Qualified Census Tract Affordable Housing Program (QCT AHP) Q&A

Q: Are 2020 and 2021 NIFA projects with gaps eligible to apply for QCT AHP funding?

A: DED encourages 2021 and earlier NIFA projects to apply for the ARPA-funded NIFA gap financing program. Details on that program will be available from NIFA. The prohibition on 2020 and 2021 NIFA projects only applies to the Jump Start Fund category. 2021 LIHTC projects could still apply under the Site Prep category, for example.

Q: Have dates for applications for the ARPA housing funds been finalized?

A: Yes. The application opened on September 30, 2022. Letters of Intent are due on October 7, 2022. Applications are due October 18, 2022, and DED anticipates announcing awards in late October 2022.

Q: Can projects that are pursuing tax credits but have not yet received an allocation still apply for Jump Start Fund if they anticipate receiving an allocation and breaking ground within 6 months of award date?

A: DED will evaluate applications based on project readiness, among other criteria explained in the Program Manual. The application will include a narrative question regarding any contingencies for other funding sources. A committed funding source will demonstrate additional readiness. Site Prep Fund may be a more appropriate funding category than Jump Start, depending on the project, when additional uncertainties exist.

Q: What is the definition of project completion within the timeframe? For example, is land acquisition and preparation considered a completed project under the Site Prep Fund, or does an affordable housing project need to be completed by the project completion date? A: Definition of project completion may depend on the specific project and project type. In general, projects will be considered complete after all QCT AHP funds are expended and final reports are completed.

Project completion for Jump Start and Impact Projects will likely involve the completion of units, which may be indicated by leased-up rental units or transfer of ownership to homebuyer, for example.

For Site Prep projects, the project would be considered completed when the site is "pad-ready" for future affordable housing, indicated by completion of acquisition and preparation, expenditure of all QCT AHP, completion of final reports, and recordation of legal instruments to ensure future use as affordable housing, for example.

Q: What is the definition of affordable housing for QCT AHP? What income levels must the program benefit?

A: Treasury's <u>Affordable Housing How-To Guide</u> stipulates presumptive eligibility for units that serve households at or below 65% Area Median Income (AMI), but allows a broader range "if they are related and are reasonably proportional to addressing the negative economic impacts of the pandemic and otherwise meet the final rule's requirements. Depending on the needs of the local rental market, it may

be reasonably proportional to address the negative economic impacts of the pandemic by funding units (e.g., up to 80% AMI) that do not fall into the presumptively eligible categories listed above." DED is allowing applicants to provide justification if they wish to request funding for a project with an AMI level above 65%. There will be a question in the application asking for justification if an applicant selects an AMI level above 65%.

Q: In a multi-family project, what percentage of units that need to be affordable at the specified income level?

A: DED is not preemptively prescribing the percentage of units that need to be affordable in a mixedincome project. However, DED will ask applicants to explain how they arrived at the proportion/mix of units in the application. In addition, if there are other, more restrictive funding sources in the project which require a particular proportion of affordable units, those rules will apply.

Q: How will DED divide funding among the three funding categories (Jump Start, Site Prep, and Impact Projects)?

A: There is no sub-allocation for each of the three funding categories. DED will competitively evaluate all applications that come in under each of the three funding categories at the same time. Primary Class applications will be evaluated against all other Primary Class applications, and Metropolitan Class applications will be evaluated against all other Metropolitan Class applications.

Q: Is there a distinction in the application requirements for the different funding categories? For example, are operating costs necessary for the Site Prep Fund?

A: There may be certain questions and required attachments that are specific to the project type. For example, operating costs will need to be included in an application a rental project, but not in a homebuyer or site prep project. See section 4.2.1 of the Program Manual for details of required documentation. If you are unsure of the necessity of a particular required attachment for a specific project, please contact the DED Program Manager.

Q: Do I need to submit my QCT AHP proposal on <u>www.omahaeconomicrecovery.com</u> in addition to AmpliFund?

A: No. The QCT AHP is administered by DED and applications must be submitted electronically on the DED's Grant Management System, AmpliFund.

The QCT Recovery Grant Program proposals are managed by the Economic Recovery Special Committee of the Legislature. DED does not manage QCT Recovery Grant Program proposals or the <u>www.omahaeconomicrecovery.com</u> website.

Q: My organization already owns land. Can my organization receive reimbursement for the acquisition of this land under the QCT AHP?

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

However, if the Applicant organization 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: Are acquisition and site prep eligible expenses under the Impact Projects Fund?

A: Yes. Acquisition and site preparation are eligible under all three funding categories, including Jump Start, Site Prep, and Impact Projects.

Q: Is QCT AHP funding available outside of Omaha and Lincoln?

A: No, QCT AHP funding is only available for projects located in QCTs within a city of the metropolitan class or within a city of the primary class.

Q: What environmental review requirements are there for QCT AHP funding?

A: The QCT AHP is funded by APRA State and Local Fiscal Recovery Funds (SLFRF) from Treasury. Please see the <u>treasury final rule</u> for clarification. In addition, Treasury has provided an FAQ about the Final Rule on Treasury's website (<u>https://home.treasury.gov/system/files/136/SLFRF-Final-Rule-FAQ.pdf</u>) that specifically addresses the National Environmental Policy Act (NEPA) on p. 19.

Q: Can I layer QCT AHP Site Prep funding with other DED Housing program funds?

A: Please contact your DED Housing Program Representative for questions regarding subsidy layering for your specific project.

Q: My organization has requested a UEI for an entity we would like to use to apply for the QCT AHP, 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 QCT AHP with an entity that has a pending UEI number, take the following steps:

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

Unique Entity Identifier (UEI) *	
PENDING	

- 2. In "Part 4: File Upload," under "Other Applicant-Specific Attachments, As Needed," upload proof that your entity has applied for a UEI number.
- 3. If your entity is awarded QCT AHP 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.