

GENERAL DESCRIPTION

In an effort to address the rising costs of construction due to supply chain issues and inflation, two funds are being proposed. The *Development Inflation Relief Fund* will be designed to help those developers that are currently in the development phase, and have not completed a financial closing, but are experiencing a funding gap due to increased costs. The *Construction Inflation Relief Fund* will be dedicated to those developers that have recently closed on construction but demonstrate an unmet need due to escalating construction costs.

The two funds will be made available for projects, among other things, that have received funding from the County and can close within six months. The application and processing of the funds will be managed by Public Housing and Community Development (PHCD). The projected combined amount for both relief funds will be at least **\$15,000,000**.

DEVELOPMENT INFLATION RELIEF FUND**Applicant/Project Eligibility**

- Applicants that have received affordable housing funding administered by PHCD including funds from the Affordable Housing Trust Fund and Project Based Vouchers from January 1, 2020 through July 31, 2022. For projects receiving SURTAX, SHIP or HOME funds, funding must have come through the following RFA cycles:
 - FY 2019 SURTAX/SHIP
 - FY 2020 SURTAX/SHIP/HOME
 - FY 2020 SURTAX/SHIP Supplemental
 - FY 2021 SURTAX/SHIP/HOME
- Be financially feasible and have not gone through a financial closing.
- Maximized first-lien debt using current rent limits and market study data.
- Taken appropriate steps to mitigate the impact of cost increases.
- Demonstrate the developer is deferring the developer fee or providing a sponsor loan in aggregate amount equal to at least 25% of the developer fee that is represented on the project pro forma.
- Must show evidence of receipt of needed permitting.
- Submit a completed application that reflects all aspects of the project, including estimated development and operating budgets and pro forma. Incomplete application will not be considered.
- Demonstrate readiness to proceed. Projects must have updated milestones and a closing date on PHCD funds no later than **5/31/2023**. PHCD reserves the right to reject or rescind any awards for projects unable to close within 30 days of the projected closing date.
- Awards are capped at \$1 million per project.

CONSTRUCTION INFLATION RELIEF FUND**Applicant/Project Eligibility**

- Applicants must have received affordable housing funding administered by PHCD including funds from the Affordable Housing Trust Fund, Project Based Vouchers or any funding through the following RFA cycles:
 - FY 2019 SURTAX/SHIP
 - FY 2020 SURTAX/SHIP/HOME
 - FY 2020 SURTAX/SHIP Supplemental
 - FY 2021 SURTAX/SHIP/HOME
- Must have closed on PHCD funding between December 1, 2020 and July 31, 2022.
- Taken appropriate steps to mitigate the impact of the cost increases.
- Demonstrate and certify the General Contractor is not receiving additional profit, overhead or general requirements, except, in cases if general requirements where the pandemic-related impacts have increased its actual costs. As an example, if the construction schedule has been extended.
- Demonstrate the developer is deferring the developer fee or providing a sponsor loan in aggregate amount equal to at least 25% of the developer fee.
- Credit underwriting report must be updated and include additional funding.
- The award is capped at the lesser of \$1 million or 5% of the construction contract.
- Copy of construction contract, including the construction period and change orders supporting material escalation costs are required.
- Projects must close on new funding by 3/31/2023.
- Submit a complete application. Incomplete applications will not be considered.



Miami-Dade County Public Housing and Community Development
 701 NW 1st Court, 16th Floor
 Miami, Florida 33128

DEVELOPMENT INFLATION ADJUSTMENT FUND
Application for Development/Construction Inflation Relief Funds

This is a request for **Development** or **Construction Relief Funds** for the completion of affordable housing projects previously funded by Miami-Dade County.

Name of Applicant: _____

Relief Funding Requested: _____ Development or _____ Construction

Name of Developer: _____ For Profit: _____ Not-for-profit: _____

Name of Contact Person: _____

Address: _____

Phone: _____ Email: _____

Eligible Miami-Dade County funding: _____

Authorizing Resolution(s) or Date of PHCD Commitment letter: _____

Name of Development: _____ New Construction: _____ Rehab: _____

Total Development Cost: _____ Number of units: _____

Address: _____ Commission District: _____

Type of Development: High-rise: _____ Mid-rise: _____ Garden style: _____ other: _____

Construction Completion: Begin date: _____ Completion date: _____

Miami-Dade County will award a maximum of \$1,000,000 in relief funds to projects that meet all program requirements and include all requisite documentation until funds are exhausted. Applications will be accepted **November 4, 2022 through November 18, 2022** via zoomgrants. Applications will be scored and processed after November 21, 2022. All applications that are tied will be prioritized based on use of a random selection program or process.

Authorized Representative: _____ (print) Title: _____

Signature: _____ Date: _____

Development Inflation Relief Funds – Applicant Checklist

	Updated 30-year Proforma (including current rental rates and deferral of at least 25% of the developer fee or sponsor letter)
	Updated Sources and Uses
	Written Cost Increase Mitigation Plan
	Status of Permitting
	Updated Credit Underwriting Report (showing a 5/31/2023 closing date which reflects the new funding request)
	Firm Financial Commitments
	PHCD Commitment or Award Letter
	Updated Construction Timeline (showing a 5/31/2023 closing date)

Construction Inflation Relief Funds – Applicant Checklist

	Updated 30-year Proforma (including current rental rates and deferral of at least 25% of the developer fee or sponsor letter)
	Updated Sources and Uses
	Written Cost Increase Mitigation Plan
	GC Contract with all change orders
	PHCD Funding Agreement
	Updated Construction Timeline (showing a closing date no later than 3/31/2023)
	Updated Credit Underwriting Report (showing a closing date no later than 3/31/2023 which reflects the new funding request)

DEVELOPMENT INFLATION RELIEF ADJUSTMENT FUND

SELECTION CRITERIA			
(Points will only be awarded when supporting documentation is included with this application)			
		Maximum points 100	
1. Ability to Proceed – Threshold Item			
Does the applicant currently have a building permit ready letter or building permit ?			
Pass	Yes		
Fail	No		
2. Level of financial feasibility/strength of firm commitment.			
a. Does the proposed \$1M development inflation relief funding fill the current financing gap along with other committed resources? (indicated by an updated credit underwriting report)			
	Yes	25 points	
	No	10 points	
b. Does the proposed \$1M construction inflation relief funding fill the current financing gap along with other committed resources? (indicated by an updated credit underwriting report)			
	Yes	25 points	
	No	10 points	
3. Proposed number of units		50 points	
	More than 300 units	50 points	
	200 - 299 units	40 points	
	100 - 199 units	30 points	
	50-99 units	20 points	
	25-49 units	10 points	
	Less than 25 units	5 points	
4. County subsidy including Surtax, CDBG, HOME, GOB or other County resources and funding requested in current application on a per unit basis.		25 points	
	Less than or equal to \$35,000 per unit	25 points	
	\$35,001 – \$40,000 per unit	15 points	
	Greater than \$40,000 per unit	10 points	
TOTAL SCORE			



DEVELOPMENT INFLATION ADJUSTMENT FUND

Applicant Certification and Acknowledgement Form

By submitting the Application, the Applicant acknowledges and certifies that:

1. The Development can be completed and operating within the development schedule and budget submitted to PHCD.
2. The Principals of each Developer identified in the Application, including all co-Developers, may be changed only by written request of an Applicant to PHCD staff and approval of the PHCD after the Applicant has been invited to enter credit underwriting. In addition, any allowable replacement of an experienced Principal of a Developer entity must meet the experience requirements that were met by the original Principal.
3. The name of the Applicant entity stated in the Application may be changed only by written request of an Applicant to PHCD staff and approval of the Mami-Dade Board of County Commissioners after the Funding Agreement is in effect.
3. The Applicant, its project team and all Financial Beneficiaries have read all applicable PHCD and County rules governing this RFA and have read the instructions for completing this RFA and will abide by the applicable Florida Statutes and the credit underwriting and program provisions outlined in RFA and any applicable state, city, county rules and ordinances. The Applicant and all Financial Beneficiaries have read, understand and will comply with all applicable state, county, city and federal regulations as well as Section 42 of the Internal Revenue Code, as amended (if applicable).
4. In eliciting information from third parties required by and/or included in this Application, the Applicant has provided such parties information that accurately describes the Development as proposed in this Application. The Applicant has reviewed the third-party information included in this Application and/or provided during the credit underwriting process and the information provided by any such party is based upon, and accurate with respect to, the Development as proposed in this Application.
5. The Applicant understands and agrees to cooperate with any audits conducted in accordance with the provisions set forth in Section 20.055(5), F.S.
6. The undersigned is authorized to bind all Financial Beneficiaries to this certification and warranty of truthfulness and completeness of the Application.
7. The application includes the original General Contractor contract and copies of ALL-change orders.
8. The General Contractor contract does not include any additional profit, overhead or general requirements, except in cases if general requirements where pandemic -related impacts have increased its actual costs.

Under the penalties of perjury, I declare and certify that I have read the foregoing and that the information is true, correct and complete.

Signature of Applicant

Name (typed or printed)

Title (typed or printed)