

**Georgia Housing and Finance Authority**  
**2018 (FFY17) Community Housing Development Organizations (CHDOs)**  
**Notice of Funding Availability**  
**HOME Partnership Program & 9% Housing Tax Credits**

The Georgia Housing and Finance Authority (GHFA) hereby notifies interested Applicants of the availability of funds allocated from the Georgia HOME Investment Partnerships Program (HOME) and an award of 9% Federal Credits made under the Georgia Qualified Allocation Plan. The availability and use of these funds is subject to Federal HOME regulations (24 CFR Parts 91 and 92), and any amendments thereto including the final regulations published by the Department of Housing and Urban Development (HUD) in the Federal Register and Section 42 of the Internal Revenue Code. In releasing this Notice of Funding Availability (NOFA), the goal of GHFA is to facilitate construction, rehabilitation, and acquisition/rehabilitation of affordable multifamily rental housing.

This NOFA is authorized under the 2019 Qualified Allocation Plan (QAP) Core Section 13(D). All housing developments must meet 2019 QAP core policies and Threshold requirements including but not limited to HOME underwriting criteria which can be found in the 2019 QAP Core and Appendix I (Threshold) requirements. Applications must also meet the requirements outlined in Section F. of this NOFA.

All selected properties will be subject to a stringent underwriting review of the HOME Loan and must be approved by the DCA Project Loan Committee (Committee) prior to final commitment of funds. Properties that are determined by the Committee to pose an undue risk to DCA or GHFA after a full underwriting review will not receive a final commitment of funds.

**Applicants must be able to complete underwriting and be ready to close the HOME loan on or before July 15, 2019.** DCA may rescind funds from Applicants that fail to meet this deadline.

Eligible Applicants may not submit more than one Application under this NOFA. DCA anticipates funding at least two applications under this NOFA.

A copy of this NOFA and other related materials are available on DCA's website at <https://www.dca.ga.gov/node/5430>. Program updates and Frequently Asked Questions will be posted to this site. All inquiries should be directed to [hfdround@dca.ga.gov](mailto:hfdround@dca.ga.gov) until the close of this NOFA (Friday January 4, 2019).

**I. Specific NOFA Requirements related to Funding Limits**

- A. Amount of HOME Funds Available.** DCA anticipates that at least \$4,000,000 will be available under this NOFA. DCA reserves the right to fund, in whole or in part, any, all, or none of the applications submitted in response to this NOFA.
- B. Amount of 9% Credits Available.** Applicants are limited to the per property tax credit award limits set out in the 2019 QAP.
- C. Per Application Award Limit.** DCA will not award more than two million dollars of HOME funds (\$2,000,000) per Application.
- D. Important Dates.**

NOFA Release:	Monday December 10, 2018
NOFA Application Deadline:	Friday January 4, 2019, 4 PM EST
Anticipated Announcement of Awards	Friday January 18, 2019

## E. Submission Requirements.

Applications for funding will be accepted at The Georgia Department of Community Affairs, 60 Executive Park South, NE, Atlanta, Georgia 30329 until the deadline of 4:00 p.m. EST on the date described above. Applicants should label the file “2019 CHDO NOFA”. One complete application package should be submitted on a flash drive. Any application received after the deadline will be deemed ineligible and will not be considered for funding. Applicants should refer to the detailed submission instructions for additional information regarding the format for Applications.

- A **2019 CHDO NOFA Package** (Due January 4, 2019) will include the following:
  - Pre-Application Submission Workbook (Excel)
    - No waivers will be accepted or reviewed unless previously approved by DCA on a prior submission for the same property in the last twelve months. Copies of approved Waivers should be submitted.
    - HOME Consent Request (Tab of Pre-App Workbook) & Required Fee (\$500)
    - Updated Qualification of Project Team Determination Request & Required Application Fee (\$1,000) unless DCA has issued an approval for the same team and the same property in the last 12 months. Applicant should provide the DCA approval in its submission.
    - CHDO Application or Prior submitted CHDO Application (if applicable)
  - DCA 2018 Core Application (Excel) detailing all relevant sources and uses, pro forma, rent (utilizing 2018 rent limits), and expense information
    - All applicable Threshold Sections must be filled out and met by the proposed development.
    - All applicable QAP Scoring Sections outlined in Section F. must be filled out and met by the proposed development.
  - Required Documents as Outlined in Section K. of this NOFA

### Submission Notes:

- Applicants should utilize the 2018 Submission Forms/Applications, as these are the most recent versions available at this time. Applicants may utilize the HUD 2018 Unit Total Development Cost Limits.
  - **Note:** the 2018 Core Application has the 2017 Cost limits embedded. DCA will override these limits to match the 2018 limits in the “Cost Waiver/DCA Override” cell located on Threshold Tab, Cell P49.
- Applicants may use the same 3<sup>rd</sup> party reports in a prior application if submitted to DCA within the last year (on or after December 10, 2017).
- Applications submitted under this NOFA are not eligible for income averaging.

## F. QAP Appendix II Requirements. The following 2019 QAP Scoring Sections must be satisfied to receive an award.

- **Section II.** Deeper Targeting
- **Section V.** Enriched property Services
- **Section XII.** Extended Affordability Commitment
  - Owners must forgo the Qualified Contract “cancellation option.”
- **Section XVIII.** Compliance Performance

**Note:**

- **Building Sustainability:** Utilizing the 2018 Core Application (excel), please fill out Scoring Section V. Sustainable Developments and select Part B. Sustainable Building Certification. These Sustainable Building Certifications were moved to Threshold Section XVI. Building Sustainability in the 2019 QAP. One sustainable building certification must be obtained.
- **Integrated Supportive Housing:** Utilizing the 2018 Core Application (excel), please fill out Scoring Section XVIII. Integrated Supportive Housing and select Option A or Option B. This section was moved to Threshold Section XXVII. Integrated Supportive Housing in the 2019 QAP and must be satisfied.

**G. Eligible Applicants.**

- In a Limited Partnership (LP), the CHDO or its wholly owned subsidiary must be the sole General Partner. In a Limited Liability Company (LLC), the CHDO or its wholly owned subsidiary must be the sole managing member.
- If the LP or LLC agreement permits the CHDO to be removed as sole general partner or sole managing member, the agreement must provide that the removal must be for cause and that the CHDO must be replaced with another CHDO.
- Applicants must be eligible to meet the DCA CHDO set aside requirements.

**H. Eligible Activities.** GHFA will use HOME funds to make loans to finance acquisition and rehabilitation, rehabilitation of existing building(s), or new construction of multifamily rental affordable housing for very low income, low income and moderate income households. All eligible activities must be undertaken in accordance with DCA QAP requirements as set forth in this NOFA, LIHTC Program regulations, HOME regulations, and program requirements.

**I. Terms of Loan.** DCA HOME loans funded under this NOFA will be 0% interest during construction with payments sized at 1% interest for permanent financing for a minimum amortization period and term of 20 years.

**J. Ineligible Activities/Characteristics.**

- CHDO funds may not be used for the following:
  - A project previously assisted with HOME funds during the period of affordability.
  - The acquisition of property owned by GHFA.
  - Delinquent taxes, fees, or charges on properties to be assisted with CHDO funds.
  - Political activities, advocacy, lobbying (whether directly or through other parties), counseling services, or preparing or providing advice on tax returns.
  - Any other cost not eligible under the applicable federal regulation.
- **Congregate Housing:** GHFA will not fund the new construction of congregate housing for persons with a disability. For purposes of this NOFA, GHFA will not consider applications
  - that propose housing targeting more than 20% of the units to individuals with a disability,
  - are geographically isolated or distant from transportation and community activities, or
  - located in a campus or institution like setting.

**K. Selection Criteria.** In the event DCA receives funding requests in excess of funds available, DCA will use the following criteria in selecting Applications that will be funded. The criteria are listed in the order

of their importance, although DCA will consider all criteria in making selections. It is the Applicant's responsibility to submit sufficient documentation to receive consideration of any Selection Criteria. All Supporting Documentation for Selection Criteria below should be included in the NOFA Application Submission Package (due January 4, 2019).

➤ **Selection Criterion One – Site Control**

Project Teams which have secured final site control as of the NOFA Application Deadline (January 4, 2019) will be given priority.

**Required Documents:**

- Warranty Deed; legally binding Contract; or legally binding, long-term Ground Lease or Option
- Legal description
- Proof of current ownership (if applicable)

➤ **Selection Criterion Two – Readiness to Close**

Project teams which demonstrate the ability to receive final firm commitments by March 31, 2019 and close by July 15, 2019 will be given priority.

**Required Documents:**

- Narrative of readiness to proceed
- Preliminary Non-DCA Debt and Equity Commitments
- If other HUD funding is listed as a Source, DCA assumes that the project cannot complete DCA underwriting for a minimum period of 9 months absent documentation of alternate timeline.

➤ **Selection Criterion Three – Strength of Proposed Project Team**

Either the General Partner or Developer team member must currently operate at least one (1) Multifamily HOME Loan funded property in which that member was the owner and developer. This Multifamily HOME Loan funded property must have been awarded after January 1, 2000. The Proposed Project team must be current on all federal loans and have no outstanding compliance issues.

DCA will give preference to applicants where the Owner and/or Developer entity currently owns and developed five (5) or more HOME-funded properties. Only properties awarded after January 1, 2000 will be considered. If HOME assisted multifamily experience is derived from participation in a non-DCA HOME property, the Applicant must submit the following additional documentation from the Participating Jurisdiction that funded the HOME loan: verification that the HOME loan is current, Verification of timely payment of all required payments for period of thirty six months prior to January 1, 2019, the property is currently owned by the Applicant, and all real estate taxes have been paid. A copy of the HOME loan agreement must also be provided to DCA as part of the NOFA Application Package.

**Required Documents:**

- Qualification Performance Workbook and Supporting Documents (see 2019 QAP, Threshold p. 35 for required documentation).

➤ **Selection Criterion Four – Home Position**

Applications which demonstrate that the HOME funds are in first position will be considered.

➤ **Selection Criterion Five – Uniqueness of the Overall Project Concept**

Developments which propose innovative project designs will be given priority. These innovative concepts must demonstrate cost savings for the property.

**Required Documents:**

- Narrative on Overall Project Concept

**L. Compliance with Other Federal Requirements**

Applicants must comply with all applicable federal or state laws, regulations and other requirements now or hereafter in effect. The Project Team is responsible for ensuring the proposed program, activities, goals and timetables are in compliance with all federal or state laws, regulations and other requirements.

Areas covered by the applicable laws and regulations include but are not limited to: Non-Discrimination and Equal Access; Fair Housing and Equal Opportunity; Accessibility; Contracting and Procurement; Environmental; Lead Based Paint; Acquisition and Relocation; Financial Management; Labor Standards; and Immigration.