

**Q&A**  
**September 23, 2011, 9 a.m.**  
**NSP III - Multi-Family Workshop**  
**City of Miami, City Hall, Commission Chambers**

**Question 1: Is this NSP for a property that is in foreclosure currently or a property that had been in foreclosure and has been acquired?**

*Answer 1: If you acquired the property already and it had been in foreclosure it does not qualify. You have to acquire the property as part of this RFP process.*

**Question 2: What about if you have vacant land?**

*Answer 2: If you currently own vacant land and you want to build on it under strategy E you can – as long as it's five units or more. Or you can purchase foreclosed vacant land as part of the RFP process as well.*

**Question 3: To clarify, involving the purchase of the property for this RFP, you would have to alert the lender that they must be willing to wait until the City funds the project, correct?**

*Answer 3: Yes. The purchase contract will require Exhibit F (NSP Contract Rider) and the lender must be willing to accept that your purchase is conditional on that. Please note, funding will be contingent on obtaining environmental clearance from HUD.*

**Question 4: In regards to delineation of the maps included in the RFP, should we go by what's in the application?**

*Answer 4: Use the printed maps as a general idea of the areas that are included as part of this RFP. But for specific street and block delineations, we strongly suggest that look at the census tract behind the maps.*

**Question 5: Can you repeat the three threshold items and how much money is available?**

*Answer 5: There is a \$4.103,045 in NSP3 available as part of this RFP and three threshold items are experience, financing and the green components.*

**Question 6: On page 13, you refer to acceptable development fees. Are these triggered by the discount on the property's purchase price? What exactly is the trigger for that benchmark?**

*Answer 6: The amount of Development Fee under Activity 1 is 10% of the Development Cost (Soft and Hard Cost), however, the development fee can increase up to a maximum of 16% depending on percentage of the discount purchase price of the property. This is determined by*

*the contract price and the current appraised value. Under Activity 2, the maximum development fee is 10%.*

**Question 7: If my client will be purchasing an apartment complex for cash, the City can finance up to 50% of the improvements per this RFP's regulations, but can the City also contribute 50% of the purchase price?**

***Answer 7:** Under Activity 1, the NSP funds can be used to for up to 50% of the development cost including the cost of the apartment building. However up to 25% can be used towards the purchase of the property and 25% towards the development costs.*

**Question 8: Is there a project advantage to us putting all of the equity into the project at the time that we're ready to move forward assuming we get City funding?**

***Answer 8:** That is up to developer to decide whether they want to do that but no, there is no advantage within the stipulations of this RFP.*

**Question 9: In Section 5 you ask the applicant to submit the last three years of financial statements are you referring to the MASTER entity behind the project, or for all the partner entities behind the project?**

***Answer 9:** In the event the applicant is a newly formed single asset entity, we are looking for this information from the principals behind the entity.*

**Question 10: As to the financial statements you are requesting, do you need those when we apply or afterwards, in the event the project is awarded funding?**

***Answer 10:** We need those statements included as part of the RFP application.*

**Question 11: Do you have a definition of green components?**

***Answer 11:** Please refer to Exhibit D of the RFP.*

**Question 12: Does the City have a specific procedure for that Sec. 3 business certificate?**

***Answer 12:** No, the City does not, Miami-Dade County does.*

**Question 13: If you have 40 yrs. of construction experience does that count?**

***Answer 13:** Yes.*

**Question 14: If the non-profit shares the ownership of the property do you get the extra points for that?**

**Answer 14:** *Yes.*

**Question 15: Is there a set-aside for CHDOs?**

**Answer 15:** *No. Although as mentioned, there is a possibility that additional monies can come for an approved project from HOME and if you are CHDO the City would consider that CHDO HOME assistance.*

**Question 16: What if we are to develop on vacant land, how would we include that in our total development cost?**

**Answer 16:** *Under Activity 1, the cost of vacant land purchased from a foreclosed state is included in the development cost and eligible for NSP funding as mentioned in Answer 6 above, Under Activity 2, the cost/value of land can be included as part of your development cost, however it will not be considered when determining the maximum Loan to Cost.*

**Question 17: For non-city based experience, how closely does it need to be housing related towards the 20 pt. threshold?**

**Answer 17:** *That is subjective to the scorer, but we suggest you clearly delineate your organization's experience in relation to the type of housing you are applying for under this RFP.*

**Question 18: If you have a project on track for environmental clearance and you receive it prior to this RFP being funded, would you need an updated environmental clearance (a second one) upon a potential award from this RFP?**

**Answer 18:** *Yes you would still need an updated environmental clearance*

**Question 19: When you reference City-funded project experience – does it mean any experience in any City in the U.S.?**

**Answer 19:** *Yes, in the U.S. and again you should provide documentation proving your company's experience with said City.*

**Question 20: We have an existing building identified at this point for this RFP, does it has to be bank owned in order to qualify for this RFP?**

**Answer 20:** *It can presently be in the foreclosure process and you ultimately have to buy it from the foreclosure entity. Or it can be a short sale so far as the foreclosure process has already started.*

**Question 21:** What about abandoned buildings, do they qualify for this RFP?

**Answer 21:** *They qualify. Please look for the definition of "abandoned" in the RFP.*

**Question 22:** As to audited financials, we have a dozen single-asset entities that are audited annually but we have no umbrella entities, what would we do to meet this RFP specification?

**Answer 22:** *In this case, we would look towards the principles of this new single-asset entity and you should provided financials for them.*

**Question 23:** Are all lenders eligible for this process?

**Answer 23:** *Any lender can provide a commitment. If it's an FDIC insured lender we have no problem with that. If we have a company that no one has heard of, then we need proof that that lender has the ability to fund the commitment.*

**Question 24:** Is there a total percentage of the project value that is NSP funded?

**Answer 24:** *The RFP allows for a maximum of 50% of NSP funding in any given project, but we are able to go up to 75% with other funding sources if these are available, but please note that any additional funding sources will make a difference in the rental structure of your buildings.*

**Question 25:** Item I mention that the proposer must have 6 years of rehabilitation experience, how do you define proposer?

**Answer 25:** *Your development team, principles, etc., are your proposers.*

**Question 26:** Concerning joint ventures, can the company that has the experience of six years or more be the one that takes the lead on the experience requirement?

**Answer 26:** *Yes.*

**Question 27:** Regarding the 30 year covenant, does that mean the property cannot be sold?

**Answer 27:** *The property can be sold but it will have that 30-year restriction on it for the remaining time period.*

**Question 28:** The City award is going to be presented as a loan, correct?

**Answer 28:** *Yes, it is a deferred payment loan.*

**Question 29:** After the proposals are submitted what is the turnaround time for the review and award?

**Answer 29:** *A Committee will get together to review and score them, then there's an appeals process that is upheld. So we approximate this RFP to be reviewed and awarded 90-120 days from this time. Our goal is to have the awards made by year's end.*

**Question 30:** Under what conditions can a for-profit entity have a loan forgiven?

**Answer 30:** *If you keep it within the 30- year affordability period, and it's compliant during that time, it is possible.*