NOTICE OF FUNDING AVAILABILITY (NOFA) FOR AFFORDABLE MULTIFAMILY RENTAL HOUSING, ROUND 25-A (REVISED)

QUESTIONS AND ANSWERS

The below questions were collected as part of the Los Angeles County Development Authority’s (LACDA) NOFA Round 25-A application process. The purpose of this document is to answer questions related to the criteria and means used for awarding funds for multifamily affordable rental housing projects. Questions may have been edited for clarity. Answers are provided in bold font.

1) If our proposed project only uses HUD PBV, 4% low income tax credits, and tax exempt bonds, and LACDA Affordable Housing Trust Fund dollars, that will only trigger Davis Bacon, NOT state prevailing wage, correct?
   The determination of payment of prevailing wages is the responsibility of each applicant. Applicants must provide an explanation in Appendix 1 as to whether the project will comply with payment of prevailing wages, especially if due to another agency’s funding sources requiring its payment. An attorney’s opinion must be included as part of the application if the applicant states that the project is exempt from prevailing wages.

2) Do we apply to LACDA for NEPA clearance on our project?
   The LACDA will perform NEPA clearance for projects that receive Section 8 Project-Based Vouchers (PBVs) and/or Project-Based Veterans Affairs Supportive Housing (PBVASH) Vouchers through the LACDA.

3) We are planning to form a partnership with a DHS approved ICMS provider. Can you please clarify what supportive services documentation we need to submit for a DHS approved ICMS provider?
   Projects with commitments under the DHS Master Services Agreement are not required to complete some questions in the H.1 Supportive Services Narrative, as indicated in the NOFA document and are not required to submit a supportive services plan for units housing homeless residents. Please see Appendix 6 for full information.
4) Is there any flexibility for the TDC limit of $475,000/unit? What were costs of projects funded last year? Are there acceptable reasons for exceeding this guideline? 

Exceeding the $475,000/unit requirement may be done with reasonable justification acceptable to the LACDA. Projects with costs above this range should provide project-specific justifications.

5) The Phase I and II ESAs for the site were completed in February of 2019; no development or changes to site have occurred. Is there any way to get a waiver of the 180-day requirement for these reports? 

An updated Phase I report is required. An update to the Phase II will only be needed if called for in the updated Phase I report.

6) Please clarify what service plan and budget information needs to be provided for non-PSH units. The application forms all appear to be for PSH units and related services. 

Non-PSH units must provide supportive services identified in Appendix 6, with an accompanying budget. Please see Appendix 6 and Appendix 1, tabs H.1 – H.3.

7) We are currently working on a Preservation project. Based on the requirements outlined in Sect. 3.3, Eligible Project Types, we must demonstrate that residents are at imminent risk of economic displacement. I did not see a definition for economic displacement and required documentation. Can you elaborate on this requirement? Also, under Section 3 3.1, Eligible Project Requirements, it looks like the definition for Rehabilitation includes the requirement to “...provide new affordable units to the housing stock. Projects with existing affordability covenants are not eligible, unless the covenants are expiring within 5 years of the NOFA application.” We would only be rehabbing the existing structure, are not adding more units, and existing covenants will not expire within 5 years. Can you advise if the project would be eligible or not to apply for funds under the Preservation Category?

“Imminent risk of economic displacement” has not been defined, which allows applicants the flexibility to make this case. Applicants must be able to provide evidence that displacement of residents would occur if not for LACDA funding and/or rental assistance. The rehabilitation requirement of providing new units, or replacing lost units, does not apply to the preservation set-aside.

8) For the Committed Permanent Public Funding, will NPLH funding be considered LACDA or non-LACDA funding source? 

No Place Like Home (NPLH) funds issued through the LACDA will be considered an LACDA funding source.

9) For applicants applying for PBVs through HACLA and not through the LACDA, they will be applying for the NEPA clearance through that organization, correct?
Correct, the Housing Authority of the City of Los Angeles (HACLA) and other housing authorities will clear National Environmental Policy Act (NEPA) requirements for projects in which they issue rental assistance commitments.

10) Are there minimum awards that projects must request under this NOFA?

Projects that do not propose the use of tax credit financing must provide at least 10 units of permanent, multifamily housing and request at least $1,500,000 in capital funds. Other project types must provide a minimum number of units, as identified in NOFA Section 3.3 for Eligible Project Types.

11) Are we able to include GP Equity as a source in committed permanent public funds?

GP Equity is not considered a public source of funds.

12) CEQA Approval Date: Can a project submit an application for funding and submit the CEQA approval on 5/19/20 instead of 1/10/20 if they will be submitting an application by 8/2020?

If all CEQA documents are not submitted at the time of application, they must be received by the LACDA no later than January 10, 2020 for TCAC 1st round projects and no later than May 19, 2020 for TCAC 2nd round projects. For 4% projects, CEQA documentation is required at least six (6) weeks prior to desired receipt of funding commitment from the LACDA. Please refer to the CEQA Document Checklist for requirements.

13) Appraisal Report:

a) How recent does the report have to be?
b) Within 180-days of the executed PSA?
c) Within 180-days of the application submittal date?
d) For the appraisal, can we just provide a current as-is market value? Why does it need to be within 6 months of our PSA?
e) The NOFA requires Appraisals be dated within 180 days of the purchase contract. If we do not yet have a purchase contract for a City-owned site and do not expect an executed DDA until after the application deadline, may we include an appraisal 180 days within the date of our Exclusive Negotiating Agreement?

Please refer to E.10, Appraisal Requirements, in the NOFA Application. The appraisal must indicate the Fair Market Value of the site as of a date that is within six months of executing the purchase contract, before construction or rehabilitation, and without consideration of any financial implications of tax credits or project-based vouchers.

14) Do 4% tax credit projects need to submit a TCAC application no later than the 2nd 2020 competitive round, like 9% tax credit projects?

Yes.
15) If the project has a Notice of Determination for an Mitigated Negative Declaration, do we need to submit all of the other documents on the CEQA checklist? For example, Initial Study, Notice of Public Review with County Clerk, Adopted Resolution, etc.
   Yes.

16) Accessibility requirements:
   a. Per the Fair Housing section, it appears that the "Universal Design" is only applicable to Senior projects? Correct.
   b. Do projects with populations other than seniors have to adhere to current accessibility/ADA standards? All projects, regardless of population, must adhere to all applicable accessibility requirements.
   c. Is a CASp report required at the time of the application? No. (REVISED ANSWER)
   d. Do we need to have an ADA consultant on board at the time of the application? No.

17) Planning Approval: Can you please elaborate on what "description of the status of the approvals" mean. What does LACDA need to see in the description?
   If approvals are not in place, describe the status of that item that needs an approval, for example: “first round of plan check, awaiting comments.”

18) For Item B.4, the tab indicates that this only needs to be filled out for unincorporated projects. However, the checklist points to section 3.7.3 which indicates development feasibility and references 9% projects and that ALL applicants must demonstrate the ability to legally develop project at proposed site.

   a. Is the consolidated plan certification only for unincorporated projects? Yes.
   b. Does evidence of an entitlements application include a deemed complete letter, case numbers? or should the whole entitlements application be included? A full entitlements application is not required, a case number is sufficient.

19) Is Metro-owned land in the City of Los Angeles considered County-owned land, for the purposes of scoring and for the loan limit?
   No.

20) If a building has multiple populations – homeless, developmentally disabled, general affordable – how is the lead service provider determined. If, as an agency, we only provide services to the special needs homeless population, but not any other populations in the building, could we be the lead agency.
   A project may have a lead service provider for Special Needs residents and a different provider for general affordable residents.

21) If the project is not requesting PVB or PBVASH through this NOFA, but will be accessing PBV and PBVASH from a City, should the applicant complete Section
Worker Hiring Program or ONLY information for the Local and Targeted Worker Hiring Program?
The LACDA will not monitor Section 3 if it is a requirement of another jurisdiction, so please indicate Section 3 will be monitored by the identified jurisdiction. Please describe Local and Targeted Worker Hiring Program compliance instead.

22) Are 4% LIHTC projects exempted from providing a 9% point systems worksheet?
Yes.

23) Our proposed project is applying under the Preservation set-aside and will be assuming Low-Income Housing Tax Credit (LIHTC) financing. However, there will be no special needs units included in this project. Would it suffice to answer "Yes" to question #4 on the Statement of Eligibility and "No" to both sub questions?
Please indicate "Yes" to both sub questions.

24) Acquisition hasn’t occurred yet, but no permanent relocation is anticipated. Should this form still be completed?
Yes, please complete tab C.5.a.

25) For items I.3 Amenities Map & I.4 Certification of Amenities Map, there is not a tab included in Appendix 1 for these items, but I note they are included on the online portal as document submissions. Where can we find these items and/or how should these items be submitted with the application?
Please provide both items and upload to the online application system. There is no template for either item.

26) I.8-I.14 Plans: Are these plans required for preservation projects?
Yes, plans are required.