

## **HCD's Responses to Questions Regarding NOFA for ARPA Unallocated Funds and Application August 20, 2024**

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***Q.1: I don't see anything in the NOFA that says whether projects that were awarded ARPA funds during a previous tranche are eligible for this round. Can you confirm whether they are? I see that this round is targeting properties where supportive housing services are provided. Are supportive housing developments simply prioritized over general affordable housing, or is supportive housing a requirement for receiving these funds? Lastly, do you know of any supportive housing service providers that partner with for-profit developers?***

**A.1:** The NOFA has not been released yet. I believe your 2<sup>nd</sup> and 3<sup>rd</sup> questions reference the HOME-ARP NOFA for which the application deadline, July 12, 2024, has passed. The upcoming NOFA will be available on August 15, 2024. The upcoming NOFA does not have limits on projects that were previously awarded ARPA funds, however the City does aim to most efficiently leverage its resources to increase the impact of the limited funding available.

***Q.2: I have a question regarding the scope of eligible activities for this funding opportunity. Specifically, would economic development activities be considered eligible under this NOFA? We have a program in mind that we believe could contribute significantly to the City of Richmond's economic recovery and growth.***

***Could you please confirm eligible uses for the funds?***

***Are these the same funds that were available in January (affordable housing generally) or July (PSH)?***

***I'm trying to make sure I understand the NOFO properly. We have a multifamily project that I think is a good use of the ARPA funds, but do the projects have to have support services in place to qualify?***

**A.2** I believe you are referencing the HOME-ARP NOFA for which the application deadline, July 12, 2024, has passed.

The activities that fall under the "Building Stronger Communities Through Investments in Housing and Neighborhoods" portion of the City's ARPA Spending Plan would be eligible. This includes projects that:

- preserve or increase the supply of affordable, high-quality housing units;
- address homelessness via supportive housing;
- improves access to stable, affordable housing among unhoused individuals and families; or
- uses housing vouchers, residential counseling, or housing navigation assistance to facilitate household moves to neighborhoods with high levels of economic opportunity and mobility for low-income residents and to help residents increase their economic opportunity and reduce concentrated areas of low economic opportunity.

These funds are to be allocated to projects that can be completed by September 2026. If the project is a construction project, this should be evidenced with a Certificate of Occupancy.

***Q.3 Do you know when these funds are expected to be obligated/awarded to projects?***

**A.3** As noted in the NOFA, on page 2, funds are expected to be obligated by October 30, 2024. Awards will be made prior to obligation.

***Q.4 If a funding is secured for a housing related services project, what would be the contract end date for services?***

**A.4** All ARPA funds must be expensed by the September 30, 2026.

***Q.5 As an existing partner with an ARPA funded project for housing related services, is it worthwhile to apply for funds to extend a project?***

**A.5** Both agencies that are currently awarded ARPA funds, and those that are not, are encouraged to apply. As a part of the competitive process, HCD will use the Rating and Ranking criteria to identify projects that help the department obligate funds by the October 30<sup>th</sup> deadline, that demonstrate an ability to complete the project by the September 30, 2026, deadline, and/ or that meet an immediate need, priority, or goal of the City.

***Q.6 Can you confirm whether there is a maximum funding amount that can be requested per project given the total \$2,076,637 available funds?***

**A.6** There is not a maximum amount that can be requested however The City of Richmond reserves the right to award funding, other than what has been requested by an applicant, at its discretion, for projects that meet an immediate need, priority, or goal of the City, and is an eligible activity as permitted by the City's general provisions for ARPA funding.

***Q.7 What should be the assumed structure of the funds (i.e. grant/loan/etc.)?***

**A.7** The structure of the funds will be determined in consultation with each awarded applicant as a part of the contract creation process. HCD will work with applicants to ensure that the structure meets the needs of the specific projects.

***Q.8 How quickly does DHCD anticipate providing loan/grant documents and releasing the funds?***

**A.8** Draft loan documents will be provided upon the awarding of funds and HCD intends to obligate these funds to selected projects by October 30, 2024.

***Q.9 Could you confirm whether these funds will be available during construction or shall come in at permanent loan conversion?***

**A.9** The funds will be available during construction or other projects activities (if not a construction project) according to the disbursement schedule outlined in the loan documents. Typically, in increments of 25%, 25%, 40%, and 10% based on meeting specific project completion goals.

***Q.10 A housing related service we would like to be able to provide is to provide one-time financial assistance to shelter clients to help them move into apartments. This would aid people who have an income but not the savings to pay an application fee, security deposit, first month's rent, and/or rent or utility arrears. Would it be appropriate to use this funding opportunity for that type of support? Also, is there a match requirement? I see the sections about leverage, but I am not clear if we would need to have other funding for this same service as a requirement for the grant.***

**A.10** As describe, this project would meet one of the eligible activities. Like other financial assistance activities funded through HCD subrecipients will be required to verify income eligibility (either 300% of Federal Poverty Guideline based on household size or at or below 65% AMI) and maintain appropriate client documentation and records. Payments may not be made directly to the client.

There is no match requirement, however HCD encourage applicants to complete the leverage section to provide a full scope of the project.

***Q.11 What organizations are eligible to apply?***

**A.11** Non-profits, for-profit developers, economic development, housing, or human service agencies, and/or organizations with federal tax-exempt status.