

## Department of Economic and Community Development (DECD)

### Competitive Housing Assistance for Multifamily Properties (CHAMP) 3

#### QUESTIONS & ANSWERS

May 20 , 2013

1. Q: What does quickly mean in reference to review and approval of applications  
A: We anticipate that deficiency letters will be sent by end of June, deficiency submissions due by mid July and project selections will be announced in late August or early September.
2. Q: Are homeownership developments eligible under the CHAMP 3 NOFA?  
A: No.
3. Q: What is the funding source?  
A: This round may be funded from either the Housing Trust Fund or Affordable Housing Program, which are both State bond funded programs.
4. Q: What is the DECD outside counsel process assignment lead time?  
A: The turnaround time is normally two weeks to have outside counsel assigned after the DECD Term Sheet has been executed.
5. Q: When will the Bond Commission approval of the funds under the CHAMP 3 NOFA be approved?  
A: DECD will request Bond Commission approval as projects are within 60 days of closing.
6. Q: Does the process require that CHFA and DECD will have different versions of the CONAPP?  
A: No, both agencies will use the same version of the Consolidated Application. See the CHAMP 3 NOFA for application submission requirements.
7. Q: Why can't there be patches to existing applications instead of redoing the entire application?  
A: Changes in the CONAPP are directly related to the CHAMP 3 Rating and Ranking and also include other substantial changes.
8. Q: Do you have to do two applications for 4% tax credit projects?  
A: No, the CONAPP is utilized for all funding rounds. CHFA/DECD will both utilize the 5.1 version. If submitting hard copies, both DECD and CHFA must receive 1 original and 1 copy. All such applications should be submitted to DECD, which will forward them to CHFA along with the CHFA application fee.

9. Q: Is there an opportunity for a debriefing on an unsuccessful application?  
A: Yes. DECD is available to meet with each interested applicant after the award announcement.
10. Q: If I look in my census tract and I see the underrepresented income group is the 120% of AMI group would that be considered a reasonable argument to get the maximum fair housing points?  
A: Certain points are based on the type of project and where it is to be located. It is therefore possible to receive points for serving a higher income range if a development is located in a low income area. However, this is just one factor in the rating and ranking process.
11. Q: Are co-ops eligible under CHAMP 3?  
A: No. Co-ops are considered homeownership and are not eligible for CHAMP 3 funding.
12. Q: Is there a balancing by staff between new construction and rehabilitation?  
A: No. The DECD process as well as rating and ranking treats all applications equally.
13. Q: Where did the negative point category in the capacity section generate from? It looks like went to awarding points for experience to taking points away for experience. Some team member's involvement may end at some point. This may result in multiple applications not being funded.  
A: This category was designed to reduce points for development teams that include team members that are overcapacity.
14. Q: If I am applying for 4% tax credits and CHFA financing will I be able to get a commitment from CHFA in time for the Rating & Ranking?  
A: A soft commitment letter will be issued by CHFA prior to DECD Rating & Ranking.
15. Q: Does electronic submission work on a PC and MAC?  
A: Yes.
16. Q: Has anything changed on the exhibits to be able to upload documents?  
A: Other uploading portals have been created to upload documents that might not have an assigned portal. Sections were also added for funding commitments.
17. Q: During requisition can we draw down DECD funds first?  
A: DECD funds are generally drawn down pro rata with other funders. Any decisions regarding drawdowns will be determined post award.

18. Q: Are you adding uploading portals? If so, please consider adding enough portals for all commitment letters.  
A: Yes, extra portals have been added.
19. A: You only have workbook 1 and 2 on your website. Last time for CHAMP2 I had to submit form 11.2 Owner Certification and 11.3 Architect Certification. Are those signed forms still required since they are in a later workbook?  
A: Items numbered 11 or higher are from a separate CHFA workbook. The CHFA website should be consulted for this document.
20. Q: Also is the application fee still \$1,000?  
A: DECD does not have an application fee for CHAMP 3 applications. Consult CHFA for application fee schedules.
21. Q: Do you have a range of scores that provided for a successful award? Is there a scoring target that you can provide?  
A: The funded range was 122 and above, with the high score being 140. However, successful scores from a previous round are not necessarily predictive of future success since the ranges of scores are dependent on the specific applications being submitted in each round. Also note that the CHAMP 3 Rating and Ranking was amended and this may result in a change in the range for the scores of selected applications.
22. Q: I looked on the DECD website for the Con App version 5.1 but did not see it. Could you let me know where on the site I can find it? Also the CHAMP 3 Rating and Ranking form, which I did not see. Perhaps I need to click on an area?  
A: Attached is the link to the CHAMP 3 NOFA information including the Rating and Ranking Form. <http://www.ct.gov/ecd/cwp/view.asp?a=1105&q=499522>
23. Q: We're looking for the most recent Program Outline. Would you please be able to direct us to the correct link?  
A: Below is the link to all the CHAMP 3 information for this round. A Program Outline document was not completed for CHAMP 3. Applicants should refer to the NOFA for guidance. <http://www.ct.gov/ecd/cwp/view.asp?a=1105&q=499522>
24. Q: We will be preparing a Market Analysis for our proposed project as a part of an application for the May 30 CHAMP NOFA. Are previous market analysis submissions available for review from the public domain? If so, could you recommend one of two that were particularly well prepared?  
A: DECD does not maintain records of previous market analyses or studies. In addition, all information submitted with a CHAMP 3 application must contain current information.

25. Q: What does DECD require for organizational docs for a housing authority for Ex. 1.5? Since they are an arm of the local government they do not have bylaws or a tax exempt letter but they do have a tax id. Please let me know what is required for housing authorities  
A: The Housing Authority incorporation documents should be submitted.
27. Q: The Housing Authority does not file their own tax returns nor do they have any audits prepared annually. They are a line item within the town's annual financials. We plan to submit the financials for the town for this exhibit. Please confirm this is acceptable.  
A: The ConApp should include copies of the Town's audit.
28. Q: Item 7.1 says "Use the Fair Housing Resources and Fair Housing Regulations links for reference and forms in Appendices 53 and 54." Where are these links and appendices? I cannot find them in the workbook. I found Fair Housing Regulations at the DECD website, but not Fair Housing Resources.  
A: Below is a link to the CHAMP page which contains links to these items.  
<http://www.ct.gov/ecd/cwp/view.asp?a=1105&q=499522>
29. Q: Will Federal Storm Sandy CDBG funds be available as matching gap funding for CHAMP 3 applications?  
A: No. Sandy CDBG-DR funding for Connecticut will not be approved by HUD prior to the CHAMP 3 application deadline.
30. Q: Can applicants make the assumption that for CHAMP 3, in addition to the NEPA, that items on the DECD checklist that are HOME ONLY items would not need to be submitted for the upcoming May 30 deadline?  
A: Correct. Items marked HOME ONLY are not required for CHAMP 3 applications.
31. Q: What does it mean if an item is marked an "N" in the DECD Consolidated Application Column?  
A: N means that an item is non-threshold for DECD and does not have to be submitted with the CHAMP 3 application. However, if a project includes CHFA assistance and CHFA identifies such item as threshold, then it would have to be submitted with the CHAMP 3 application.
32. Q: Regarding the rehabilitation of occupied projects, does a rent roll have to be submitted for all units, even if some will be non-DECD assisted?  
A: Yes. This information is required at the time of application to both ensure compliance with relocation requirements as well as to document the eligibility of existing households.
33. Q: What is the lowest level of plans acceptable for a CHAMP app?  
A: Schematic drawings are the CHAMP 3 threshold requirement.

34. Q: Assuming that a project wants to apply for tax exempt bonds and 4% credits and use CHAMP funds but the application cannot be completed by the May 30, 2013 deadline, will there be a future CHAMP round to apply under?

A: DECD is anticipating a CHAMP 4 round in November 2013, but this decision will be contingent upon state budgeting and other considerations.

35. Q: How are interest rates and loan terms computed on awarded funds?

A: Interest rates and loan terms will be based on DECD underwriting, the financial needs of the proposal, and requirements of other funders. Applications should clearly state the requested assistance terms and provide explanations and materials backing up all requests.

36. Q: What is the policy on subordination of CHAMP funding to other outstanding loans or mortgages on the property?

A: DECD's position regarding the subordination to other funding sources are made on a case by case basis and are based on the project specific needs and requirements.

37. Q: Are Housing Authorities eligible applicants under the CHAMP 3 NOFA?

A: Yes.

38. Q: Since we are a new applicant to DECD, must our organization go thru some steps to be "approved by the commissioner" as stated in the CGS section 8 -37pp since we have not done a transaction in CT yet? Must this be done before an application is submitted? Or can it be done as part of an application submission?

A: There is no specific approval of applicants outside of the application review. You will note that the application asks for extensive documentation of the organization applying for the funds.