2021 Nebraska Affordable Housing Trust Fund Frequently Asked Questions and Resources

_____

AmpliFund

The Department has provided user guides and videos specific to AmpliFund. Please refer to the following link: https://opportunity.nebraska.gov/amplifund/

Pre-Application

Q: *Are Development Pro-Formas required to be submitted for Rental Project Pre-Applications?*
R: No. Rental projects are not required to submit their Development Pro-Forma during Pre-Application. All Rental projects will be required to submit their Development Pro-Forma to their Program Representative by March 30th, 2021 for approval prior to Full Application. Rental projects will be required to use the Rental Development Pro-Forma found in the Pre-Application. Process for submitting the Rental Development Pro-Forma will be determined after Pre-Application Due Date.

Q: *Do Technical Assistance awards apply to the Threshold Milestone requirements?*
R: Yes, all DED Housing Awards (including Technical Assistance awards) apply to the Threshold Milestone requirements.

Q: *What are the Threshold Milestone requirements for projects funded in the 2017 Program year and earlier?*
R: To be eligible to submit a 2021 NAHTF application, projects funded in the 2017 Program Year or earlier will fit within one of the following categories:
- Category 1: If the project is 100% drawn, then they also need to have their Final Financial Report and Final Performance Report submitted to the Department.
- Category 2: If the project is not 100% drawn, but complete then they need to have submitted their Final Financial Report and Final Performance Report to the Department.
- Category 3: If the project is not complete, they will not be able to submit final reports and will not be eligible to submit a 2021 NAHTF application.

Q: *If my project did not meet the Threshold Milestone requirements during Pre-Application, what is required to be submitted in the DED Housing Milestone Plan?*
R: For any projects that did not meet the required milestones during Pre-Application, the DED Housing Milestone Plan must detail how the applicant will be complaint with the required milestones by the Full Application due date. This should include information on draws, final reports (i.e. Final Financial Report and Final Project Status Report), dates for accomplishment, and other important benchmarks in achieving the milestone requirements. Draws need to be submitted to the Department no later than April 1st, 2021 to allow staff sufficient time to review and process the draws.

Q: *If our project does not meet the required Threshold Milestones by the full application due date, are we eligible to submit a 2021 NAHTF application?*

R: No. The Department will not review any applications submitted by applicants that have a project not meeting the Threshold Milestone requirements by April 29th, 2021.

Q: *Should applicant use preparer's or authorized individual's name under the Electronic Signature form?*
R: If the preparer is the same as the authorized individual, use their name. If the preparer is not the authorized individual, upload the required form, which authorizes the preparer to use their name for the Electronic Signature.

Full Application

Q: *Which projects require Site Reviews?*
R: Any proposed project that includes new construction, acquisition, conversion, rental rehabilitation, and/or infrastructure development.

Q: *When are Site Reviews required to be submitted?*
R: If sites have been identified prior to the application being submitted, requests for a site visit must be sent to your Program Rep by Friday, March 19th, 2021.

Q: *If applicant submitted a Site Review for 2020 NAHTF application and the site was approved, is a new request required?*
R: Yes. In the narrative of the Site Review form, applicant should identify any change of circumstances from approved Site Review.

Q: *If there are multiple sites, does each site need its own review?*
R: Yes. Each identified site will require its own specific Site Review.

Q: *Which projects require a Development Pro-Forma?*
R: All Rental projects must use the DED Rental Pro-Forma provided within the Pre-Application. Any projects including purchase/rehab/resale, new construction and/or subdivision infrastructure development projects are required to submit a Development Pro-Forma. These projects can use their own Development Pro-Forma.

Q: *If match was not included in the pre-application, can the full application include match?*
R: Yes, a full application can include match even if it was not included in the pre-application.

Q: *For the Leveraged Funds Table, should applicants use activity codes when entering the activity?*
R: No, activity codes are not required for the NAHTF budget and/or Leveraged Funds table. Please identify the specific activity in the activity column (ex. infrastructure, new construction, demolition, etc.).

Q: *What are the Public Hearing Requirements?*
R: With the health and safety of our partners as a top priority, the Department has made the decision to remove the requirement for a public hearing in connection with all 2021 NAHTF applications. Applicants will still be required to make the application available to the public and receive input. When completing the application, applicants will be required to provide a summary identifying how the application was made available to

the public and any feedback gathered from the public. If no feedback was provided, applicants must state that in their summary. AmpliFund requires three separate uploads pertaining to the Public Hearing: Public Notice, Sign in Sheet, and Comments. Please use one document, including the summary how application was made available and public input received, to upload to each of the three required uploads.

Applicants, at their own discretion, may still elect to conduct a Public Hearing.

Q: *Should applicant use preparer's or authorized individual's name under the Electronic Signature form?*
R: If the preparer is the same as the authorized individual, use their name. If the preparer is not the authorized individual, upload the required form, which authorizes the preparer to use their name for the Electronic Signature.

Q: *Can funds spent outside of the contract period be identified as leveraged funds? (ex: purchase of a building or rehabilitation of building)*
R: No. For consistency for all applications, the Department has determined that only funds leveraged during the contract period should be included in the leveraged funds form. This ensures consistent information and data for statutory reporting requirements of leveraged funds. Applicants are encouraged to include within their narratives any additional funds already spent or anticipated to be spent throughout the life of the project to provide the Department a full understanding of the project.

Q: *Do items listed in the Budget have to match what is entered into the development costs section of the pro-forma?*
R: For projects requiring a pro-forma, grantees should make sure that their budget information is consistent throughout the application (narratives, pro-forma, leveraged funds table, and budget).

Q: *Are Program Guidelines required to be board approved and finalized at time of application?*
R: No. Board Approved Program Guidelines are a Special Condition item for Release of Funds. At that time, they will need to meet all criteria set in the program guidelines checklist. Program Guidelines that meet all criteria items and are board approved at the time of application will demonstrate more readiness of the proposed project than draft program guidelines.

Q: *Under Project Financing, what cost number should be used to determine the cost per square foot?*
R: If the proposed project includes match and/or leveraged funds, applicants can provide the cost per square foot by: Total Development Costs/Square Feet, Total NAHTF/Square Feet, and NAHTF Hard Costs/Square Feet. This provides the applicant the ability to show a ratio of how the NAHTF funds impact the project.

Q: *Does the 65% Rent Limit include the utility allowance?*
R: Yes. For example, if the 65% Rent Limit is $500 and the tenant is provided a $50 utility allowance, the maximum rent to be collected from a tenant is $450. ($500 Rent Limit - $50 utility allowance = $450 maximum rent paid by tenant).

Q: *What are the contract periods for 2021 NAHTF Applications?*
R: Rentals, New Construction, Homebuyer Assistance, and Purchase, Rehab, Resale projects will be recommended for a 36-month contract period. Owner Occupied Rehab, Nonprofit Technical Assistance, and all other projects will be recommended for a 24-month contract period.

Q: *How is an area designated as Extremely Blighted Area?*
R: To be declared an Extremely Blighted Area, an area must be declared through the process outlined under Nebraska Revised Statutes §18-2101.02.

Q: *What are the time requirements for a housing study?*
R: If housing studies have not been updated within past 5 years, applicant organization should consider updates to housing study, i.e. Housing Study Lite, etc.

Q: *For county or regional-wide housing projects, can housing studies from multiple communities be uploaded?*
R: Yes, applicants may use the Applicant Specific Uploads to upload more than one Housing Study.   For any housing studies available online, applicant may enter the links into provided boxes.

Q: *What funds are eligible to be considered matching funds?*
R: As defined by the 2021 Qualified Allocation Plan and 2021 NAHTF Application Guidelines, match is considered cash available at the time of application. The cash may not be a loan or repaid to another organization. Applicants providing cash match recognize that only project related costs incurred by the applicant are eligible. All cash match must be incurred by and expended by the DED recipient during the contract period prior to drawing NAHTF funds. Cash match points will not be awarded for general administration, housing administration and/or project related soft costs.

For consistency, to determine whether funds are considered match and eligible to receive match points, all the following items must be met:
- Funds are unrestricted cash funds available at the time of application.
- Project related costs and/or invoice must be incurred by the applicant during the contract period (after Release of Funds).
- Project related costs and/or invoice must be expended by the applicant during the contract period (after Release of Funds).

Additionally, applicants must use the required DED Cash Match Documentation found in the Matching Funds section of the AmpliFund application and on the DED Application Guidelines webpage. This form is required to be signed by the applicant organization. If the funds do not meet all above items, they can be considered Leveraged Funds.

Matching Funds are not required to be eligible to submit a 2021 NAHTF application.

Q: *What are the application naming requirements?*
R: Applicants must use the following naming requirements:
- 2021 NAHTF (Applicant Organization) (Type of Project) – (Activity)
  - 2021 NAHTF Anywhere City Homebuyer New Construction

o   2021 NAHTF Any Organization RH-Rehab

The system will not allow the same name that was used for the Pre-Application. An activity or project type abbreviation or other distinguishing item may be used to differentiate.

Q: Can NAHTF funds be used to purchase appliances?
R: Yes, any Housing Project can use NAHTF funds to purchase appliances. Any appliances purchased must be Energy Star qualified products.

Resources
Total Development Cost (TDC)
The entire project cost including leverage, past expenses, land/building purchases, etc. Not restricted by the contract period.

Total Project Cost (TPC)
The cost incurred during contract period that would potentially be subsidized by an NAHTF award. It may be considered a "Phase" of the overall total development cost (TDC).

Construction Contingency
Amount set aside in expense budget to cover construction/rehab cost over-runs and unforeseen but necessary expenses. This budget item is not NAHTF eligible for rental cost allocation purposes. All units are claimed in new construction and PRR projects.

Direct Homebuyer Assistance
This is a form of direct assistance to the homebuyer. It is provided at time of closing to pay down the mortgage and/or closing costs related to a homebuyer unit. It may be in the form of a performance based forgivable loan, and/or loan with terms. Applicants should describe terms clearly within application and program guidelines. The Department advises that DPA should be based on applicant need rather than a set amount.

NAHTF Development Subsidy
Amount of NAHTF funding that remains with the unit and is never recaptured via loan repayment or sales proceeds. Example: Cost to construct is $150,000, sale price is $125,000. The homebuyer pays with mortgage of $120,000 plus $5,000 DPA (forgivable loan after affordability period). The Development Subsidy is $25,000 for that property.

Project Funding Gap
Example: Cost of construction is $150,000, current financing available for construction is $120,000; therefore, the Funding Gap = $30,000.

Sales Proceeds
The amount received for sale of home. Sale price of home (less closing costs and down payment assistance) proceeds may cover all or portion of NAHTF funds used for construction/rehab costs "recaptured" with the sale of the unit.

Developer Fee
Risk and staff time required to act as developer and/or general contractor in charge of a major construction project. Can be deferred and paid out at end of project.   May be determined as a percentage of the Total Project Cost or dependent on fluctuating factors. Methodology for arriving at the fee should be clearly explained in an application.

4/15/21