

Solano County Housing Trust Fund

Notice of Funding Availability (NOFA) Questions

Please note all questions and answers may be paraphrased for clarity.

Pre-Conference Questions

Question: Do you happen to know if the County is open to waiving or deferring fees for affordable communities? If a waiver isn't an option, perhaps the long-term deferral of the fee after the tax credit compliance period (10 years after construction completion) could be another option.

Answer: Deferral of Public Facilities Fees (PFF) may be requested by submitting a written request to the County Administrator. Waiver of any fees or deferral of any other fees such as permits, etc. would need an action of the Board of Supervisors. We recommend including such a request in your application packet.

Mandatory Applicant's Conference

9/28/23 – Via Microsoft TEAMS 9:30 – 10:30

Question: Will the County consider providing the \$3.2 Million to a single Project (e.g. LIHTC 100% affordable multi-family project) as a "soft" loan? In LIHTC projects local government loans are typically provided as "soft" loans with a 55-year term, ongoing debt service payments made only if cash flow is available?

Answer: It is possible that the full \$3.2 million will be awarded to a single project. Whether or not it could be in the form of a soft loan for 55 years would need to be decided by the Board of Supervisors.

Question: Do the ARPA funds require payments of Davis Bacon wages?

Answer: ARPA guidelines have waived Davis Bacon requirements. However, all State of California requirements related to prevailing wage still apply.

Question: Can Public Facilities Fees (PFF) be deferred?

Answer: Deferral of Public Facilities Fees (PFF) may be requested by submitting a written request to the County Administrator. Waiver of any fees or deferral of any other fees such as permits, etc. would need an action of the Board of Supervisors. We recommend including such a request in your application packet.

Question: Would a project be disqualified if it has a prior ARPA Award?

Answer: No, this would not automatically disqualify the project. The evaluation committee will look at the overall investment, other sources of funding, and what the funds are needed for. Please include this information in the application.

Question: Regarding project disbursement, is there an earliest possible stage of the project in which you can disperse? For example, at construction closing or at prior to construction closing.

Answer: In order for early disbursement, we would need to see that there is commitment, i.e. that you have control of the property and are waiting for the construction loan. To request early disbursement, include a clear timeline for the project and the supporting documentation that you have the commitments.

Question: For the maximum 10 point scores on number of housing units and AMI levels, is there a highest number that would get the 10 points that is pre-determined or will this be based on the applications submitted?

Answer: It would be based on the applications submitted.

Question: Can cities apply on behalf of developers?

Answer: Yes.

Question: Would a long-term deferral through Tax Credit compliance period of PFF fees be acceptable?

Answer: Deferral of Public Facilities Fees (PFF) may be requested by submitting a written request to the County Administrator. Waiver of any fees or deferral of any other fees such as permits, etc. would need an action of the Board of Supervisors. We recommend including such a request in your application packet.

Question: Does (the two-week extension of the due date for submission) also extend the projected award date by 2 weeks?

Answer: The County will work with the successful applicant(s) to try to minimize any delays in executing the contract and project award caused by the extension of the submission deadline.

Question: It was mentioned during the NOFA (presentation) that the (10 points for the number of new affordable housing units will be created) number would be determined in relation to other projects submitted. For our 60-unit project, would it be safe to assume at least 5 points in this section?

Answer: A response cannot be provided on behalf of the evaluation committee who has not yet reviewed any applications.

Question: In regards to the category of what percentage of funding is requested in relation to the total project cost, will criteria also be scored in relation to other projects? For example, would a project with a higher Total Development Cost (and thereby a lower ratio of County funding to cost) automatically receive twice the points of a project half its size?

Answer: All these factors will be taken into consideration by the evaluation committee when scoring the applications.

Question: How does the County want developers to demonstrate diversity, equity, and inclusion of occupants in the development?

Answer: It is up to the developers to determine how to best highlight their efforts towards promoting diversity, equity, and inclusion in all aspects of the project.

Question: Should we organize our responses to each section as a separate page (for example a response for each section on separate pages) or do you want the formatting to be contiguous?

Answer: Separate pages are preferred.

Mandatory Applicant's Conference

10/17/23 – Via Microsoft TEAMS 9:30 – 10:30

Question: Where is this version of the NOFA posted? On the County website under current RFPs, the previous version of the NOFA is linked.

Answer: There isn't any difference except the due date and the timeline. I will ask to have the revised version posted on the website and at Open Gov. **NOTE: The new due date is November 8, 2023 at 5:00 p.m.**

Question: Can you please clarify what AMI levels are allowed? Is it whatever eligible AMI levels are allowed in program guidelines for the 7 programs you have listed in the NOFA, 65% AMI, or can be up to 80 and if so in what circumstances?

Answer: Reviewing the ARPA Affordable Housing How-To Guide (click on link here: <https://home.treasury.gov/system/files/136/Affordable-Housing-How-To-Guide.pdf>) will help clarify, but in summary, ARPA presumes that an affordable housing project is eligible if it meets the core requirements of any of the programs listed in the NOFA. The core requirements are:

1. Resident income restrictions
2. The affordability period and related covenant requirements for assisted units
3. Tenant protections
4. Housing Quality Standards

Additionally, ARPA presumes a project is eligible if it serves households with incomes at or below 65% of AMI. NOTE: Because Solano County

However, if a project does not meet one of the two ARPA presumptions, it may still qualify if an applicant can show that the project "(is) related (to) and reasonably proportional to addressing the negative economic impacts of the pandemic and otherwise meets the ARPA final rule's requirements" (2022). Solano County has determined that it is "reasonably proportional" to fund units up to 80% of AMI.

Please review the ARPA guidance for further details.

Question: What are the eligible costs? Can funds be used for Pre-Development Costs, Hard Construction Costs, Administration Costs, and Reimbursement of any of these costs if they have already been expended?

Answer: Please refer to the Solano County Housing Trust Fund ((SCHTF) guidelines, available on the County's website at: https://www.solanocounty.com/depts/county_admin/housing_programs_and_resources.asp

for eligible and ineligible costs under the SCHTF. Funds received under this NOFA may not be used to reimburse costs that have already been paid.

Question: Can projects be homeownership, or do they have to be rental?

Answer: Yes, they may be homeownership.

Question: What documentation needs to be submitted to show that a project is “shovel ready”? Many of HCD’s program require the following to be submitted to show shovel readiness, do we need to include them in our application? a) Environmental completed; b) Plans & Specs completed; c) Community Outreach Completed; d) Independent Cost Estimates; e) Permits; and f) Executed MOU’s or contracts with partners.

Answer: A list of acceptable documentation has not been established as of the publication of these Q & As. The County recommends providing copies of any documents, etc. the applicant has that can support the current status of the project as well as the timeline going forward. The documents listed in the question would be good examples of this of document.