

Welcome to the PBV/RRAP NOFA Bidders Conference

We will begin shortly. Please note all entrants to the meeting are automatically placed on mute.

Project Based Section 8 Voucher/Rural Rental Assistance Program Notice of Funding Availability

Fall 2023

Project Based Section 8/Rural Rental Assistance Program NOFA Goals

HTFC seeks qualified Applicants to achieve the following goals:

- Increase the supply of quality housing that is affordable to low-income households in communities across New York State in support of de-concentration of poverty and expanding housing and economic opportunities.
- Preserve the long-term viability of existing affordable housing previously assisted with Federal and State investments.

PBV Resources Available

| Federal Section 8 PBV Summary | |
|---|---|
| Total # of Units available through this NOFA: | Up to 300 units |
| Eligible Properties | Properties requiring construction or existing properties |
| Length of Contract being offered: | 20 years |
| Maximum request: | <ol style="list-style-type: none"> 1. Higher of 25 units or 25% of units at property; OR 2. Properties in a HUD designated low-poverty area may request PBVs for up to 40% of units OR 3. Properties serving elderly (age 62 and older) or households eligible for supportive services have no unit maximum. |
| Minimum request: | N/A |
| Income Targeting: | Very low (50% AMI) and extremely low income (30% AMI) [minimum 75% of new admissions for the HCV program (which includes PBVs) must be at or below 30 % AMI] |
| *Applicable Statutes and Regulations: (*Not all inclusive - Applicants should be knowledgeable on any applicable regulations) | 42 USC § 1437(o)(13), Federal Regulations Title 24, Subtitle B, Chapter IX, Part 983 - Project-Based Voucher (PBV) Program; other Federal regulations applicable to Section 8; NYS HTFC Section 8 Administrative Plan |

PROJECT BASED SECTION 8

Track 1: New Projects

- A property is eligible for PBV assistance in the Fall 2023 if new construction or preservation/substantial rehabilitation will take place within the next two years.
- Properties are only permitted to apply under this NOFA if they either have been awarded or have a current application pending for at least one other construction or permanent financing source through either DHCR, HTFC, AHC, HFA, or HHAP.
 - Potential funding sources include but are not limited to eligible projects through the current 9 percent Low Income Housing Tax Credit (“LIHTC”) NOFA, projects seeking 4 percent LIHTC/Bond financing, and projects participating in the Small Building Participation Loan Program.
- Properties must not have started construction or undertaken any choice limiting actions per 24 CFR 58.22 before signing an Agreement to enter into a Housing Assistance Payment Contract (AHAP) for PBV units. .

Track 2: Existing Projects

- Applicants may apply for PBVs for existing properties where construction or substantial rehabilitation has NOT taken place in the past year and will NOT take place within the next **18 months**.
- To be considered, the property must have previously received funding from DHCR, HTFC or HFA under the following programs –
 - 9% Low Income Housing Tax Credits (“LIHTC”); 4% LIHTC; HTFC financing; HOME financing; HFA bond financing, SLIHTC, other competitively-awarded HFA or HTFC loan or subsidy; State-supervised public housing; State supervised Mitchell-Lama housing.
 - Projects which are funded through HHAP will be considered as an eligible project
- To seek PBVs as an existing property, a property must be:
 1. existing housing (per HUD 24 CFR 983.3);
 2. with a current regulatory agreement through one or more of the above listed programs; and
 3. at the time of award compliant with Housing Quality Standards (“HQS”) and other applicable requirements.
- Properties with a current PBV contract with HCR who wish to add PBV units may also apply under Track 2 if they meet the qualifying criteria listed above.

NEW

New for Track 2 PBV

- All awarded projects are required to place any **excess profits** that exceed the federal [Subsidy Layering Review](#) (“SLR”) limitations during the life of the PBV HAP contract into project reserves during the life of the PBV HAP contract.
- As part of their application Applicants in Track 2 are required complete the “Certification Regarding Ongoing Activities at Existing Projects” form attached to this NOFA. This form will be submitted as part of Tab 2 and is marked in the application as Appendix II.
- Track 2 (existing) project awardees receiving PBVs must agree to **maintain or extend any current affordability requirements** for any units in the covered property for no less than the length of the PBV HAP contract.
- Track 2 does not allow construction to take place within 18 months of HAP contract effective date (previous versions of this NOFA indicated 24 months). Unexpected construction may be allowed in limited circumstances with prior approval of HCR; work is still subject to Davis Bacon and all other relevant requirements.

PBV Eligibility

- One project/property per proposal
- Property must be applying for/ previously received funding from DHCR, HTFC or HFA under the following programs – 9% Low Income Housing Tax Credits (“LIHTC”); 4% LIHTC; HTFC financing; HOME financing; HFA bond financing, SLIHTC, other competitively-awarded HFA or HTFC loan or subsidy; State-supervised public housing; State supervised Mitchell-Lama housing; HHAP.
- Eligible properties are single buildings, multiple contiguous buildings, multiple buildings on contiguous parcels of land, or scattered site projects. Manufactured home projects may apply if project includes set structures and does not include a pad rent.
- Existing housing must have all units substantially complying with Housing Quality Standards (HQS) for physical condition at the time of award

HHAP Eligibility

- To be eligible for PBVs under this NOFA as an HHAP new or existing project, units must be located in non-licensed, permanent, supportive housing. Transitional housing, overnight shelters, hospitals, prisons, institutional settings, and nursing homes are NOT eligible. Housing with shared kitchen or living spaces (e.g., Single Room Occupancy) may be considered which must be compliant with 24 CFR §982.602 to §982.605, in addition to other mentioned regulations; each household must have an assigned, individual unit within the property with a lease of no less than 12 months.
- Units with PBVs may not receive other forms of rental assistance paid to the owner, including but not limited to rent and/or operating assistance; however, funding specifically allocated to cover the costs for supportive services, including funding from the Empire State Supportive Housing Initiative (“ESSHI”) is allowable.
- Properties with HHAP financing must still otherwise meet all federal requirements for Section 8 PBVs, including but not limited to compliance with 24 CFR 982.

Unit Maximum Request

1. Higher of 25 units or 25% of units at property; OR
2. Properties in a low-poverty area may request PBVs for up to 40% of units OR
3. Properties serving elderly (age 62 and older) or households eligible for supportive services have no unit maximum.

There is no unit minimum for this NOFA

Eligible units cannot have an existing rental subsidy

The unit count includes ALL PBV contracts at the property. The unit count does not include Housing Choice Voucher Program (Mobile section 8 vouchers).

PBV Priorities

The following property types will be prioritized for PBV units:

- Properties providing supportive housing to persons with disabilities or elderly persons. To be prioritized, the services must apply to the PBV units.
- Properties serving veterans
- Properties serving homeless households (as defined by section 103 of the McKinney-Vento Homeless Assistance act)
- State-aided public housing, defined as projects funded by New York's Public Housing Law of 1939 that are currently under regulation by DHCR, are not federalized or in the process of being federalized, and do not have another source of rental assistance for the units in which PBVs are requested.
- Properties located in a low-poverty census tract

PBV Applicants

- Selected properties are responsible for being aware of laws and regulations regarding PBV vouchers
- Properties will be subject to environmental review and subsidy layering review requirements
- Davis Bacon is triggered at 9 PBV units
- Properties should be familiar with federal and state requirements as listed in the NOFA

PBV Requirements

- Existing properties that are selected will be expected to complete the required environmental review within 60 days of award
- Existing properties will be required to submit an architect certification post-award but prior to contract

RURAL RENTAL ASSISTANCE PROGRAM (RRAP)

RRAP Resources Available

| RRAP Summary | |
|--|--|
| Total Number of Units available through this NOFA: | Up to 150 units |
| Eligible Properties | Must have an existing 515 Mortgage, with NYS HTFC Agreement (5-year term) and Appendix X |
| Length of Contract being offered: | 5-year extension for contracts awarded units |
| Maximum # of units a Proposer may request: | NA |
| Minimum # of units a Proposer may request: | NA |
| Income Targeting: | Low (80% AMI) and Very low (50% AMI) |
| *Applicable Statutes and Regulations: | USDA RD 515 program (42 USC § 1471 et seq.), 7 CFR Subtitle B, NYS Private Housing Finance Law Article 17-A – Rental Assistance Program for Rural Areas, 9 NYCRR Part 2800 |
| *Not all inclusive - Proposers should be fully knowledgeable on all applicable regulations | |

RRAP assistance for this funding round is limited to applicants who have existing NYS HTFC Agreements/ RRAP Contracts and are seeking additional rental assistance for unassisted units. Funding for RD 515 projects without a current RRAP contract may be offered in a future round.

RRAP Eligibility

- Only properties with an existing loan agreement with the USDA under the 515 program, an existing NYS HTFC Agreement/RRAP Contract, and that are in compliance with USDA property standards and other requirements, are eligible to apply for additional NYS rental assistance through this NOFA.
- To be eligible, the Proposer must identify the specific units to be served and confirm that those units will not be assisted through any other Federal, State, or local source of rental assistance at the time of contract execution.
- Applicants may apply to serve any unsubsidized units within a property with a current RRAP contract. However, HTFC will not consider proposals to replace Section 8 Project Based Vouchers, Project Based Rental Assistance, or any other form of permanent, project-based federal or state rental assistance. Tenants with current Section 8 vouchers may not be required by an owner/agent to convert to RRAP as part of this application.

RRAP Priorities

Applicants will be prioritized for RRAP assistance based on the following:

- A balanced distribution of program funds with respect to the need for adequate housing of low-income households in rural areas of New York State;
- The existence of a substantial low-income population in the area, relative to its total population;
- The scarcity of safe, affordable rental housing for persons of low income in the area;
- The existence of substantial unmet housing needs on the part of the elderly, larger families, or any other special population group in the area, and the potential role of the project in meeting such needs;
- The degree of community involvement in the proposed project, including but not limited to the participation in sponsorship by corporations funded under article XVII of the Private Housing Finance Law or other community-based not-for-profit organizations;
- The degree to which rental assistance is needed to make the project available to low-income tenants;
- The degree to which the project may generate additional funding or other support for low-income housing or related programs in rural areas.

APPLICATION INFORMATION

Application Materials

- Tab One: Cover Letter
- Tab Two: Applicant Information
- Tab Three: Application Narrative
- Tab Four: Operating Assessment (please submit both PDF and Excel versions)
- Tab Five Vendor Responsibility Questionnaire and Additional Certifications
- Tab Six: Supporting Attachments

Note: Please read carefully as different tracks have slightly varying responses

Tab 4

- Rent plus tenant-paid utilities cannot exceed 110% of the FMR (<https://www.huduser.gov/portal/datasets/fmr.html>) or the reasonable, market rate rent
- Please read the requirements carefully. Any variance from the standards set within the underwriting workbook should be explained using the Notes column.

NOFA Timeline

| Event | Date |
|---------------------------------|--|
| Issuance of NOFA | <u>Tuesday, September 12, 2023</u> |
| Technical Assistance Dates | <u>Technical Assistance may be requested through Friday, October 20, 2023, and will be scheduled until Friday, October 27, 2023. Individual questions will be answered via email until the due date.</u> |
| Application Submission Deadline | <u>Friday, Nov. 3, 2023, 5 p.m. Eastern Time</u> |
| Anticipated date of awards | On or around December 20, 2023 |

PBV/RRAP NOFA

**Technical Assistance may be requested through
October 20 and will be scheduled until October 27.**

Application materials: <https://hcr.ny.gov/fall-2023-section-8-project-based-vouchers-and-rural-rental-assistance-program-nofa>

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