

Miami-Dade County Housing and Community Development (HCD)

FY 2025 Surtax, SHIP, HOME and HOME CHDO RFA

Issuance Date: July 25, 2025

ADDENDUM #2

The following correction, applicant questions, and applicant comments are related to the FY 2025 Request for Application (RFA), released on June 30, 2025, for Documentary Stamp Surtax (Surtax) funding, State Housing Initiatives Partnership (SHIP) funding, Home Investment Partnerships Program (HOME) funding, and HOME Community Housing Development Organizations (CHDO) funding. HCD's clarified responses below will become a part of the official guidance for the FY 2025 Surtax, SHIP, HOME and HOME CHDO RFA.

HCD Correction

1. Correction – Page 63: All applicants must complete Form 14 in the RFA. The RFA has been updated and requires all applicants to complete and upload the Development Cost Pro Forma (Section 4.A.10) from FHFC RFA 2024-203 Housing Credit Financing for Affordable Housing Developments Located in Miami-Dade County.

Applicant Questions

1. **Question:** I am working on the SURTAX 2025 RFA, in zoom grants in the library, I don't see the Accountant Certification Form. I also don't see the form within the RFA. Would you please send me the form or guide me to the appropriate party or place to obtain said form.

HCD Response: HCD will allow applicants to submit the Florida Housing Finance Corporation (FHFC) Accountant Certification form as evidence for affiliated FHFC projects. Non-FHFC applicant are able to submit the HCD version of the Accountant Certification form. Refer to the ZoomGrants Library.

2. **Question:** I had a few questions regarding the RFA, please see below:

Note: this will be an elderly affordable housing development.

- The RFA requires that floors one, two, or three include a place of refuge, cooking facilities, and other features. These floors are likely specified because, during a power outage, elevators won't be operational, and lower floors are more accessible for residents using the stairs.

However, due to our tax credit RFA, we must provide an emergency generator capable of providing full power and operability to the elevators and amenities spaces (including air conditioning), along with emergency lighting. Our building and generator are currently designed to do just that. All of our amenity spaces, including those required for a place of refuge, are located on the 8th floor. My question is, given that we're providing full backup power for these systems, are we eligible to request a waiver allowing us to designate the 8th floor as our place of refuge under the Surtax RFA?

HCD Response: Applicants that meet at least one of the exemptions stipulated in the Miami-Dade County Resolution No. R-617-18 shall be exempt from all requirements of the resolution. Evidence of exemptions and supporting documentation must be submitted with the RFA application by the deadline of July 31, 2025.

- In the RFA, it states "that can be used to cook food for the residents after a natural disaster", what would you define as "**cook**"? Can this mean a microwave? Or stove top, along with a microwave?

HCD Response: Cook is defined as the preparation of food for eating by a heating process (such as utilizing a cooking range, cook top, oven, and/or microwave) .

3. **Question:** The RFA and Q&A indicate that Applicants electing to use the income averaging set-aside must submit FHFC documentation. Could you please clarify why FHFC documentation is required for a project that is not receiving FHFC funding such as 9% LIHTC, bonds or a loan (e.g. SAIL)? As income averaging is a federal set-aside option permitted under Section 42 of the Internal Revenue Code, it is our understanding that FHFC documentation would not be applicable to a non-FHFC funded project.

More broadly, we would appreciate additional explanation regarding the rationale for referencing FHFC-specific materials in this context, given that the income averaging set-aside is an as-of-right election.

HCD Response: HCD requires applicants to identify if they are electing to use Income Averaging. For applicants electing Income Averaging set-asides, HCD will assess applications subject to the Income Averaging certification criteria. If applicants elect to pursue Income Averaging certification, then the applicant is not required to submit the HCD Income Averaging certification form.

HCD accepts the submission of FHFC documentation because it is the goal of HCD to work with all partners, i.e. developers and FHFC, to improve alignment between Miami-Dade County Surtax and FHFC applications.

4. **Question:** Are the HOME program funds subject to Build America, Buy America Act (BABA)? It is our understanding that if the funds were obligated on or after August 23, 2024, then BABA applies, and hard costs will need to be adjusted accordingly.

HCD Response: The U.S. Department of Housing and Urban Development (HUD) Notice CPD-25-01 issued on January 13, 2025, which supersedes Notice CPD-2023-12, provides clarified implementation guidance for the “Buy America Preference” (BAP) imposed by the Build America Buy America Act (BABA) enacted under the Infrastructure Investment and Jobs Act signed into law on November 15, 2021.

The BAP applies to the purchase of iron, steel, manufactured products, and construction materials for HUD Community Planning and Development (CPD) Programs, including HOME, when funds are used for the construction, alteration, maintenance, or repair of public infrastructure, regardless of whether infrastructure is the primary purpose of the project. Since the term “infrastructure” includes structures, facilities, and equipment for “buildings and real property,” the BAP applies to funds provided for housing projects with five or more units.

5. **Question:** Questions on the 44 Environmental form. Could you please provide us feedback on the below.

Part I. AGENCY AND PROJECT DETAIL

1. Indicate federal funding source/s being used:

<input type="checkbox"/>	CDBG - Community Development Block Grant	
<input type="checkbox"/>	CDBG-CV - Community Development Block Grant – CARES Act	
<input type="checkbox"/>	CDBG-R - Community Development Block Grant, Recovery	
<input type="checkbox"/>	EDI – Economic Development Initiative	
<input type="checkbox"/>	ESG – Emergency Solutions Grant	
<input type="checkbox"/>	ESG-CV - Emergency Solutions Grant – CARES Act	
<input type="checkbox"/>	HOME – Home Investment Partnerships Program	
<input type="checkbox"/>	HOME - American Rescue Plan Act(ARPA)	
<input type="checkbox"/>	HOPE VI – Public and Indian Housing	
<input type="checkbox"/>	NSP – Neighborhood Stabilization Program	
<input type="checkbox"/>	RAD – Rental Assistance Demonstration program	
<input type="checkbox"/>	Section 8 Project Based Voucher – Public and Indian Housing	
<input type="checkbox"/>	Section 18 Demolition/Disposition – Public and Indian Housing	
<input type="checkbox"/>	Other: Specify <u>Surplus</u>	Confirm

2. Indicate Fiscal Year: FY 20²⁵

Not sure who will it be, Miami Dade?

3. Name of Subrecipient/Agency:

3. Photographs:

Does the activity include new construction, renovation or rehabilitation?

☒ YES

☐ NO

No structures on-site.
Do we need to
provide surrounding
structures images?

If yes, photographs must be provided of each side (front, rear and sides) of the structure(s) proposed for assistance and the buildings on the adjacent lots. The photographs shall be identified by address. In addition, provide for each existing structure on the site, the following information:

5. Phase I Environmental Audits:

Does the proposed activity involve the transfer of any property, new construction, major renovations of 75% or more of the structures' market value, or a securing of a loan for nonresidential parcel?

☐ YES

☒ NO

Not sure if this is applicable to us,
please confirm with County.

HCD Response: Regarding the questions per Form 2 - Information For Environmental Review Process Form:

- The environmental review process is applicable to federally funded projects, per 24 CFR Part 58.
- The Subrecipient/Agency is the applying entity.
- For photographs, if the site is a vacant parcel then photographs of the subject-site and adjacent sites are still required for submission.
- The submission of a Phase 1 Environmental Site Assessment is required to validate the project's Ability To Proceed for all projects (Page 59).

6. **Question:** I'm trying to upload the required attachments on ZoomGrants. I see the "Required Documents for Upload" section in the portal, but I don't see an option or button to upload the documents. Could you please clarify where or how I should upload them?

Documents Requested *	Required?	Uploaded Documents *
Application Cover Sheet Download template: Application Cover Sheet	Required	-none-
Applicant Certification and Acknowledgment Form Download template: Form 11 - Applicant Certification & Acknowledgement Form	Required	-none-
Due Diligence Affidavit Download template: Form 13 - Due Diligence Affidavit	Required	-none-
Certification of Accuracy Download template: Form 43 - Certification of Accuracy	Required	-none-

HCD Response: Please contact ZoomGrants for technical questions about the application at: Questions@ZoomGrants.com

- I created a ZoomGrants login under my name, and I understand that only one application can be submitted per account. Can you please confirm if I'll need to create a separate account to submit a second application?

HCD Response: Applicants can submit more than 1 application per account with unique project names. Moreover, as per RFA Book Page 5:

- Applicants must only choose 1 of the listed categories per application.
- Applicants may apply for multiple funding source(s) in one application; however, the maximum allocation is \$5 Million in total.

- Regarding Section B2: Completion and Compliance Points—does this refer specifically to properties previously funded with County resources, such as SHIP or Surtax? Also, what type of documentation should we provide to support this section?

HCD Response: HCD requires the submission of a list of completed projects with name(s), addresses, folio numbers, volume units, completion date, awarded program funds, certificates of occupancy, pictures, and monitoring compliance letter from entity awarding funds.

7. **Question:** Questions about the Financial Capacity minimum threshold requirement (Documentary Stamp Surtax Funding Request for Applications Section C.2.): Can you provide more detail or an example of the type of statement that is acceptable as an alternative to an audited financial statement?

Would a report by a third-party certified public accountant reviewing the relevant financial statements and certifying that the statements demonstrate the Applicant's fiscal soundness be sufficient, or must the financial statements themselves be certified and provided?

HCD Response: Yes, financial statements to be certified by a third party certified public accountant and submitted with application.

8. **Question:** Page 24, FHFC LINK Units. For a non-FHFC funded development to earn bonus points, will an MOU between the project owner and the Homeless Trust suffice?

HCD Response: Yes. Applicants must provide an executed Memorandum of Understanding between the Applicant and the Miami-Dade County Homeless Trust.

9. **Question:** Page 59, Ability to Proceed, Construction Plans and Specs – If the project has a master permit issued, permit ready letter or an approved ASPR, are the construction plans and specs still required to be uploaded or can the permit, permit letter or approved ASPR be provided instead?

HCD Response: Yes.

10. **Question:** Scoring item, County subsidy. Please confirm HUD Choice Neighborhood Implementation grant funds are not considered county subsidy.

HCD Response: No, the Choice Neighborhood Implementation grant is not considered county subsidy.

11. **Question:** Scoring item, Set-aside units for ELI households at or below 33% AMI. Should the criteria be 11% to 15.99% and 16% to 20%?

HCD Response: Questions will remain the same with appropriate rounding, as needed.

12. **Question:** The Application Checklist item #45-Partial Funding Certification and Acknowledgement Agreement: The Agreement appears to be applicable only if partial funding is recommended by HCD. However, at this stage of the application process, the amount of any potential partial funding is unknown. Without this information, it is not possible to determine whether the proposed development would remain financially feasible with a reduced award. Accordingly, it is our understanding that this form is intended to be executed after scoring and upon notification by HCD of a recommended partial funding amount. We respectfully request confirmation that this form may be submitted at that later stage, once a partial funding recommendation has been made.

HCD Response: The Partial Funding Certification and Acknowledgement Agreement must be submitted with your application by the RFA deadline.

13. **Question:** Part VI. Financing: Please confirm that for FHFC-funded projects, the appropriate FHFC pro forma to be submitted under this section is the version associated with the specific FHFC funding cycle and application type under which the development received its funding from FHFC. This same version should also be used to complete the Total Development Cost Limitation Test.

For developments financed through 4% tax-exempt bonds without FHFC-issued bonds or loans, we understand that the FHFC 4% non-competitive application pro forma is the correct version to complete and submit for this section. Kindly confirm that this approach is acceptable and in alignment with the County's expectations.

HCD Response: All applicants must complete Form 14 in the RFA. The RFA has been updated and requires all applicants to complete and upload the Development Cost Pro Forma (Section 4.A.10) from FHFC RFA 2024-203 Housing Credit Financing for Affordable Housing Developments Located in Miami-Dade County.

14. **Question:** I am in the process of completing the Development Cost Pro Forma template provided in the Zoom Grants application. As shown below, when I enter the hard cost contingency, the form does not allow any value greater than zero, regardless of the

construction costs entered. I believe this may be an issue within the Exhibit A template itself. Additionally, the Operating Deficit Reserve row is blacked out. Was this intentional?

Construction of Habitat Analysis and Permanent Analysis are subject to change during credit underwriting, such costs are subject to other cost limitations provided in Rule Chapter 67-48, F.A.C., or this RFA as applicable.

USE THE DETAIL/EXPLANATION SHEET FOR EXPLANATION OF "I" ITEMS. IF ADDITIONAL SPACE IS REQUIRED, ENTER THE INFORMATION ON THE ADDENDA LOCATED AT THE END OF THE APPLICATION.

What was the Development Category of the Proposed Development:
Indicate the number of total units in the proposed Development:

Category Input Required
Total Units Required

** If a double asterisk is indicated within the Development Cost Pro Forma, there is an error on that line item.

Some Suggestive Assistance
The criteria below attempts to help the user to know the maximum limits of some cost items, when possible. FHPC is not responsible for any programming errors related to the assistance offered below. Applicant is responsible to verify all inputs to RFA criteria.
*criteria will not be evaluated at time of Application, but will be evaluated at time of credit underwriting and final cost certification

	1 HC ELIGIBLE COSTS	2 HC INELIGIBLE COSTS	3 TOTAL COSTS
DEVELOPMENT COSTS			
Actual Construction Costs			
Demolition			
Commercial/Retail Space (See Note (6))			
New Construction Activities	27,877,431.00	714,806.00	28,592,237.00
*Site Work (explain off-site work in detail)	4,060,000.00	3,000,000.00	7,060,000.00
Rehab Construction Activities			
*Other (explain in detail)			
A1.1. Actual Construction Cost	\$ 31,937,431.00	\$ 3,714,806.00	\$ 35,652,237.00
A1.2. General Contractor Fee (See Note (2)) (Max. 14% of A1.1, column 3) Max GCF @ 14% \$4,991,313.00	\$ 4,571,313.00	\$	\$ 4,571,313.00
A1.3. TOTAL ACTUAL CONSTRUCTION COSTS	\$ 36,508,744.00	\$ 3,714,806.00	\$ 40,223,550.00
A1.4. HARD COST CONTINGENCY (See Note (4)) Max HCC @ 15% \$0.00	\$ 2,011,175.00	\$	\$

** Because the combined Eligible and Ineligible amounts entered for 'Hard Cost Contingency' are too high by \$2,011,175.00, the maximum Total Hard Cost Contingency of \$0.00 has been utilized. This will impact cost totals and subtotals below.

HCD Response: Proceed to enter a manual calculation for that field.

Applicant Comments

1. **Comment:** Insufficient Per-Unit Subsidy in a Changing Market

The current per-project cap of \$5 million and per-unit scoring thresholds are no longer responsive to the economic realities of affordable housing development. Construction, land, insurance, and financing costs have risen significantly, while County subsidies have remained static or unchanged to the environment. Additionally, the cost increases experienced would subsequently be reflected in the per unit subsidy (leverage) to be increased from \$25,000 (current) to \$30,000 (proposed) to account for the cost inflation. Without this change, less units will be attempted in the applications over time, significantly reducing the number of units produced to address the significant affordable housing need in Miami-Dade County.

Recommendation:

- Increase the per-project cap to \$6.5 million.
- Adjust the scoring thresholds to reflect inflation and actual cost burdens, with a \$30,000 or less per unit leverage per affordable or workforce unit (excluding market-rate units) for the maximum leveraged point score (currently work 16 points).
- Limit subsidy eligibility to units serving households at 80% AMI or below, consistent with the statutory purpose of Surtax, SHIP, and HOME.

HCD Response: HCD has limited financial resources to increase the per-project cap to

\$6.5 million. In an effort to maximize the volume of units completed for Miami-Dade County, the RFA max award recommendation shall remain \$5,000,000.

2. **Comment:** Support for Nonprofit Leadership and Ownership

The current scoring system gives nonprofits limited recognition, regardless of their true development control via ownership or reinvestment in the community.

Recommendation:

- Update scoring to reflect points for both ownership and financial participation for non-profits, with additional point awards for projects with 100% nonprofit ownership and development fee percentage (we suggest 10 points for this category).
- Projects where the nonprofit holds a majority interest and receives a proportional share of the development fee should be awarded 7 points, with lesser non-profit ownership structures receiving proportionally fewer points.

HCD Response: HCD will continue to encourage strong partnerships with non-profit entities. The RFA will remain the same.

3. **Comment:** Program Administration and Timeline Transparency

The timing and process for the RFA have grown increasingly unpredictable, creating barriers to planning and disincentivizing smaller mission-driven developers.

Recommendation:

Adopt an annual, transparent schedule:

- RFA released on a fixed date each year – with two cycles per year
- Applications scored within 30 days of due date
- Recommendations to the Commission within 30 days of scoring
- Underwriting invitations within 7 days of final approval of awards
- Closings within 18 months of award approval
- Allow County loan funds to be disbursed first to reduce construction interest burdens.

HCD Response: Thank you for these recommendations. Those that promote efficiency and expediency are well received by HCD, and we look forward to continued improvements in the future.

4. **Comment:** Clarify “Self-Sourced Financing” and Encourage Real Equity

The current language around self-sourced financing must be clear and enforceable to ensure fairness across applicants.

Recommendation:

- Clarify that self-sourced funds may come from the developer or affiliates
- Require legal commitment through project stabilization and compliance period
- Prohibit interest rates more than 5% higher than the project's senior debt interest cost, capped at 10%.

HCD Response: On Page 14 of the RFA book, the Self-Sourced Financing definition has been amended to state that self-source funds may come from the developer/owner/affiliates.

5. **Comment:** Operating Pro Forma Guidelines Must Reflect Reality

The operating expense assumptions used for underwriting are outdated and artificially constrain project feasibility.

Recommendation:

- Update the minimum and maximum operating expenses to \$6,250–\$8,500 per unit annually, including replacement reserves, based on HFA Institute benchmarks.

HCD Response: The RFA will remain unchanged. However, it does allow for exceptions to the maximum operating expenses limit if the applicant provides an acceptable justification for any assumptions that exceed the limit amount. All justifications are subject to credit underwriting.

6. **Comment:** Preserve the Priority of Deep Affordability

Scoring in the June 6, 2025, draft RFA appears to favor workforce and market-rate housing over developments that serve low- and very-low-income households.

Recommendation:

- Restore point incentives for developments that average below 60% AMI, consistent with the intent and historical purpose of the Surtax program.

HCD Response: HCD has clarified this recommendation in the score sheets for Countywide – Multifamily, Faith-Based Developments, and Small Developments – General Section - Question 3. Refer to HCD Addendum #1 - Correction #8.

7. **Comment:** Page 20, Elderly unit mix: We would like to respectfully raise this issue again, as it directly impacts FHFC-funded elderly developments submitted to FHFC in 2024—including our own, which involves the redevelopment of County-owned public housing in partnership with HCD. The unit mix in our application complies with the FHFC 2024 requirement for elderly, non-ALF, new construction developments, which states:

“If the Elderly Non-ALF Demographic Commitment is selected and the Development Category of New Construction is selected, at least 50 percent of the total units must be comprised of one-bedroom or zero-bedroom units, and no more than 15 percent of the total units can be larger than two-bedroom units.”

We are committed to working collaboratively with the County on future phases or refinements to align with evolving local policy preferences. However, given the timing and alignment with state-level funding requirements as well as HUD, we respectfully request that the County allow compliance with the FHFC elderly unit mix standard for the current 2025 Surtax/SHIP RFA cycle.

HCD Response: If an entity is awarded FHFC funding, then HCD will defer to the FHFC elderly unit mix from the FHFC RFA 2024-203 Housing Credit Financing for Affordable Housing Developments Located in Miami-Dade County.