

Palm Beach County Department of Housing and Economic Development

RFP HED.2022.4 Multifamily Rental Housing Development

8/5/22 Pre-submittal Workshop Summary of Questions

Are developments that are new construction but do include the rehabilitation of some existing residential units allowed to apply?

- Cannot determine without additional detail. The RFP limits eligible projects to new construction and redevelopment/conversion. If a project primarily involves new construction, with rehabilitation of a limited number of existing units, than the new construction component of the project might be determined eligible for funding assistance.

If a development has some units already allocated for a PBC Workforce Housing Program (WHP) obligation, can we get financing of the rest of the units? For example if the development has 100 and 50 units are WHP units, can the 50 units remaining get financing?

- Yes. RFP funding cannot go to housing units meeting a WHP obligation, but can go to the other non-WHP units within the same project.

Are no dollars allowed at all from the WHP Exchange Program in the proposed project or is it that they cannot be used for the County assisted units only? The WHP Exchange Program allocation was just for 50% of the project.

- RFP funding cannot go to housing units funded by the WHP Exchange Program, but can go to the other units within the same project that are not funded with WHP Exchange dollars. In the case of a project where 50% of the total units are funded by the WHP Exchange, the other 50% of units could be County-Assisted Housing Units.

Must units be set aside for Palm Beach County Community Services Department (PBCCSD) and ChildNet if the referral process prolongs lease-up, even if the project could meet RFP beneficiary requirements without the referrals?

- No. The RFP does not require that units be held exclusively for tenants referred by PBC CSD or ChildNet. Rather, the project developer/owner must employ a tenant selection process that gives preference to referrals from PBC CSD and/or ChildNet for at least half of the $\leq 80\%$ AMI units. If the developer/owner has an eligible prospective tenant for a vacant unit, and there are no referrals of eligible prospective tenants available, then the developer/owner may lease the unit to his prospective tenant without delay. In the case where there are eligible prospective tenants both from the developer/owner and from

referral, then the developer's selection process must give preference to the referral prospect.

Can you please provide the contact info. for the best contact at PBC's Community Services Coordinated Entry System who can provide info on eligibility requirements and who can assist with referral questions for an elderly project?

- Questions related to the Palm Beach County Department of Community Services Coordinated Entry process should be directed to Wadnel (Salomon) Salomon, Housing Specialist, Palm Beach County Division of Human Services (561) 355-1178 WSalomon1@pbcgov.org

Although utility allowances are not required per the RFP, but if a project does offer tenants a utility allowance, are the 90% and 80% County rent limits applied to the gross rent or to the net rent (after deduction of the utility allowance)?

- The project's compliance with the voluntary 80% or 90% County rent limits will be determined by the net rent actually paid by the tenant.

What is timing of Is county loan going to be? Will funds be available pre-development, at construction commencement, etc.?

- The County loan is anticipated to close at the same time as other development funding sources, and to be immediately available. The loan may reimburse for eligible expenses incurred prior to closing, but after the date of funding award by the Board of County Commissioners.

What determines the loan interest rate?

- The County will seek to structure the loan and offer terms with the intent of closing the development funding gap and making the project financially viable. The interest rate will be fixed between 0-3%, and like loan structure, will be based on the developer's request as validated by project underwriting including analysis of debt capacity.

If tenant relocation has already taken place, are Respondents required to provide for the submittal requirements regarding relocation (i.e., # of households to be displaced; household tenure; whether displacement is temporary or permanent; relocation plan, etc.)?

- No. If relocation of displaced residents has already been completed prior to issuance of the RFP, Respondents are not required to provide the information required for anticipated relocation per RFP Section II.A.12.

Is there a goal or an anticipated number of projects to be awarded for funding?

- There is no goal for a number of projects to be funded. Given the amount of available funding, and the typical development funding gap in recent local affordable housing projects, it is anticipated that a handful of projects can be funded from the \$13M.

Are sites located within PBC municipalities (example, city of West Palm Beach) eligible for funding?

- Projects may be located anywhere within Palm Beach County, municipal or unincorporated area.

Hypothetically, If the amount a developer's request is \$3M and stated he would offer all County-Assisted Housing Units at the 80% voluntary county rents, but the County only awards the developer \$1M (due to this being the only funds remaining to fund), will the developer be allowed to revisit his commitment to offer the County Assisted Units at max 80% ? What if the \$1M brings the total number of County Assisted Housing Units below the 25% minimum required by the RFP – how will the County handle that situation?

- No. The developer's commitment to 80% or 90% Voluntary County Rents carries scoring points in the that contribute to proposal selection in the RFP competitive process, and therefore the developer will not be permitted to reverse course on the commitment.

If the County loan needs to close by December 31, 2022 at the same time of other sources of financing, such as construction loan, it means that the project needs to be shovel ready by then. Please confirm

- Yes. The directive from the Board of County Commissioners is to utilize these County funds to quickly increase the local supply of affordable housing. Accordingly, the RFP seeks to select projects that are ready to proceed expediently.

Do you anticipate having more funding for next year?

- Yes. The County receives annual allocations of federal and state funding which it makes available for the development of affordable housing. It is anticipated that some amount of these funds will be made available for multifamily rental development next year, but the amount will not be of the same magnitude of the current RFP. In coming months, the County anticipates making available funds for the Local Government Area of Opportunity match for the State's 9% Housing Credits RFA, and also making available funds for the development of very low income housing including for the homeless, at-risk of homelessness, and special needs. As program details and timeframes are developed, they will be shared with all parties who are on HED's distribution list for housing-related notices, including all parties which registered for the current RFP.

Please note that due to a technical issue, the presubmittal workshop did not record, and no audio recording is available.