

ACAH NOFA Q & A

- 1. Are Contract Compliance requirements triggered within a certain amount of time if rehab is done after the acquisition?**
 - This will be determined on a case by case basis, but if the project requires rehabilitation at the time of acquisition, then the City contracting requirements will apply.

- 2. What are the loan terms of the program?**
 - Loan terms are outlined in Section II of the NOFA.

- 3. If an applicant doesn't have access to the rent roll before purchase, what income restrictions apply? When must the project achieve an average of 80 percent AMI?**
 - If applicants do not have access to tenant income data before application submittal or loan closing, applicants must make their best efforts to obtain tenant data after acquisition. Neither applicants, nor tenants, will be penalized if the existing tenants do not provide tenant data. Additionally, over-income tenants may not be evicted in order to achieve an average of 80% AMI for the property. Applicants must fill future vacant units with 60% AMI households if the project area median income average is above 80% AMI until an average of 80% AMI is achieved.

- 4. What are the specific requirements related to the CDBG -CV funds? Are procurement requirements the same as other CDBG Programs?**
 - Projects awarded CDBG-CV funds will enter into loan documents containing CDBG, CDBG-CV and any other requirements required under this federal funding source. Procurement requirements for CDBG-CV and CDBG are the same.

- 5. Joint Venture – if applying as part of a joint venture, which organization will enter into the City's loan documents?**
 - Applicants submitting a joint venture application should specify the organization(s) that will enter into the loan agreement and/or any specific considerations/requests, as well as providing a clear description of each organization's respective rights and obligations for the project's acquisition, rehabilitation (if applicable) and operations and management.

- 6. When is a NEPA consultant required? In what part of the process does NEPA consultant get hired? Before or after funding commitment?**
 - If the project is recommended for CDBG-CV funds, the applicant will need to contract with a NEPA consultant at that time. The NEPA consultant will work

with the City's Planning Department on the NEPA review process. Heather Klein (hklein@oaklandca.gov) is the City's NEPA contact.

- 7. Emerging developer definition – To qualify for the “emerging developer” points, does the applicant have to have less than five (5) years of experience as a developer AND/OR five or fewer acquisition, rehabilitation or new construction projects completed?**
 - The applicant only needs to meet at least one of these eligibility requirements to receive points.

- 8. CDS Application – can two different organizations access the same application?**
 - Yes, two organizations can access the same application, but not at the same time.

- 9. Clarification on Choice-Limiting Actions Prohibited During NEPA Review:**
 - Requirements are outlined on Page 13 in the CLT/COOP NOFA and Page 12 in the All Developer NOFA.

- 10. Does the 504 requirement apply if the project is awarded CDBG-CV funds if the project is acquisition only?**
 - Reach out to the project architect for information about 504 requirements for projects funded with CDBG funds. Information from the City Attorney's Office is forthcoming.

- 11. Does NEPA apply to Acquisition Only projects?**
 - Acquisition Only projects will need to submit the project description and 3R report as discussed in Section IIIA of the NOFA, and will be required to seek NEPA clearance if selected to receive CDBG-CV funds. Please follow up with Heather Klein for additional NEPA questions (hklein@oaklandca.gov) and cc: housing staff (mhorl@oaklandca.gov, vkennedy@oaklandca.gov, cmulvey@oaklandca.gov).

- 12. How long will the closing take for one of these purchases? If the property is no longer for sale by the time the application is approved, are we able to replace it with a similar project?**
 - We aim to close within 30-45 days of the loan commitment but many applicants received extensions last round to allow for more time. You must submit for a specific project; a funding commitment cannot be applied to another project. Evidence of site control must be provided before we can close the loan but it is not required at the time of application.

13. Since this is a relatively short response period over holidays, how will proposals be scored if we cannot obtain complete demographic and income information by 1/29?

- Based on our experience with previous projects, we anticipate that some properties may not have tenant income and demographic info until the property is actually purchased, and try to allow for this in the application process. There are some point categories that would rely on having access to the information, and it would definitely be needed for at least 51% of tenants to qualify for the CDBG-CV funding, but not having tenant income/demographic info at the time of application won't preclude you from applying for the Measure KK funding.

14. Is the points scoring a threshold requirement or are we able to apply for this round of funding if we aren't able to score any points?

- No, an application that does not qualify for any points in Section IV, Scoring, is not eligible for funding.

15. How do we determine whether costs we are planning for are operations rather than rehab (capital) costs?

- Staff believes this question is trying to assess what types of improvements will be subject to the City's contracting requirements. Please contact staff to discuss on a case by case basis (Meg Horl, mhorl@oaklandca.gov; Venessa Kennedy, vkennedy@oaklandca.gov; Christia Mulvey, cmulvey@oaklandca.gov). In general, if you plan to perform improvements at the time of acquisition or shortly thereafter the property acquisition, then these costs will be considered rehabilitation costs. The City's Contract & Compliance Department can provide information on the City's contracting requirements for your project (sdarensburg@oaklandca.gov). If you're planning to do small amounts of work over time as part of the project's annual maintenance without requesting additional City funding, then those costs should be part of the project's operating budget. For example, painting a vacant unit before the unit is leased to a new tenant would be part of the annual operating budget versus painting the majority of the units as a property-wide improvement soon after acquisition, which would be a rehabilitation cost.

16. When does/doesn't prevailing wages apply?

- Projects with construction costs greater than \$1,000 must meet State Prevailing Wage requirements, as determined by the California Department of Industrial Relations under California Labor Code Sections 1770, et seq., and implementing rules and regulations. Please reach out to Shelley Darensburg for additional information (sdarensburg@oaklandca.gov).

17. Is it necessary for a developer to select a general contractor?

- No, the City does not require that the developer select a general

contractor. However, depending on the level of rehabilitation that is planned, it may behoove the developer to hire a general contractor. General contractors are typically more familiar with the City's contract compliance requirements than developers and will ensure that the project meets the requirements.

18. If we are planning to acquire a vacant duplex, how will the City administer the requirement that 25% of units in a vacant property be affordable to households at or below 30% of AMI, and another 25% of units will be affordable to households at or below 50% of AMI?

- In this case, restricting affordability of one of the duplex units to households at or below 30% AMI would meet both requirements.

19. The ACAH Financial Model will not allow me to enter information.

- The ACAH Financial Model that is included in the online application has been modified to allow for editing.

20. What if my organization doesn't meet the Development Capacity Requirements?

- Developers that do not meet the Developer Capacity and Experience requirements outlined in Section III.A.5 and III.A.6 must partner with an organization that does meet the Developer Capacity requirements. Applicants may work with affordable housing consultants to complete the application.