

State of Connecticut

Department of Housing

Competitive Housing Assistance for Multifamily Properties (CHAMP) 4

NOFA Frequently Asked Questions

1. Q: Is DOH proposing to use the balance of funding from CHAMP 3 be used last round?
A: No.

2. Q: What will be the source of the funds?
A: All past rounds have been Housing Trust Fund though the program NOFA does allow for the possible use of Flexible Housing Funds. Applications can be prepared to serve tenants for up to 120% of Area Median Income (AMI). The program NOFA identifies the circumstances that must be present to allow resident AMIs up to 120%.

3. Q: For the design standards is there a definition for 40% drawings.
A: The revised CHFA/DOH design standards provide a 40% drawing checklist that defines the requirements that need to be met.

4. Q: How dated can a PHASE I environmental report be?
A: The report can be no older than six months. An updated letter by the same firm is acceptable for reports older than six months. Remediation costs need to be picked up on the development budget or adjustments will be made during application review and underwriting.

5. Q: Is a PHASE II required if recommended at application?
A: Yes. Section 4.7 of the Consolidated Applications states that if a Phase 1 ESA recommends a Phase 2 ESA, it must be submitted with the application for funding.

6. Q: For the resident participation plan does it have to be in place? Does it have to be accepted by the board or is the signature of the executive director acceptable?
A: Public Act 11-72 states that “no authority shall be eligible to apply for financial assistance for the major physical transformation of any real property or portion thereof.....unless such authority has adopted and implemented a resident participation plan.”.

7. Q: Are State Housing Portfolio Projects eligible under CHAMP?
A: Yes, as long as the project is applying for CHAMP funds and also applying for 4% tax credits.

8. Q: In the rating and ranking how will the cost per unit points work?
A: Negative points will be given only for projects over the cost per unit standard.
9. Q: In the applicant capacity section is this on any project with any funding source and does it apply to the whole development team? Yes.
10. Q: When applicant capacity section states closed on time, what is this determination of closed on time be based on?
A: DOH will use the time periods for closing and completing projects as stated in the Term Sheets for such projects.
11. Q: How will the construction deviation standard apply?
A: An application's Rating and Ranking points will be reduced based on the % which the projected costs for a project deviate from the standard costs for such units.
12. Q: 4% tax credits will be 50% of development costs, so it does exclude them as leveraged funds?
A: To receive Rating and Ranking points under the Leverage category, State funding must represent less than 50% of the total development cost.
13. Q: If you have a property in state portfolio and have substantial reserves does it count as leverage?
A: Yes.
14. Q: How should state housing portfolio for CHFA/DOH disposition be handled?
A: Initiate contact with both DOH and CHFA and include required actions in the development schedule timeline.
15. Q: On the rating and ranking various points are based on ratio. On the mixed income can the ranges be adjusted to reflect all ranges.
A: No. Points will only be awarded if income restricted units represent between 10% and 90% of development units.
16. Q: On the rating and ranking, how will the unique aspect category be interpreted?
A: This is the first time this category has been utilized and is intended to capture any unique positive aspect of a proposal which is not otherwise reflected in the Rating and Ranking points.
17. Q: Not all exhibits overlap in the application, is this a problem?
A: No. Exhibits appear for both funding agencies.

18. Q: How big a document can you upload?

A: The Department of Information technology has assured DOH/CHFA that the Biznet portal has the capacity to upload any size document which may be required for the Consolidated Application.

19. Q: Do you submit hard copy applications as well as the electronic submission?

A: No, submission of applications is electronic only; the only items that must be submitted in hard copy are architectural drawings/project manuals.

20. Q: When creating an account under the housing authority name, what happens when the ownership entity has been created and there is a change in the team?

A: Applicants can change or add members of the team at any point in the process.

21. Q: When will the Biznet site be opened?

A: As of the date the NOFA was issued.

22. Q: Bristol Housing Authority has a procurement account on Biznet, should we use the same account?

A: DOH's recommendation is to set up a separate account to reflect the actual development entity and team.

23. Q: When the application is submitted there is no receipt produced or emailed.

A: This problem from prior rounds has been fixed for this round of funding by State DOIT.

24. Q: When the project is underrepresented in the target area. What do you compare it to?

A: Project relation is to the census tract in which the development is located.

25. Q: Can the project compare to the national trends?

A: Not for the purpose of Rating and Ranking points.

27. Q: Where do you find elderly in the census tract? Also 80%, 50%, 25% AMI?

A: The CHAMP page of DOH's website includes links to such websites.

28. Q: For the census tract can more than one be utilized?

A: Yes, in the event that the census tract borders the project and would be part of the target population. For such cases clearly define this situation in the application narrative.

29. Q: What are the loan terms?

A: DOH has the ability to provide loans based on the needs of the development and underwriting. Typical loans vary from amortizing to non-amortizing and carry a range of interest rates and terms.

30. Q: Is the 1.15 DSCR for underwriting standards through the 15 years.

A: Yes, 15 years is the minimum period in which a 1.15 DCR must be demonstrated.

31. Q: Is CHAMP to be utilized with 4% tax credits only.

A: If seeking Low Income Housing Tax Credits (LIHTCs), applicants must choose to participate in either the 4% or 9% round. Applicants cannot have simultaneous applications under both rounds. 4% LIHTCs are not a requirement of the CHAMP initiative.

32. Q: If you have combined two scattered site projects utilizing both 4% and 9% tax credits, how would you address this issue?

A: In such cases applicants should bifurcate the developments and submit separate applications under each funding program.

33. Q: What level of historic tax credit approval is required at the time of application?

A: Part 1 approval from the state and submission of application Part 1 federal approval is needed.