HOME American Rescue Plan (HOME-ARP) Program Rental Housing FAQ's



This document contains responses to questions from potential applicants for the HOME-ARP Program.

The questions in this document were received at the 2023 HOME-ARP NOFA workshops and webinar, and through the HOME-ARP NOFA inbox. To submit additional questions and inquiries regarding the HOME-ARP Rental Housing Program, please email HOMEARP-NOFA@hcd.ca.gov.

Note: Questions and answers appear in order of submission.

- **Q.** Can a Limited Partnership apply regardless of the experience of the controlling nonprofit?
- **A.** The applicant/sponsor should be the entity demonstrating experience and capacity in the development and ownership of the affordable housing project, including human and financial resources.

Please see definitions of 'Applicant' and 'Sponsor' in the definitions section of the NOFA.

- Q. Please clarify if a Special Needs population (as defined in the NOFA) is a *Qualified Population* for the HOME American Rescue Plan Program Multifamily Rental Housing Development funding?
- A. Special Needs Populations, in and of themselves, are not a Qualified Population. All individuals must meet one of the Qualifying Populations definitions referenced in the NOFA (complete definition listed in the HUD Notice). Where the Special Needs Population definition comes into play, is in the Developer, Owner Operator, and Property Management Company experience sections of the application. We are specifically looking for developers and owner operators to have experience developing/owning at least one project that serves either the Homeless, Chronically Homeless or a Special Needs Populations. For property management experience we are looking for two projects that serve either the Homeless, Chronically Homeless or a Special Needs Populations.
- **Q.** If we layer HOME ARP with HOME, do we need to just make sure the total HOME assistance per unit does not exceed the threshold basis limit per unit?
- Q. Does the Developer need to meet all three categories of the Qualified Population to be considered at risk?
- **A.** The two programs have separate per-unit subsidy limits that act independently within their respective program guidelines.
- **A.** We use the definition as referenced in HUD's CPD 21-10 Implementation Notice and in 24 CFR 91.5.

A participant would need to meet both categories in (i) and (ii) and one of the conditions in (iii) (A) through (G).

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Q. Is there a timing restriction for the funds on when the project must start or complete construction by?

A. Yes, there are timing requirements. Construction should begin within 12 months of executing the Standard Agreement and the project construction must be completed within 4 years.

Q. Is the Standard Agreement required to be entered into at time of award of project?

A. The Standard Agreement (SA) process will begin immediately following the award, and awardees will have 90 days to execute the SA. The SA process is outlined in Section 305(iii) of the NOFA, specifically, the last paragraph on the bottom of page 35.

Q. Are Acquisition and Rehabilitation eligible project types?

A. Acquisition and rehabilitation of office buildings and hotels are eligible uses of HOME-ARP funding so long as the units meet all program requirements and property standards for rental housing outlined in the NOFA. (See section 203 of the HOME-ARP NOFA)

Q. Are Local Approvals for land use and design required specific to application?

A. For the first round of applications, we don't require all local approvals to be in place. However, applications will be scored higher if land use and design approvals have been obtained. To score full points in the first round of the application, the project needs to have all land use and design approvals from the appropriate public authority. Partial points are awarded if these applications have been submitted but not yet approved. (See Section 302 of the HOME-ARP NOFA)

Q. Can this funding assist with the development of permanent shelters? Specifically, cities that do not have a shelter constructed.

A. No, eligible HOME-ARP rental housing includes "housing" as defined at 24 C.F.R. § 92.2, including but not limited to manufactured housing, single room occupancy (SRO) units, and Permanent Supportive Housing.

Q. Do applicants need to be domiciled or originated in California?

A. No, the applicant does not have to be domiciled or originate in California. The applicant must have legal authorization to conduct business in California.

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Q. Will the workshops be made available on the Home-ARP website after this session?

A. Yes, presentation slides and recordings of workshops are available on our website, they can be accessed by selecting the Webinar icon. HOME-ARP program website

- **Q.** For ground-up new construction, would we be allowed to purchase the land with the loan/grant?
- **A.** Yes, the costs of acquiring real property, supported by an appraisal completed no longer than 12 months before the date of application, are eligible costs in the HOME-ARP Program.
- **Q.** Would a developer in a non-eligible jurisdiction be able to apply for these funds in partnership with a Local Public Entity?
- **A**. Regardless of applicant type, a project must be located in a non-entitlement jurisdiction.
- **Q**. Is an existing project eligible to apply for HOME-ARP for rehabilitation if it already has HCD funding from another program.
- **A.** Yes, however, the project must serve our qualified populations and be in a non-entitlement jurisdiction. In the NOFA section 203 Eligible Use of Funds will discuss the eligible use of HOME-ARP Rental housing funds.
- **Q.** How do we schedule a pre-application consultation?
- A. Please make a request by emailing: <u>HOMEARP-NOFA@hcd.ca.gov</u>

 Subject line: Request Consult
- **Q.** Can my organization apply for funding for multiple projects?
- Yes, organizations can apply for funding with multiple projects; one application per project.
- **Q.** Can a tribal entity apply for both non-tribal and tribal target rental housing funds?
- **A.** Tribal applicants will be considered for all funding targets.