question: Pages 76 & 80 - Mixed Income Projects - Please consider including points for projects that commit 20% of the total units for Permanent Supportive Housing for individuals and families that meet the Homeless definition.

Answer: No.

24. Question: Page 81 – Number of Housing HOME Set Aside Units – page 6 indicates that only Surtax funds are available for Innovations rental activities. Can PHCD delete this section and assign the 10 points to another scoring category?

Answer: No.

Andrew Velo-Arias - Related Urban

25. Question: On page 73, question #4 of the Public Housing Multifamily Rental Scoring Sheet, it states: Has HUD approval been obtained for mixed finance development of public housing? If the intent is to consider RAD developments as eligible under the public housing category, then the questions should be explained accordingly.

Answer: The RFA has been modified to include appropriate RAD language.

26. B. Points could be awarded for RAD developments that have received a Commitment to Enter into a Housing Assistance Payment contract (CHAP) and additional points for those developments that have received a Rental Conversion Commitment (RCC) from HUD.

Answer: No.

27. Question: On pages 24-25, bonus points for RER Pre-Application Meeting appear to disadvantage projects located within municipalities that are not under the jurisdictions of the various disciplines subject to bonus point awards. For instance, projects within the City of Miami would not be eligible under RER Development Services (1 point), RER DERM (1 point), RER Platting and Traffic Review (1 point), Miami-Dade County WASD (1 point), and Miami-Dade Fire Rescue (1 point). Furthermore, not all municipalities have an equivalent pre-process.

Answer: Miami-Dade County's DERM, RER Platting, and WASD reviews are necessary for development activities for all County and area municipalities. In cases where a project is located within a municipality, such as the City of Miami, the County also invites the municipality as a participant in the pre-application meeting.

In this example provided in the question, PHCD will consider documentation related to the development approval process from the city's development staff and fire rescue staff.

Liz Wong - Atlantic Pacific Communities

28. Question: Page 17, item 9: Do the Total Development Cost Limitations apply to public housing projects that will be redeveloped and owned by private developers and privately managed?

Answer: No, public housing is exempt as outlined in the policy under minimum threshold requirements, item 9.

29. Question: Pages 16/17, items 8 and 10: At the 2nd Developers Roundtable, Clarence Brown mentioned that if an applicant applies for both Surtax and HOME, the total allocation would be allowed to exceed the cap. Please clarify what was meant by this statement. For example, would the high-rise 25% cap on 4% LIHTC developments be allowed to exceed 25% if there is a combination of Surtax and HOME funds allocated?

Answer: Resolution R-343-15 sets cap on subsidy for Surtax funds that can be awarded. Any gap funding that remains after an allocation of Surtax funding, can be met using HOME funds. Note, HOME funds are only available in the multifamily rental countywide and small developments categories.

30. Question: Page 21, Average Income Set-aside, the RFA states PHCD will assess applications subject to prior written approval from FHFC, and compliance with laws stated in the Consolidated Appropriate Act of 2018. Is this only applicable to applicants that did not elect the Average Income set-aside in their FHFC application?

Answer: No, this is applicable to all applicants that elect Income averaging. If the applicant elects income averaging, PHCD will assess applications subject to the following criteria: prior written approval by Florida Housing Finance Corporation, and compliance with laws stated in the Consolidated Appropriation Act of 2018.

31. Question: Please provide the link for the location of the 2020 RFA Attachments? The only attachments found are under FY 2019 RFA for CDBG/HOME/ESG funds - <https://www.miamidade.gov/housing/library/guidelines/cdbg-home-esg-fy2019-attachments.pdf>.

Answer: A link for the attachments will be provided in the final application and posted on the PHCD website at www.miamidade.gov/housing.

32. Question: Pages 22-23, Please confirm the Natural Disaster Plan and features required pursuant to R-617-18 are only applicable to elderly affordable housing applying for Surtax/Home funds.

Answer: Correct, R-617-18 only applies to affordable elderly housing developments.

33. Question: Page 23, ACC Replacement (Threshold): If the public housing redevelopment will occur in phases, will the first phase proposed meet threshold if it has less than 100% of the ACC units on site, but the proposed future phases will replace the ACC balance remaining? Does this also apply to RAD units?

Answer: Yes. However, please note that no one phase can have more than 50% of the replacement units.

34. Question: Page 26, HOME match: If applying for combination of Surtax and HOME funds, confirm a 25% match is only required for the HOME amount requested.

Answer: For purposes of this RFA, there are no match requirements. The RFA has been modified to reflect the correction.

35. Question: Page 50, last bullet point: Are the following only applicable to Rehabilitation projects? 40-year certification, completed architectural/engineering plans; approved building/construction permits from respective municipality.

Answer: Correct, information as referenced under the noted bullet, including a 40- completed architectural/engineering plan and approved building and construction permits from a respective municipality are required for rehab projects.

36. Question: Pages 61, 69 and 77 - ELI/HOME Scoring: Can the applicant earn points for both the ELI set-aside and HOME assisted units for a total of 17 points?

Answer: Yes.

37. Question: Page 14, Proximity to Rapid Transit Services Bonus Points: We urge PHCD to award additional points to true, walkable TOD sites, and propose that developments meeting the following criterion receive 12 points: Located within 1/10 mile of a MetroRail or MetroMover station, or a bus stop along the South Dade Transitway. Note, the one-tenth mile distance from the site to the station/stop must be walkable.

Answer: The RFA has been modified to allow additional bonus points for closer (1/10 of a mile walking distance) proximity to rapid transit services.

38. Question: Pages 62, Efficient Building Costs for High Rise Developments: We urge you to consider applying Florida Housing's methodology of calculating the TDC limitation by providing a \$5,000/unit add-on for each of the following: 1) public housing that have unusual costs such as demolition and relocation, and 2) tax-exempt bond financed developments that incur a much higher financing cost (cost of issuance). In addition, consider also providing public housing redevelopments a \$5000/unit add-on for one-for-one replacement of 3-, 4- and 5-bedroom units. (Bonus)

Answer: The RFA has been modified to allow TDC limitations outlined in the 2018 Surtax/SHIP RFA (\$337,000) for the Efficient Building Costs for High Rise Developments bonus question.

39. Question: Pages 62, 66, 70, 74, 82 - Projects with FHFC or other Non-County firm commitments: Consider shifting from nominal dollar thresholds to per unit dollar thresholds so as not to penalize smaller developments. Suggested scoring as follows: (Bonus)

- 9% LIHTC projects with commitment from FHFC – 10 points

- Firm aggregate commitments totaling \$30,000 or more per unit – 10 points
- Firm aggregate commitments totaling \$20,000-29,999 per unit – 6 points
- Firm aggregate commitments totaling \$10,000-19,999 per unit – 3 points
- Firm aggregate commitments totaling \$1,000-9,999 per unit – 1 point

Answer: PHCD has considered this comment and modified the scoring criteria for this bonus question.

- 40. Question:** Page 72, Public Housing-Ability to Proceed Tie Breaker: For RAD developments, replace “Has disposition of the site been approved by HUD?” with “Has a CHAP been approved by HUD?” to meet threshold.

Answer: The RFA has been modified to include appropriate RAD language.

- 41. Question:** Page 73, Public Housing-Scoring item #4: For RAD developments, replace “Has HUD approval been obtained for mixed finance development of public housing?” with “Has a CHAP been approved by HUD?” to score points.

Answer: The RFA has been modified to include appropriate RAD language.

Eric Maximilian Moser V. – Mover Synergies, LLC.

- 42. Question:** We are seeking to obtain funds for a Multifamily project of Micro Units (500 SF approximately) we don't need funds to obtain the land what we are seeking is to acquire 35% of the cost of the project in order to be able to start the permits as well as the administrative variant an other expenses. This concept will bring new jobs for the City of Homestead partly because of the construction but also because this land is in a subarea of mixed use (residential & commercial) with permits for 15 retail store. The land is located at 429 SW 6th Avenue, Homestead, FL 33030 and the actual permit is for a 3 story building of 9 apartments and 15 retail stores but is not feasible to carry out the project with that amount of units. That is why we would like to apply For the FY 2020 Surtax category of *Innovations* because it will fit perfectly with our concept because is a novel idea (small units below \$100,000 for the low income target of the zone) and the project is focus on Micro Housing Units (we are thinking 500 SF for each unit for a total of 18 Units to develop).

The total cost will be \$1,800,000 approximately so the amount to obtain the funds is around \$600,000 but we understand that the budget from the County is 12 MM; that is why we would like to understand if this amount is too high and if is then we would like to hear the Miami Dade County recommendation to avoid having issues after the application.

Last but not least, we have been in contact with the department of Planning and Zoning of the city of Homestead and we have a good chance to be able to obtain the administrative variant for the 18 Unit Multifamily Building but the minimum unit size need to be above 500 SF per unit (double as the actual permit minimum 1,000 SF per unit. But we would like to hear what you guys thinks about this detail.

Answer: For an application as described, you may be interested in applying for the Innovations category or the Small Developments category. However in the future if you would like to discuss a project with staff, it is encouraged to do so before or after the RFA comment period.

Lynda V. Harris – REVA Development Corporation

- 43. Question:** What is required in order to have our past development experience with our partners be considered as part of our developer experience?

Answer: The applicant must demonstrate experience in being the developer, and must provide documentation of having completed previous developments. Evidence of prior work as the principal or

project manager, someone who was involved in preparing the application, pay request processing and decision-making within said organization. Specific experience in completing developments as a member of a development team should be submitted. The applicant must be a recognized housing development professional within a housing development for profit or not-for-profit organization.

Mara Mades – Cornerstone Group

44. Question: I am probably reading the enclosed wrong, but I think it may be saying that under Surtax statutes, 35% must go to homeownership, 35% must go to rental and the remainder is admin and what the municipality chooses. I came on the Zoom call a few minutes late on Friday, but think I heard that the County anticipates receiving \$12 million in SHIP, of which I thought I heard mention that the County had to spend 65% of those funds on homeownership. Again, though, as I got on a few minutes late, I may have misunderstood. Is the County allocating 35% to homeownership, or is it allocating more than that in this cycle?

Answer: The County is not allocating funds to homeownership in this RFA. Yes, you interpret the Surtax statute correctly, 35% must go to homeownership, 35% must go to rental and the remainder is administration and what a municipality chooses. SHIP statute F.S. 420.9075 requires 65% of the funds to be spent on eligible homeownership activities.