FAQ - Rural Workforce Housing Land Development Program

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# Q: If Rural Workforce Housing Land Development program funds are used to improve a site for housing, do the state Rural Workforce Housing Funds (RWHF, a separate program) have to be used to construct the housing, or can housing that meets the Act be built with private or other funds as long as they meet the requirements of the Act?

A: No. RWHF loan funds can be used, but DED encourages participants to leverage other funds. All parcels improved with the Rural Workforce Housing Land Development program funds are subject to the requirements of the Rural Workforce Housing Fund Act.

# Q: If a parcel of land is acquired, and water lines installed, do all units have to be built with RWHF state funds?

A: No, RWHF loan funds can be used, but DED encourages participants to leverage all funds available. All parcels improved with the Rural Workforce Housing Land Development program funds are subject to the requirements of the Rural Workforce Housing Fund Act.

# Q: If a parcel of land is acquired and prepared for development, can a portion be subject to Rural Workforce Housing Act requirements and allow a portion of lots for private development?

A: All parcels acquired and/or improved with the Rural Workforce Housing Land Development program funds are subject to the requirements of the Rural Workforce Housing Fund Act. RWHF loan funds can be used to develop the housing on the parcel, but DED encourages participants to leverage all funds available.

# Q: The City is interested in applying for these funds to help install water transmission lines into a 40-acre parcel of land within the city limits. If awarded the Rural Workforce Housing Land Development funds to develop water lines on this parcel, do all the homes that are built in the parcel need to comply with the Rural Workforce Housing Act.

A: Yes.

# Q: As required, the municipality is applying in partnership with a past RWHF awardee organization. What are the expectations/definition of that partnership, in the past and future?

A: The land developed with this program is pursuant to the Rural Workforce Housing Act. The parcels prepared can be developed with RWHF investments. All parcels are subject to the Rural Workforce Housing Act.

# Q: What is the role of the "partnering entity" in the Rural Workforce Housing Land Development program?

A: Property made ready by the municipality with the Rural Workforce Housing Land Development funds must be made ready pursuant to the Rural Workforce Housing Act. The partnering entity is the nonprofit that already has been awarded 2017 or 2020 Rural Workforce Housing Funds (RWHF) or intends to apply for 2022 state RWHF funds that can be used for the housing construction and/or development on the prepared sites. The 2022 RWHF state funded application cycle is now open.

# Q: In the application the "Partnering Entity" is referred to in multiple places regarding capacity/financial management/etc.  Is this referring to only the entity that will provide RWHF for redevelopment?  Or is there another entity we should be considering?

A: Yes.  No other entity.

# Q: Is the grant administrator a "Partnering Entity" also?

A: There is not a requirement for a certified grant administrator.

# Q: Will the applicant be expected to apply for the next round of RWHF?

A: A municipality is not an eligible RWHF applicant. The municipality must be working in partnership with a 2017 or 2020 RWHF awardee, or an eligible applicant applying for 2022 RWHF program funds.

# Q: Could a county wide development non-profit (a past RWHF awardee) apply in partnership with many communities in the same county? Or would each community have to apply separately?

A: The RWHF awardee may partner with multiple Rural Workforce Housing Land Development program applicants, however each municipality must apply separately.

# Q: In the program manual it says, “awards will be issued to qualifying Applicants until funds are exhausted.” Does this mean that funds will be awarded on a rolling basis?

A: DED will open a second application cycle if all funds are not awarded within the first round.

# Q: There is no mention of grant administration in the program manual.

A: Administrative costs are allowed up to 10% of awarded funds. Administrative costs should be detailed in your application.

# Q: Does the 10% Grant Administration come from the $250k-$1m award or is it above the grant amount?

A: The Grant Administration is 10% of the awarded amount.  For example, with a $1,000,000 award, the applicant can use up to $100,000 for Grant Administration and the remaining $900,000 would be reserved for eligible project costs.

# Q: Where does grant administration go on the budget?

A: Grant administrative costs that cannot be detailed should be added to the section titled “Costs to secure title, inspection fees, and other costs to position property” and listed as “administrative costs”.

# Q: Will applicants be expected to have a certified grant administrator for the project?

A: No, but the applicant must show that they are able to meet the requirements for the grant.

# Q: How detailed do you want the Budget and Performance Plan?

A: The Budget and Performance Plan should be as detailed as you can provide at this time. The more detail that can be provided will show project readiness and capacity.

# Q: If applicants are applying to acquire/demo/rehab multiple parcels, do you want this information by parcel?

A: If you have it by parcel, provide it, otherwise provide by activity.

# Q: Can the Rural Workforce Housing Land Development program funds be used to prepare parcels outside of the city or village corporate limits?

A: No.

# Q: Are the terms vacant or abandoned defined?

A: Projects that include properties that are not vacant are ineligible and will not be considered. A property will be considered vacant if no persons would be displaced as defined by Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA) as a result of the project. (See Page 9 of the program manual.)

# Q: An eligible activity is the purchase of vacant or abandoned property.  Does it qualify if you have a willing seller of property?

A: As long as the property is vacant in accordance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA), it would be eligible for acquisition. Only acquisition after the notice of award would be eligible for reimbursement under the Rural Workforce Housing Land Development program.

# Q: Rehabilitation and renovation are listed as eligible activities.  Can these funds be used to rehab a currently vacant building for workforce housing?

A: No, the only eligible rehab would be that which is necessary to secure the property for future development pursuant to the Rural Workforce Housing Act and working in partnership with a 2017, 2020 RWHF awardee, or 2022 RWHF applicant. See specific eligible activities on page 4 of the Manual.

# Q: Could this be used to rehabilitate upstairs of commercial buildings into apartments?  For example, the property would not be vacant (commercial existing on first floor) but upper floors are currently unusable.  Could we put together a program to help the property owners rehab the upper floors?

A: The Rural Workforce Housing Land Development Program is not a construction program. Renovation is allowed only to secure a property for development pursuant to the Rural Workforce Housing Act. You can use the local state-funded RWHF program funds for the renovations if the investment plan allows for it. See specific eligible activities on page 4 of the Program Manual.

# Q: Is there a maximum price for workforce housing?

A: Property developed for this program must adhere to the Rural Workforce Housing Act as stated and cited in the manual. Limits are currently $325,000 for single family, owner occupied new construction units and $250,000 for newly constructed rental units. <https://opportunity.nebraska.gov/programs/housing/rwhf/>

# Q: Does the sub-recipient have the ability to use the funds for the construction of new units on properties that require demolition?

A: The land development program funds are to prepare sites for development. They cannot be used for construction, with the exception of minor rehabilitation items required to secure a property. See specific eligible activities on page 4 of the Manual.

# Q: Is the "laying of drinking water transmission lines" the only type of infrastructure improvement that is allowed?

A: Yes, drinking water transmission lines are the only eligible infrastructure item under the federal guidelines. See specific eligible activities on page 4 of the Program Manual.

# Q: Does "laying of drinking water transmission lines" refer to the main line in the area of vacant/abandoned properties or the line from the main to the property?

A: Both. Any type of “drinking water transmission line” will be considered an eligible expense.

# Q: Can this program be used to lay drinking water transmission lines to a vacant property as part of a housing development?  It would be on vacant ground that is setting beside a soon to be new housing development.

A: Drinking water transmission lines are eligible expenditures. All lots must comply with the Rural Workforce Housing Act.

# Q: What is meant by water transmission lines? Does it include water mains? Water service lines? Hydrants?

A: Yes, water mains, hydrants and service lines are included and eligible under the program.

# Q: Are architectural/engineering fees eligible under the Rural Workforce Housing Land Development?

A: Yes, if fees are to determine structural integrity of the building under consideration for demolition. Design or redesign would not be eligible.

# Q: Do you have a comprehensive list of 2017 and 2020 RWHF awardees?

A: Yes. (\*denotes 2017 and 2020 awardee)

**2017**

Central Nebraska Economic. Development, Inc.

Economic Development Council of Buffalo County

Greater Fremont Development Council

Hastings Economic Development Corporation

Holdrege Development Corporation

Lincoln County Community Development Corporation

MAPA Foundation

\*NeighborWorks Northeast Nebraska

\*North Platte Area Chamber and Development Corporation

\*Schuyler Community Development, Inc.

SEND, Inc.

\*South Central Development District, Inc.

Wayne Community Housing Development Corporation

York County Development Corporation

**2020**

Aurora Housing Development Corporation

Cozad Development Corporation

Crete Housing & Development Corporation

Cuming County Economic Development, Inc.

Custer County Economic Development Corp

Dawson County Area Economic Development

Gothenburg Improvement Company

Grand Island Area Economic Development Corporation

Keith County Housing Development Corporation

McCook Economic Development Corporation

\*NeighborWorks Northeast Nebraska

\*North Platte Area Chamber Development

Pender Community Development, Inc.

\*Schuyler Community Development, Inc.

Seward County Chamber & Development Partnership

\*South Central Development District, Inc

Twin Cities Development

# Q: What is the definition of project completion within the Rural Workforce Housing Land Development program timeframe? Does a housing project need to be completed by the project completion date?

A: In general, projects will be considered complete after all Rural Workforce Housing Land Development program (ARPA) funds are expended and final reports are completed. This is a land development program and does not require the housing to be completed. The land development projects must be completed and all ARPA dollars expended by December 31, 2026.

# Q: Is there an income restriction for future housing developed on the parcels developed with the Rural Workforce Housing Land Development program funds? There are no income restrictions in the Rural Workforce Housing Act. Does this program overlay income restrictions?

A: No, there is not an income requirement for this program. This program is created to serve a disproportionally impacted counties and Qualified Census Tracts as listed in the Program Manual.

# Q: The applicant municipality already owns land. Can we receive reimbursement for the acquisition of this land under the Rural Workforce Housing Land Development Program?

A: Section 3.3 of the Program Manual states that expenses incurred for site acquisition and preparation prior to October 31, 2022, notice of award are not eligible. If an Applicant organization owns land prior to applying and award, acquisition costs would not be eligible for reimbursement under this program.

However, if the applicant does not already own the land, but it intends to purchase the land after the award is made, that expense may be eligible for reimbursement (as long as acquisition was in the award budget, a site review form was completed, URA acquisition requirements are followed, etc.).

# Q: What environmental review requirements are there for the Rural Workforce Housing Land Development Program?

A: The program is funded by APRA State and Local Fiscal Recovery Funds (SLFRF) from Treasury. Please see the [treasury final rule](https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/state-and-local-fiscal-recovery-funds) for clarification. In addition, Treasury has provided an FAQ about the Final Rule on Treasury’s website (<https://home.treasury.gov/system/files/136/SLFRF-Final-Rule-FAQ.pdf>) that specifically addresses the National Environmental Policy Act (NEPA) on p. 19.

# Q: If this fund is used for purchase/clearance – how does environmental justice factor into future development?

A: Treasury has provided an FAQ about the Final Rule on the website that specifically addresses the National Environmental Policy Act (NEPA) on p. 19. (<https://home.treasury.gov/system/files/136/SLFRF-Final-Rule-FAQ.pdf>)

# Q: Is a public hearing on the application required?

A: A public hearing is not required, but the municipality should follow their established procedures. City council/village board action to approve the application is required.

# Q: For the projects some communities are developing, there will be significant “upfront” time invested in procuring/negotiating to purchase properties, procuring demo/abatement contractors, oversight, etc.  Is contracting with an entity such as a development district for assistance with property research, procurement, etc. an eligible cost?

A: Yes. These are eligible costs associated with acquiring and securing legal title of vacant or abandoned properties.

# Q: Does a school property have to be vacant? Can a school building be acquired and demolished to make sites available for workforce housing?

A: The [Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA)](https://www.ecfr.gov/current/title-49/subtitle-A/part-24#part-24) states that a displaced person is displaced from their dwelling. Students would not qualify as “displaced persons” because they are not living at school. A school property would be an eligible property for rehabilitation.

# Q: Does the municipality have to own all of the property acquired and/or improved with Rural Workforce Housing Land Development program funds?

A: No, but every owner needs to acknowledge and comply with the requirements of the program, and the Rural Workforce Housing Act. DED legal team is conducting further research of this issue and further guidance will be provided.

# Q: • What is the timeline for building homes on the properties purchased/cleared with Rural Workforce Housing Land Development program funds? And what is the consequence for delayed development??

A: The purpose of this program is to prepare land parcels in accordance with the Rural Workforce Housing Investment Act. The application should include times lines that should be followed during the preparation of the land. The Rural Workforce Housing Land Development program ends on 12/31/2026. This program does not pay for the building of homes and does not address a delay in the building of homes

# Q: Are there federal acquisition requirements related to the Rural Workforce Housing Land Development program funds?

A: 2 CFR 200 contains information regarding procurement. Municipalities must also abide by their own procurement procedures.

# Q: Are there federal restrictions on the property? If so, what and how long does the parcel carry restrictions for development?

A: During the period of performance, a recipient may use property, supplies, or equipment purchased or improved with SLFRF funds for a purpose other than the purpose for which it was purchased or improved if such other purpose is also consistent with the eligible use requirements. If a recipient changes the use of an asset to an ineligible use or sells the asset prior to the end of the period of performance, then the recipient must follow the disposition procedures in the Uniform Guidance. See 2 CFR 200.311, 200.313, 200.314, and 200.315 [SLFRF-Final-Rule-FAQ.pdf (treasury.gov)](https://home.treasury.gov/system/files/136/SLFRF-Final-Rule-FAQ.pdf) Question 13.6

After the period of performance, the property, supplies, or equipment must be used consistent with the purpose for which it was purchased or improved or for any other eligible purpose in the same category as the purpose reported to Treasury as of the final reporting period

Recipients are responsible for being able to substantiate their determinations on whether the use of an asset is authorized and maintain a record of that determination in accordance with the requirements set forth in the financial assistance agreement accepted in connection with their award. Recipients are not required to seek or obtain the approval of Treasury prior to changing the use within the parameters of the authorized purpose.

DED legal team is conducting further research of this issue.

# Q: In reading 2CFR 200.307(d), the sale of real property is not Program Income - which could have been reinvested in additional land development.  According to 2CFR 200.311, it states the municipality cannot dispose, but must obtain instructions from the Feds - in c2 it stated if sold, Feds must be compensated.  How do communities get this property into the hands of private owners?  Even if a city were to own the rebuild, at some point it must sell to a new owner.

A: The real property may be subject to a federal interest as set forth in 2 CFR 200.311. The Department is conducting further review on the effect of 2 CFR 200.311 on RWFH properties funded under this program. The sale of the real property under this program is not program income. See 2 CFR 200.307(d)”. DED legal team is conducting further research of this issue.

# Q: Property developed under the Rural Workforce Housing Land Development is pursuant to the Rural Workforce Housing Act which includes a definition of workforce housing and various requirements. Does the requirement that RWHF be invested in projects that can be reasonable ready for occupancy in a period of twenty-four months apply to the parcels being prepared with this program?

A: The purpose of the Rural Workforce Housing Land Development program is to prepare land parcels for development. Not all parcels will be developed using the RWHF loan funds. The twenty-four month period is applicable only to the development of housing when the RWHF investment funds are used. Please note, also, that all projects funded with Rural Workforce Housing Land Development Program (ARPA funds) must be fully completed and funds expended by December 31. 2026.

# Q: My organization has requested a UEI for an entity we would like to use to apply for the Pandemic Relief Housing Land Development Program, but it has “pending” status on SAM.gov and may not be complete before the application is due. How should we proceed, since the UEI number is required for application?

A: DED is aware of the delays with SAM.gov system as it relates to obtaining a new UEI number. If you would like to apply for the Rural Workforce Housing Land Development Program with a pending UEI number, take the following steps:

1. In “Part 1: Applicant, Contact and Preparer Information,” under “Unique Entity Identifier (UEI)” enter “PENDING”.



1. In “Part 4: File Upload,” under “Other Applicant-Specific Attachments, As Needed,” upload proof that your entity has applied for a UEI number.
2. If your entity is awarded Rural Workforce Housing Land Development Program funds, it must have a valid UEI number within 30 days of Award Date. If your entity does not have a valid UEI number within 30 days of the Award Date, the conditional award may be revoked.