

**The State of Connecticut
Department of Housing**

NOTICE OF FUNDING AVAILABILITY

Housing Innovations – Small Projects

Deadline for Submission of Applications: October 19, 2015 by 4:00 pm

This Notice of Funding Availability (this “NOFA”) is directed to developers seeking gap funding for small multi-family or homeownership projects that create new housing units. A project is defined as one or more specific properties that will be developed or rehabilitated as a single project. Non-site specific programs are not eligible under this NOFA.

A. Goals of this NOFA:

The State of Connecticut Department of Housing (“DOH”) is committed to expanding opportunities for safe, decent and affordable housing for its residents. Affordable housing promotes healthy lives, strong communities and a robust economy. Affordable housing is urgently needed throughout the State. The goal of this NOFA is to expand affordable housing opportunities by fostering innovation in the creation of affordable multi-family rental housing and homeownership properties in Connecticut. Projects that incorporate innovative approaches, including, for example, with respect to design, location, cost, affordability, and the incorporation of services, are especially encouraged.

No Project should contemplate financial assistance from DOH in an amount greater than \$2,000,000 or less than \$100,000. As this funding round is intended for small projects, the maximum allowable total development cost per project is \$6,000,000.

B. Eligible Applicants and Projects:

Applicants eligible for consideration under this NOFA include any entity that is an “Eligible applicant” under Connecticut General Statutes (“CGS”) § 8-37pp(a)(4), including, without limitation, a non-profit entity, a municipality, a housing authority, any partnership, limited partnership, limited liability company, joint venture, sole proprietorship, trust or association having as one of its purposes the construction, financing, acquisition, rehabilitation or operation of affordable housing, and having basic documents of organization approved by the Commissioner of DOH, and any combination of the foregoing.

Notwithstanding the above, housing developments currently in the State Sponsored Housing Portfolio (“SSHP”) are not eligible for funding under this NOFA unless the proposal includes the creation of at least 20 new residential units and the number of newly created rental units is equal to or exceeds 20% of the existing project units. Units which are currently offline but will be returned to occupancy are not considered newly created units. If an SSHP applicant is proposing to construct units that represent 20% or more of the existing project’s units, but not quite 20 units, then a waiver request to the 20/20 rule can be requested. For such situations, an email request should be sent directly to Edward LaChance of DOH at edward.lachance@ct.gov.

C. Funding Amount:

The aggregate amount of funding to be made available under this NOFA is approximately \$15 million. It is expected that applicants will propose projects that leverage DOH's financial assistance with substantial financial and/or in-kind resources from other sources, particularly private sources of debt and equity.

D. Funding Source:

It is anticipated that funding for projects selected under this NOFA will be provided through the Affordable Housing Program (the "Flex Program"). Such funding is subject to the requirements of CGS § 8-37pp, et seq., including the limitation that such funds serve persons and families whose household incomes do not exceed 100% of the applicable area median income ("AMI"). All proposed Projects must be eligible under CGS § 8-37pp.

E. Application Submission Requirements:

Applicants must use the CHFA/DOH **Consolidated Application Version 2015.2** (the "ConApp") which is available at www.ct.gov/doh (the DOH Website). Except as specifically stated below, all application materials **must** be submitted via electronic submission through the State's Biznet portal for the ConApp. The Biznet portal can be found at <http://das.ct.gov> or by clicking the Biznet button on the right side of the DOH Website. **Hard copies of application materials will not be accepted** except for architectural drawings and project manuals, which **must** be submitted in hard copy to DOH and/or CHFA by the deadline (October 19, 2015 4:00 p.m.)

- In addition to the ConApp CORE items macro button, applicants must also choose the DOH Small Project macro-button. All items identified as required under these two macro buttons must be submitted to be considered a complete application.
- Applications must include, at a minimum, architectural drawings and project specifications that meet the 40% completion standard. Applications not accompanied by 40% architectural drawings **and** specifications will not be considered.
- Application materials must clearly demonstrate the location of the project in relation to both the 100 year and 500 year FEMA floodplain boundaries. Application materials for any project located in proximity to a designated floodplain must include supporting documentation, including, but not limited to, a survey that demonstrates that the project is located outside of the 100 or 500 year floodplain or, for development projects that are located within a 100 or 500 year floodplain, applicants must include supporting documentation that: (a) demonstrates that the project incorporates safe evacuation routes in times of a flood; (b) does not involve the placement of utilities that will promote or encourage future development within the 100 or 500 year floodplain; (c) does not increase the potential to cause or pose a hazard to human life, health or property if it is destroyed or damaged due to flooding; or (d) does not involve the placement of fill within a watercourse or any water to create dry land to allow for the construction of a structure. If any of these criteria cannot be demonstrated, an applicant must so indicate and explain how the project is nevertheless feasible and justifies an exception to the relevant statutory

provisions discouraging such projects. Applications that do not clearly satisfy the criteria mentioned above or comply with the State's flood management requirements (CGS Section 25-68d(b) Sections 25-68h-1 thru 25-68h-3 of the Regulations for State Agencies) may be removed from the competition by Commissioner discretion.

Applicants proposing a project for which low-income housing tax credits and/or other financing from or administered by the Connecticut Housing Finance Authority ("CHFA") must still fall within the maximum limits established in Section A, (i.e. \$2,000,000 in DOH assistance and \$6,000,000 in total development costs). If applying for CHFA assistance, a separate set of architectural plans and specs must also be provided to CHFA by the application deadline. Applicants applying for such funds are encouraged to contact CHFA for additional application requirements.

After the submission deadline, an applicant may be asked to provide additional information regarding its application.

F. Schedule and Process:

Applications for funding under this NOFA will be accepted at the offices of DOH, 505 Hudson Street, Hartford, CT 06106-7106 until Monday, October 19, 2015 at 4:00 p.m. Architectural Plans and Specifications should be sent to the attention of Edward LaChance.

Prior to the submission deadline above, applicants may contact Edward LaChance via email at edward.lachance@ct.gov with any questions regarding this NOFA. All such questions received before 4:00 p.m. on October 12, 2015, will be answered on a rolling basis and the questions and answers will be posted on the DOH Website. An announcement of the award of funding under this NOFA is anticipated to be made in December 2015. In addition, an overview conference for questions and answers regarding this NOFA will be held on:

**September 15, 2015
9:30 AM – 11:30AM
State of Connecticut Department of Housing
4th Floor Conference Room 466
505 Hudson Street
Hartford, CT**

Please e-mail marilyn.taylor@ct.gov to register for this overview conference on or before Friday, September 11, 2015.

G. Selection Criteria:

Applications will be rated and ranked by DOH using the 2015 Housing Innovative – Small Project Round Rating and Ranking form to be posted on the DOH website no later than August 31, 2015.

H. Reservations:

All applications submitted in response to this NOFA are the sole property of the State and subject to the provisions of Connecticut's Freedom of Information Act, CGS §1-200 et seq.,

which provides that public records and documents are subject to public access and copying unless specific exemptions to disclosure exist. If an applicant believes that portions of its application are exempt from disclosure, the applicant should mark the specific portions as confidential. Acceptance of an application by DOH that contains such reservations is not an agreement that the material is confidential or exempt from disclosure. DOH reserves the right to amend or cancel this NOFA, to modify or waive any requirement, condition or other term set forth in this NOFA, to request additional information at any time from one or more applicants, to select any number of applications submitted in response to this NOFA, or to reject any or all such applications, in each case at DOH's sole discretion. DOH may exercise the foregoing rights at any time without notice and without liability to any applicant or any other party. Applications submitted in response to this NOFA shall be prepared at the sole expense of the applicant and shall not obligate DOH to procure any of the services described therein or herein from any applicant. DOH shall not be obligated to any applicant until a final written agreement has been executed by all necessary parties thereto and all applicable approvals have been obtained.