

RFP for Construction/Rehabilitation/Permanent Financing for Multi-Family and Single Family Projects Located in the City of Miami

Q&A

Question 1

Page 6 of the RFP states that "Only Not-For Profit Applicants may request HOPWA funding for New Construction Projects". Please clarify whether a public housing authority (PHA), created by Section 421.04, Florida Statutes, is an eligible applicant for HOPWA funding for a new construction project located in Miami-Dade County. Moreover, Section 421.09, Florida Statutes, specifically acknowledges that it is the policy of the State of Florida that each PHA shall operate as a not for profit entity. A PHA is also issued a Certificate of Tax Exemption by the State of Florida Department of Revenue pursuant to Chapter 212, Florida Statutes.

Answer 1:

Eligibility as a HOPWA project sponsor is defined at 24 CRF 574.3 as a governmental housing agency or a non-profit organization (e.g., status under a valid IRS 501 (c) 3 ruling).

Question 2

How much total funding is available in HOME funds for multifamily rental projects a) new construction and b) rehabilitation?

Answer 2

Approximately \$6 million in HOME and \$3 million in HOPWA, However, the City reserves the right to reduce or increase these projected amounts at any time.

Question 3

How much in total is available for HOPWA multifamily rental projects a) new construction and b) rehabilitation?

Answer 3

Funding will be provided based on the merits and scoring of projects, not to exceed funding limits, regardless of project types and subject to availability of funds.

Question 4

Page 7 includes statutory funding limits. The RFP restricts funding to 30% of total cost or \$50k per unit for HOME and 35% of total cost or \$60k per unit for HOPWA. I assume the lower amount applies (eg max per unit funding for a 0-bedroom is \$48,328 while max for a 2-bedroom is 30%/\$50k or 35%/\$60k based on program. Please confirm.

Answer 4

The levels of maximum loan to cost are specific to the Eligible Activities being considered. The maximum amount to be funded will therefore be the lowest amount based on the maximum to cost ratio or the subsidy limits by bedroom size. The only activity that will follow the statutory limits is Activity A.2 Single family homeownership Projects, which will be considered for funding at 50% of cost or the statutory limit whichever is less.

Question 5

If within one project, applicant proposes 2 HOPWA units and multiple HOME units, will each HOME unit be subject to the \$50k/30% and the HOPWA units be subject to the \$60k/35% restriction?

Answer 5

All units in projects requesting funding under Activity A.3 (HOME/HOPWA multifamily rental , new construction or rehabilitation) will be considered for up to 35% loan to cost or \$60,000 per unit, whichever is less. However, the cost per bedroom size cannot be more than the subsidy limits.

Question 6

We are currently completing an application for HOME funds for a few of our properties located within the City of Miami. We received HOME funds for one of our multi-family properties in the past. (More than 10 years ago.) Could I apply for funding for this property again?

Answer 6

No, you may not apply for additional HOME funds, if you are still within the affordability period of the previously obtained HOME funds.

Question 7 and 7a

For rehabilitation project, can the value of the land already owned by the applicant be included in total project cost?

For rehabilitation project, can the value of the building already owned by the applicant be included in total project cost?

Answer 7 and 7a

For a rehabilitation, the cost of land or building is not considered in demining the loan to cost ratios.

Question 8

If existing land and building value is allowed as part of project costs, what methods should be used to determine the value of said land and building?

Answer 8

Please see answer 7

Question 9

Is a project which is already funded in part by a HOME loan from Miami Dade County eligible to for City of Miami HOME funds? (The property in question has 7 years left of a 20 year affordability period.)

Answer 9

No, the HOME program does not allow additional HOME funds during the affordability period.

Question 10

In the application (in Eligible Activities > A.1 Multi-Family Rental Projects > criteria number 10.a), the application states that occupied properties will be considered for funding if rehabilitation can be completed with an existing tenant left in place or if the tenant is relocated to another home/unit. If the existing tenant is to be left in place during the rehabilitation of the property, are there restrictions on the types of rehabilitation that can be completed?

Answer 10

The intent of this section is to give priority to projects that can minimize the need to relocate tenants by having the ability to move existing tenants temporarily to other HQS ready units in the project. Otherwise, include in development budget sufficient funds to support a minimum of 12 months of relocation costs. Please note that 12 months will only be sufficient for temporary relocation, whereby a current tenant in the subject project will need to move out during the development of the project and is anticipated to return to the project. There are no restrictions on the types of rehabilitation that can be completed.

Question 11

How are relocation costs calculated? As it relates to tenant relocation, what type of expenses is the responsibility of the applicant?

Answer 11

Relocation costs and processes vary depending on the types of relocation required. As the response would be too lengthy to properly answer your question, please refer to the PART 24—Uniform Relocation Assistance and Real Property Acquisition for Federal and Federally Assisted Programs, at:

<http://ecfr.gpoaccess.gov/cgi/t/text/text-idx?c=ecfr&sid=832488b1b0ccb8e8b72856d17678b890&rgn=div5&view=text&node=49:1.0.1.1.18&idno=49>

The applicant would be responsible to provide evidence that the funding for any required relocation is included in the development budget. For the purpose of this RFP it will be acceptable, for an applicant to budget \$20,000 per unit of anticipated temporary relocation. Because of the level of funding for this RFP, it will not be cost effective to fund a project with permanent relocation.

Question 12

Can non-profit entities charge developer fees?

Answer 12

Yes

Question 13

The application includes a point system for appointment of funds, but also states vacant units will be given priority. What is given preference; the point system or vacancy of units? How will qualification and eligibility be determined?

Answer 13

The point system as well as the entire contents of the application will be considered for recommending the awarding of a project. Priority will be given to project requiring little or no relocation, but is not the determining factor.

Question 14

Can HOME funds be used for refinancing existing bank loans?

Answer 14

No, funding under any of the eligible activities is only for construction/rehabilitation costs.

Question 15

Can we choose project sites that are scattered throughout the City of Miami when applying for HOME funds are do all properties have to be within the same district/zone/a mile radius/ etc.?

Answer 15

Due to market conditions and area needs, sites located in different geographical areas should be submitted as a separate project. This applies to all activities available under this RFP, with the exception of Activity A2 Single Family Homeownership projects.

Question 16

Under Homeownership Projects, the application states that the project must include at least 25% of all condo units. Under the HOME Multi-Family Rental Projects, can condos be included in the activity if the number of condo units made part of the project is less than 25% of total number of condos?

Answer 16

No, the 25% of total condominium units would apply to Activity A.1 Multi-family Rental Projects under the HOME program, as well as the minimum 5 unit requirement.

Question 17

Can a Multi-Family Rental Project consist of a combination of vacant land new construction and condo unit/single family/townhome rehabilitation?

Answer 17

You should consider this as individual projects.

Question 18

Other than per unit and percent of total cost restrictions, is there a maximum amount per project limit?

Answer 18

No, however the City reserves the right to determine the levels of funding provided based on various factors including the availability of total funds.

Question 19

Can HOPWA funds utilized for the rehabilitation of 1 Bedroom units? What about New Construction projects?

Answer 19

Yes, it can be utilized for rehabilitating SROs and 1 Bedroom units. Under new construction, it can only be used for building SROs.