May 4, 2015 – HOME RFP 2015
Workshop and E-mail Questions

Email Questions:

1. Would you please clarify item number 2 on page 3 under Section A: Eligible Activities – Minimum size of project is a minimum of 5 rental apartment units. (NO SCATTERED SITES). Will the City consider a project eligible if it consists of multiple sites as long as each site consists of more than 5 units?
   Yes. Multiple sites that each has a minimum of 5 units is eligible.

2. Do the HOME/City assisted units need to be distributed evenly across the various unit types? Is there anything within the HOME statutes, or otherwise, that prohibit a setting aside all of one unit type (i.e. all 2 bedroom units and no 1 or 3 bedroom units) as HOME/City assisted units?
   The City will utilize a pro-rating cost allocation method that will require a minimum number of HOME assisted units equal to the percentage of HOME assistance per eligible cost (subject to maximum per unit limits). As such we will be requiring an equal proportion/distribution of unit types.

3. Projects that previously received funding could not apply under this RFP - is that a City of Miami rule or a HUD/HOME rule?
   City of Miami rule. HOME rule is the prohibition of providing additional HOME dollars to a previously HOME funded project currently in the affordability stage.

4. How much HOME funding is the City expecting?
   Approximately $5M

5. Please clarify what you are looking for on the “Proposal Check-Off List” in terms of Justification of HCP Subsidy (if applicable).
   This section refers to the justification of High Cost Projects under the HOME Program. This item is not applicable under this RFP, as the City will be considering subsidy amounts not to exceed the limits contained in the RFP.

6. Please define the term “Eligible Development Cost” as used.
   Cost which are essential to the development of the project, including typical soft or indirect project cost, financing costs, development fee, hard construction cost as an example. No site cost or value of site shall be considered for payment or reimbursement. Please note that HOME funds should be considered for payment of eligible costs based on a pro-rata share or percentage of HOME loan to cost and/or subject to any limitations referenced in the RFP.
7. What quantification is being given in terms of preference to vacant properties as opposed to rehab as noted?
   No preference is being provided.
8. Please define the term “Model Energy Building Code” or “HUD-accepted equivalent” as used.
   Please refer to and comply with the Florida Building Code for any minimum energy efficiency requirements, as well as the efficiency requirements of this RFP.
9. Is the “First Source Hiring” form provided all that is required to be submitted for this requirement? If not, what are the other requirements?
   This form is no longer applicable.
10. What are the insurance requirements for developer and/or contractor needed for submittal?
    At the time of submittal, you may provide the applicable insurance as defined in the RFP. You may make reference that you are able to or eligible to obtain all other required insurance when time appropriate.

Workshop questions

1. Can you please detail the CHDO partnership requirements?
   A CHDO must demonstrate the development capacity to undertake development of a project in order to receive CHDO funds, regardless of whether the CHDO would be the “owner,” “developer,” or “sponsor” of the project. If a CHDO owns a project in partnership, or owns the project through its wholly-owned for-profit or non-profit subsidiary, it must be the managing general partner.
2. When you speak of green components, is there a specific certification the City is looking for?
   No.
3. Would single-family households qualify?
   No. This RFP is not for homeownership acuities. It is for 5 rental units plus – in other words a minimum of 5 units.
4. Other Federal funds were mentioned in the RFP, can you elaborate?
   The City has a disclaimer in the RFP so that persons know that although this is a HOME (RFP), if we also have other funds at our disposal and should we decide to include these, we can.
5. Page 8 talks about the submittal and that the documents must be submitted in a sealed envelope. In the RFP, there is a reference made to a binder. I’m assuming a binder is acceptable?
   Yes.
6. In funds being specifically set aside for potential Dis. 2 projects and/or CHDOs are not used/recommended will those funds be made available to the other respondents of the RFP?
   If District 2 funds are not applied for, the City may be used those HOME funds for citywide projects, however, CHDO funds must be used for CHDO projects.
7. Does the City reserve the right to accept applications that score below the 70 point threshold, assuming no RFPs score high enough to be funded?
   No, we will not.
8. You said there was an additional $500,000 in funding from the previous year being added to this RFP, correct?
   Yes. It has already been incorporated into the approximate $5 million total funding.
9. We see that the 2014 HOME income limits are included in the RFP -- will you be using 2015 for the funded projects?
   Right now, we are working with 2014 income limits as HUD has not issued 2015 income limits as of today.
   (PLEASE NOTE THAT INCOME AND RENTS LIMITS HAVE CHANGED AND HAVE BEEN POSTED HEREIN)

10. How many projects do you want to fund via this RFP?
    We’d like to fund as many as we can. At this point, we have no idea how many proposals we will receive. We are always looking for eligible projects and trying to distribute funds throughout the different districts of the city.

11. Is there a maximum award per project?
    No. The award recommendation depends on when we look at the entire scope of applications received and what the needs are based on these submissions. It is possible that you can get awarded less than you asked for and if so, you will be giving the opportunity—with thirty days to indicate to us how you will plug in that funding gap. In no event will a project receive more than the maximum per unit subsidies permitted.

12. What is the timing for allocation of any potentially funded RFPs via this cycle?
    These will go to loan committee on June 26th. We are planning on going at a rapid pace once the RFP review and recommendations are made. We will do the initial review and there will be a three-member committee that will be selected by the City of Miami to review these, including two outside persons who are from outside the City and one internal City person. Underwriting will be taking place during that month.

13. Is the funding for pre-construction or rehabilitation properties?
    The RFP applies to either.

14. Can you elaborate a little on what is considered a firm commitment letter from the lending institution?
    This means that a lending institution has evaluated the proposal and is in a position to provide a certain amount to the project. The letter can indicate that that institution’s commitment is contingent upon securing the City award; if the letter is contingent on the project getting “other” funding that is not already accounted for in the application, then that project is not going to be considered ready to go. The commitment letter also cannot be a document indicating that the lending institution will review, or entertain, or consider providing financing. They have to have seen the project and be ready to provide funding at the level which that letter describes.

15. Could CHDOs be 50% developer and not an owner or sponsor?
    Yes. The CHDO can serve in any one of those three capacities. A CHDO in the Developer role needs to be responsible for the development/construction of the project and own the project during the period of affordability.

16. Our CHDO application to the City is being reviewed. Is that going to be an issue?
    No. As long as it is done and ready by the time of submission, you have no worries. Ms. Lori Soto in our office handles the CHDO application process with the City of Miami.
17. Do the financials that are required to be submitted need to be “audited” financials?
No. Verbal clarification made at the workshop following this question for the record. Please note, because we are a government entity we are subject to Florida statutes on the production of public records in our custody by requestors. If you submit an audited financial statement, and indicate that it is confidential and submitted solely for the purpose of the RFP, then said audited financial statement is exempt from public records review as per Fl. Statutes.

18. If the developer is a newly formed entity, what do you look to for financials?
We look to the financial information of the principals.

19. Once the application hits the 70 points required are the recommendations then based on the highest scores?
Yes. We look at several factors – first, is the project in Dis. 2 or associated with a CHDO. Then we look at having a wide distribution of projects. We would like to fund as many projects as possible.

20. If a project outside of Dis. 2 scores more than a project in Dis. 2, what happens?
That project (from outside of Dis. 2) will be considered first.

21. We provide permanent supportive housing – we have some affordable housing units in there (a project) -- is that an issue? Would that project qualify for this RFP?
As long as you provide the 80/20 split for the HOME assisted units, then there should be no problem. Of course, it must be a permanent rental housing project.

22. Do you anticipate issuing an addendum with the Q&As addressed here?
Yes. By May 11th, we will entertain no additional questions and all the Q&As received at this workshop and via e-mail will be posted.