

**FY 2019 Project Rental Assistance of Section 811 Supportive Housing for Persons with
Disabilities
Notice of Funding Availability (NOFA) Frequently Asked Questions (FAQs)**

General Application

1. What is the opportunity number for the NOFA?

The opportunity number for this NOFA is FR-6300-N-53.

2. How do I get an application?

Applications can be found on Grants.gov.

3. What is the time frame expectancy for award to be issued?

The time frame for awards are expected to be late spring/early summer.

4. HUD states on pages 11-12 of the PRA NOFA that if there are any funds remaining after all eligible applicants have been selected, HUD reserves the right to use those funds to make awards under the Capital Advance NOFA. There is, however, no corresponding language in the Capital Advance NOFA providing HUD the right to use those remaining funds for PRA. Can you please explain why there is this discrepancy, especially considering the PRA NOFA only awarding \$37 million whereas the Capital Advance NOFA is for \$75 million?

If the PRA NOFA has any funds remaining after all eligible applicants have been selected, HUD has the right to reserve those funds to make awards under the Capital Advance NOFA. This is to notify applicants of the possibility of what HUD may do in cases if there are any remaining funds available under the NOFA. In the same instance, if the Capital Advance NOFA have any remaining funds, HUD reserves the right to make additional awards under the PRA.

5. Can you please identify other areas in which there were changes from the last NOFA? This NOFA includes negative points based on past performance. This was not part of the last NOFA but was not identified in “Section 2. Changes from Previous NOFA”.

Changes from Previous NOFA only identifies changes to program delivery systems. Previous NOFAs did provide negative points based on past performance, but it was encompassed under the Past Noncompliance under Rating Factor 1. This NOFA clarifies what criteria HUD will use to evaluate past performance.

6. Pls describe examples of prior lead and collaborative partnerships successful with 811 PRA.

You can find examples of collaborative partnerships on the 811 PRA mini site on the HUD Exchange, here is a link to the Maryland's DHCD partnership:

https://youtu.be/_QR5Hhye4ek.

Applicant Eligibility

- 1. Only one application per state? How do I know who in my state has applied so that we can collaborate? I live in Louisiana.**

HUD suggests reaching out to your state housing agency or the other appropriate housing agencies to see if these agencies are applying for funds under the NOFA.

- 2. Can local housing agencies apply as well. And what is your terminology for as I was reading over the eligibility for grant FR-6300-N-53.**

Yes, local housing agencies may apply. If the local housing agency currently allocates Low Income Housing Tax Credit (LIHTC) program, allocates and oversees assistance under the HOME Investment Partnerships Act (HOME), and/or a housing agency who operates a similar federal or state program to LIHTC or HOME is eligible to apply. However, only one eligible application for each state may receive funding. In the event there are more than one Eligible Applicant, each state must determine which Eligible Applicant is the most appropriate. HUD suggests you collaborate with other agencies that may be interested in applying for funds under the NOFA and determine who will be the lead applicant.

Eligible Project

- 1. How are "units already serving people with disabilities" as "not eligible "defined?**

"Units already serving people with disabilities" means eligible Multifamily Properties may only receive Section 811 PRA funds if the housing assisted does not currently have an existing use restriction or a contractual obligation to serve persons with disabilities.

- 2. Senior housing cannot qualify for the PRA. Could senior housing defined for people 55 years or older qualify, if the PRA units only served people under 62?**

Units with use agreements requiring housing for persons 62 or older are not eligible to receive Section 811 PRA funds. PRA assistance can be provided for units in senior developments for persons with disabilities less than 62 years old at the time of admission as long as no more than 25% of the total units have PRA funds, or are used for supportive housing for persons with disabilities or have any occupancy preference for persons with disabilities. However, units supported by PRA shall be made available to all eligible tenants at least 18 years old and less than 62 years old. A project shall not set further age restrictions or targets on any PRA supported units.

- 3. Does a FHLBank AHP award count as committed financing? Or is only HOME/LIHTC a valid source of financing? Also, what % of total project costs need to be committed?**

Housing Agencies that are awarded funding set their own project selection criteria and will determine if a project is eligible to participate in their state's PRA program. If a property is interested in participating in the PRA, you must contact the Housing Agency that received funds under the PRA.

- 4. If a state housing agency decides to make Section 811 multifamily eligibility requirements more restrictive than required by HUD, do such requirements need to be made publicly accessible/available to the general public?**

The PRA program allows State Housing Agencies the flexibility to design their state's PRA program as long as the State Housing Agency complies with the requirements set forth in the NOFA and the terms of the Cooperative Agreement. If you are interested in participating in the PRA, you must contact the State Housing Agency that received funds under the PRA to inquire about the state's PRA project selection criteria.

- 5. We are an organization who serve individuals with Intellectual Disabilities. We house, educate and care for them on campus as well as off campus in HUD and group homes. Are we eligible?**

The Project Rental Assistance of Section 811 Supportive Housing for Persons with Disabilities only provides funds to state, local, or regional housing agencies that manage LIHTC or HOME programs and/or similar federal or state program. If applicable, you may be interested in applying to the Section 811 Supportive Housing for Persons with Disabilities (Capital Advance) NOFA.

- 6. Can the 25% limitation be applied to scattered site projects? How would duplexes or tri-plexes be considered, or would they be ineligible?**

Yes, the 25% limitation does apply to scattered site projects. Eligible Multifamily Properties means any new or existing property owned by a nonprofit, public, or a private entity with at least 5 housing units. This can include 5 or more units that are noncontiguous if under a single ownership entity. For example, a Low-Income Housing Tax Credit (LIHTC)-financed development of 60 noncontiguous townhomes spread over 5 acres would be an Eligible Multifamily Property if it met other program requirements. In another example, twenty HOME-funded condominiums either in or on the same property or spread across a city or town would also be considered an eligible property if under a single owner and other requirements are met.

Eligible Tenants

- 1. It was mentioned that tenant applicants for this program need to be between 18 and 62 years of age; does this mean that they need to be ages 19-61 to be eligible instead of 18-61?**

Eligible tenants for this program need to be at least 18 years of age and under the age of 62.

- 2. Permanent Supportive Housing (PSH) is typically understood to be for literally homeless individuals/families. Is this NOFA to provide PSH for literally homeless persons only?**

No. The NOFA provides rental assistance to units that will house extremely low-income persons with disabilities. Applicants that apply for the NOFA may target certain populations (e.g. homeless), however, tenants must meet the definition of disability and the income requirements under this program.

- 3. Does this program use the HUD HOME 30% income limit or the HUD HTF 30% income limit, as they differ?**

The Fair Market Rents are used to determine rents under this program. To determine the Fair Market Rents for this program, please visit <https://www.huduser.gov/portal/datasets/fmr.html>. To determine the income limits for this program, please visit: <https://www.huduser.gov/portal/datasets/il.html>.

- 4. Are chronically homeless considered disabled under the definition of those eligible for 811 assistance under this program?**

Chronically homeless are only considered disabled if those residents meet the definition of disability under the program. Please read Section I.A.4.1. for the definition of “Persons with Disability” in the NOFA, https://www.hud.gov/sites/dfiles/SPM/documents/FY19_NOFA_PRAforSection811.pdf.

Eligible Activities

- Can the 8% administration funds be used to cover case management/other support services?**

No. The administrative costs for this program may not be used to cover case management or other support services. The administrative costs may only be used to cover the planning and costs associated with developing and operating the PRA program.

Threshold Requirements

- 1. If a Grantee has an existing Inter-Agency Partnership Agreement in place from our FY13 award and it meets all the requirements in the new NOFA, it is still relevant, and it does not have an expiration date. Does HUD expect us to refresh it, or can we use the existing IAP?**

If the Inter-Agency agreement addresses the provisions for this NOFA, Applicants do not need to amend the existing agreement. If the existing Inter-Agency agreement does not address the provisions, applicants may add an addendum to the existing document to address the provisions under the NOFA.

2. If our current Inter-Agency agreement is open-ended, do we need an amendment?

If the Inter-Agency agreement addresses the provisions for this NOFA, Applicants do not need to amend the existing agreement. If the existing Inter-Agency agreement does not address the provisions, applicants may add an addendum to the existing document to address the provisions under the NOFA.

Program Requirements

1. Davis Bacon Applicability for any complex over 12 units or is it over 12 811 units that triggers Davis bacon?

Davis-Bacon is triggered if the sponsor/project has 12 or more units assisted with 811 PRA funds under this NOFA. The Program Guidelines of Cooperative Agreement will clarify the Davis-Bacon Requirements.

2. Where can I find out more about the environmental requirements?

The environmental requirements for the PRA can be found in the NOFA under Section III.F.21.

3. After the initial 20 years, can the RAC be extended to match the 30-year use?

The statute requires a use requirement of 30 years. The length of a RAC is 20 years. The expectation is that the RAC will be renewed at the end of the first 20 years.

4. Why is the RAC 20 years while the use agreement is 30 years?

The statute requires a use requirement of 30 years. The length of a RAC is 20 years. The expectation is that the RAC will be renewed at the end of the first 20 years.

4. If there are no further appropriations, do we release the properties from their RAC? Can use agreements be contingent on future appropriations?

If Congress fails to appropriate funds adequate to meet the funding needs of the Cooperative Agreement after the initial five (5) year funding period, HUD may terminate the Agreement. In the event the Agreement is terminated, HUD will not require the Grantee to enforce the RAC or PRA Use agreement and Grantee may, at its discretion, continue to enforce or terminate such RACs and use agreements. For example, if Grantee can obtain other funding

for the Assisted Units Grantee may continue to enforce the RAC and use agreement for these units.

Application Submission

- 1. The last 811 PRA NOFA specified single-spaced pages – the current NOFA (page 30) indicates double-spacing, which will cut the amount of space available to answer questions by half. Can you confirm that double-spacing is indeed required?**

No. Double-spaced is not required. However, if the applicant is using double-spaced the applicant still must adhere to the 40-page limit.

- 2. The last 811 PRA NOFA specified an abstract of 5 pages, followed by a 40-page narrative that began with a section on Experience, Capacity, and Readiness. The current NOFA appears to indicate that the Experience, Capacity, and Readiness section must be fit into the 5-page abstract, which will significantly reduce the amount of space to answer the questions in this section. Can you confirm that this is what HUD intends, with the Experience, Capacity, and Readiness narrative to be included in the 5-page Abstract and NOT in the subsequent narrative?**

Yes, narrative response for Rating Factor 1 Applicant's Experience, Capacity, and Readiness is to be included in the 5-page Abstract.

- 3. Does the 40-page limit include the 5-page Abstract or is it in addition (for a total of 45 pages)?**

The 40-page limit includes the 5-page Abstract.

- 4. Are any attachments allowed, besides the required HUD forms, Inter-Agency Partnership Agreement, and Letters of Intent? In previous 811 NOFA rounds, additional supporting documents were allowed and welcomed within a certain page count limit.**

Yes, you may include additional supporting documentation and this documentation is not included in the 40-page limit.

Rating Factors

- 1. Can you please provide a definition clarification for “existing oversight” under Rating Factor 3?**

"Existing Oversight" means the Applicant has either reviewed applications for funding, completed the underwriting, and/or responsible for the compliance and monitoring of the project.

- 2. Rating Factor 3 d. states, “HUD seeks to fund programs that will begin identifying units within 6 months and the leasing of units within 18 months after execution of a Cooperative Agreement.” This timeframe would not allow the Section 811 PRA to be used with new construction projects. The Section 811 Round 2 PRA program's use of a 48 month lease up period from the execution date of the Cooperative Agreement is reasonable for use in new construction. Is it HUD's intent to not allow Section 811 PRA to be used with new construction projects?**

Yes, HUD is encouraging Applicants to use new construction. However, HUD is seeking Applicants that can demonstrate readiness by beginning their unit identification process 6 months after award execution and the leasing of units within 18 months. HUD does not expect Grantees to be fully leased up but at a minimum starting the leasing process of units.

- 3. How is HUD defining "new" and "existing" properties? If a previously funded property is not yet constructed, is it considered "new" or "existing?"- Related to Rating Factor 3.**

The NOFA does not have a specific definition for new and existing properties. Properties that are new construction or substantial rehab must comply with the PRA program requirements such as Davis-Bacon and Environmental. If a property is fully constructed and ready for occupancy it would not trigger certain PRA requirements and could be considered existing. If a previously funded property is not yet constructed this would be considered "new construction" based upon PRA program requirements.

- 4. Can you confirm that existing units (that do not currently have a PRA) would be eligible and this strategy (of using existing, non-PRA units) would receive points for it?**

An Eligible multifamily property can be any new or existing property owned by a non-profit or a private entity with at least 5 housing units. Applicants may choose to use new or existing properties, however, Applicants who target new construction will receive more points than those who will use solely existing properties. Please read Rating Factor 3 Soundness of Approach/Implementation Plan for more detail.

Preference Points

In Section V, under Other Factors on Page 47 of 55, there is a reference to Preference Points for activities in Opportunity Zones and activities in collaboration with HBCUs. Below the reference it states that preference points for activities of these kinds “are not offered” by this program. Please confirm whether preference points are available or not.

This NOFA does not offer any Preference Points.