**2019 4% HOME NOFA**

**Question & Answer**

1. **Question**: We are unsure whether we will be able to provide a finalized PBRA commitment from the applicable PHA by the submission deadline. Are we eligible to apply with a letter of intent instead?

**Answer**: Applicants with deals using public financing under consideration as of the deadline that has not yet been finalized (e.g., waiting on a competitive process) must submit documentation evidencing being under consideration at that time.

1. **Question:** Is a PNA and/or any 3rd party reports required to be included with the Pre-App workbook submission due 2/28/19?

**Answer:** The PNA is not required on February 28, 2019. It is listed as an example of a document that could be included to show Readiness to proceed under Scoring Selection Criterion Three - Readiness to proceed.

1. **Question:** The final closing date is listed on the attached as 1/31/20.  To confirm, if the property is able, it can close before this date correct?

**Answer:** Yes, the project can close before the listed closing deadline.

1. **Question:** Is it possible to request a waiver for the 7% Vacancy requirement if there is sufficient documentation that a property has operated with a lower vacancy for an extended period of time?

**Answer:** DCA has approved such waivers in the past, most commonly for projects with USDA 515 loans or projects with a majority of units having PBRA. Please submit this as a waiver request in the Full Pre-Application (due May 1, 2019) if selected for funding under the NOFA. DCA will look at the particulars of the project at that time. If possible, occupancy reports over the last 3 years should be provided.

1. **Question:** For properties with HAP contracts, is it still required to underwrite the rents at least 10% lower of market or tax credit max allowable limits per the underwriting policies?

**Answer:** DCA underwrites units with PBRA according to the rents and utility allowances shown in the HAP contract. However, please note that per 2019 QAP (page 5 Threshold), projects with PBRA that have less than ten years remaining from Application Submission Date must be underwritten within the maximum tax credit rents and/or HOME rents, as applicable. Also, all units with High HOME rents and PBRA must be underwritten at the maximum HOME rent.

1. **Question:** How can you give preference for Year 15 LIHTC properties under the NOAH criteria (Option A)? NOAH is by definition not publicly subsidized – are you putting LIHTC that’s past 15 years into the NOAH category b/c the compliance period is over?

**Answer:** The line referenced is only applicable to Option B under the NOFA. The NOFA has been updated to reflect this.

1. **Question**: We were curious if DCA would consider an extension of the due date for applications submitted under the NOFA for 4% NOAH HOME proposals.  Given the application materials were provided the end of last week, it would be a quick turnaround for certain proposals that can be complicated to put together given ownership interests of existing properties.

**Answer:** The deadline has been extended to March 4, 2019 at 4 PM.

1. **Question:** Is there a limit on how much HOME one developer can receive annually across multiple NOFAs and DCA programs?  We couldn’t find any definitive guidance in the QAP around this, but do acknowledge this statement in the QAP: “HOME funding cannot exceed twenty-five percent (25%) of the total HOME Loan resources available” (page 22 of Core).

**Answer:** There is currently not a limit on HOME funds for a developer between NOFAs. DCA will look at a Project team’s experience, capacity, and compliance when evaluating applications for HOME and Tax Credits. The line referenced (“HOME funding cannot exceed twenty-five percent (25%) of the total HOME Loan resources available”) is only applicable to 9% applications in the 2019 round.