

## **DCA Responses to Questions from the Public**

1. Based on the guidance, it appears that the request would need to be for a minimum of 25 units within a specific property (unless a waiver is granted) and this also cannot exceed 25% of the total units in the project. With this in mind, a project would need to have a minimum of 100 units in order to receive 25 total PBVs and also not exceed the 25% maximum requirement – Can you confirm if this is a correct interpretation of the requirements? Would you mind outlining the criteria that would be considered for granting a waiver to the minimum 25 units requirement? Additionally, would you mind outlining the process for submitting a waiver to this requirement – Would this take place after we submit an application for the PBVs or would this be something we would need to prepare prior to or in conjunction with the PBV application?

**DCA Answer:** DCA's requirements state that at least 25 units and no more than 25% of units will be awarded in each property.

High quality applications from property owners/developers in good standing with DCA will be considered for a waiver of the 25 unit minimum per property on a case-by-case basis, if the owner/developer is submitting an application for more than one property and the sum of all properties applying for project based vouchers is more than 25 units.

If a property requests more than 25% of their total units, a resident support services MOU with DCA is required, which will require additional time and steps. Reach out to <a href="DCA\_PBV@dca.ga.gov">DCA\_PBV@dca.ga.gov</a> if you are interested in requesting more than 25% of total units.

2. Would you also mind clarifying the following requirement related to the allocation of PBVs per unit? Can you provide an example for how this would be determined for a 1-bedroom unit vs. a 2-bedroom?

**DCA Answer:** For the bedroom requirement section, that refers to the HCV Administrative plan requirements for number of bedrooms allocated for household members. As the HCV Administrative plan outlines, DCA requires voucher holders to have one bedroom for every two household members and separate bedrooms based on gender and age. For example, if there was a household with two adult parents, one female first grader, and two middle school aged boys, that household would require three bedrooms for their voucher lease. If there was a household with two adult siblings (a brother and sister), one female first grader, and two middle school aged males, that household could require four bedrooms for their voucher lease. And if there was a household with a parent and one or two elementary school aged females, that household would require two bedrooms for their voucher lease.

3. If we apply as a management company with several properties, is the three year measure based on each property's award or the last time the management company was awarded?

**DCA Answer:** The three year competitive award qualification is based on each individual property's award. So in that instance, the property that received an award in the last three years would be able



to begin the due diligence process upon application, but the other properties who did not receive a competitive award in the last three years would need to submit through DCA's competitive award process and submit a response to DCA's open Request for Proposals.

4. Could you please confirm that the deadline for DCA PBV applications has been extended from 9/15/23 to 10/10/23?

**DCA Answer:** Confirmed; DCA has extended the application deadline for receiving all project based voucher requests and proposals to 5 PM on Tuesday October 10, 2023.

5. DCA's FAQ document states the rent will be the lower of 120% of SAFMR, or the "reasonable rent". How does GA DCA determine what "reasonable rent" is?

**DCA Answer:** DCA's FAQ document states the rent will be the lower of 120% of SAFMR, the rent requested by the owner, and DCA's analysis of reasonable rents. As part of the rent determination process, DCA will conduct an assessment of area rents for similar size and quality properties; this process includes coordinating with other DCA teams who might provide financing for properties with certain rent requirements and rent determinations. In the event that DCA's analysis of reasonable rent is lower than the rent requested by the owner, DCA will request the owner provide further documentation on the rent justification to be considered in the rent determination.

6. If we decided to participate in this, and we did the minimum 25 units and we had 25 existing residents who qualified, could we serve existing residents only?

**DCA Answer:** Upon initial award, properties can choose whether to use Project Based Vouchers for units with existing, qualifying tenants who will lease in place or vacant units.

7. What is the shortest term contract GA DCA would accept?

**DCA Answer:** DCA's application and request for proposals indicate that DCA will accept contract terms for 1-15 years.

8. Are Project Based Voucher units fixed or floating?

**DCA Answer:** Project Based Voucher units are fixed.

9. How long does it typically take GA DCA to process a move-in and what does that process look like?

**DCA Answer:** DCA encourages properties to notify DCA as soon as they know of an upcoming vacancy, so that DCA may begin to process potential new tenants off the DCA waitlist. When selected, each Project Based Voucher waitlist participant has 15 days to respond to the opportunity for tenancy. When DCA is notified of an upcoming vacancy, DCA will select a name from the waitlist, and that individual has 15 days to respond with their interest. If they do not respond in that 15 day timeframe, they forfeit the opportunity, and DCA will select the next name for the waitlist. Once an individual from the waitlist responds with interest in the unit, DCA will provide that information to the property owner who will screen the tenant based on the property's own requirements and



begin the lease process with the tenant. During that timeframe, DCA will be able to confirm again the waitlist participant's eligibility and conduct any re-inspections of the unit necessary. DCA anticipates no more than 60 days for this entire process but expects 30 to 45 days, though it could be shorter based on waitlist responses.

## 10. What needs to happen before vacancy payments can start being processed?

**DCA Answer:** DCA staff are requested updates to our administrative plan this fall; if the Board approves those updates, we can expect that payment process to be in place early next year.

In order to qualify for vacancy payments, properties must first have to make attempts to fill their units through the waitlist. If DCA is not successful in selecting anyone from the wait list, DCA will consider other referral options before paying vacancy loss. This vacancy loss cannot go on in perpetuity, and DCA will publish more guidance on the amount of vacancy loss that will be covered if the board approves requested updates.

## 11. Is there a period of time that properties must wait before they rent to someone without a voucher if there are no applicants?

**DCA Answer:** As long as that property has that unit under a Project Based Voucher Housing Assistance Payment (HAP) contract, the property cannot rent to a non Project Based Voucher applicant. However, with viable candidates, the placement process only takes between 15 and 30 days. If the unit remains vacant for 180 days, the HAP contract will be void and the unit will be removed the HAP contract; after the unit is removed from the contract, a property owner could rent to a market renter.

NOTE: DCA manages two separate waitlists: one waitlist for tenant based vouchers and one wait list for Project Based Vouchers. The PBV HAP contracted units will only be eligible to rent to individuals on DCA's Project Based Voucher waitlist.

12. While both 9% and 4% LIHTC projects are now competitive, many of the 4% projects awarded since 2020 were noncompetitive. Is the intent to exclude these 4% projects from eligibility for the noncompetitive process?

**DCA Answer:** Projects that received a 4% LIHTC award through a noncompetitive process will need to apply through the competitive DCA process and submit a proposal that meets the Request for Proposals requirements.

13. What is the utility allowance methodology for these units, and is there going to be flexibility in determining this allowance?

**DCA Answer:** DCA's Housing Choice Voucher Division has an existing schedule of utility allowances that will be used in determining utility payments for Project Based Voucher units. This schedule is typically updated annually and can be found on <u>DCA's website here</u>.



14. Can proposed new construction applications apply for the vouchers? Can they be used as part of a redevelopment plan for an existing property?

**DCA Answer:** DCA may include Project Based Vouchers in a new construction property that has already received a DCA competitive financing award (LIHTC, HOME, NHTF, etc.); however, other new construction properties will not be considered. At this time, Project Based Vouchers cannot be used as part of the application for financing through another DCA competitive award.