

DR-ACCEL Disaster Recovery Multifamily Housing Program (DR-MHP) Frequently Asked Questions

This document represents written comments and questions the team received during the Application webinar held February 19, 2025, and those sent to the DR-MHP email inbox, <u>DR-MHP@hcd.ca.gov</u> through March 19, 2025. New questions received since Version 1 are in red.

1. Are projects that have No Place Like Home eligible for this program?

No Place Like Home (NPLH) funded projects do not qualify for an award under DR-ACCEL, unless the NPLH award is a loan that is administered by the Department. NPLH awards administered by entities other than the Department are not eligible for an award under DR-ACCEL, unless the project also receives a loan award from one of the other qualifying HCD funding programs identified in this Project Solicitation. Please refer to Section II.A.1 (Qualifying HCD funding programs) of the Solicitation.

2. Can you confirm that DR MHP cannot be paired with LIHTC? With only approximately \$50M available, we're confused about what type and scale of project this is intended to support.

That is correct. If a DR-ACCEL Applicant is recommended for and receives bonds and/or low-income housing tax credits by CDLAC and TCAC prior to the award of DR-ACCEL funds, the DR-ACCEL application will automatically be withdrawn. If the DR-ACCEL Sponsor or Borrower (if a separate entity) receives bonds and/or low-income housing tax credits or other funding awards subsequent to the award of DR-ACCEL funds, the DR-ACCEL award will be canceled or reduced. Please refer to Section F.3. (Assistance Terms) of the Solicitation.

3. Will there be a future CDBG DR NOFA or is all funding being redirected to DRMHP accelerator?

HCD is in constant collaboration with HUD to communicate any and all unmet needs from the disasters. If and when any additional resources become available, HCD will publish an Action Plan Amendment detailing the uses and programs that will be funded.

Please refer to the Discovery Recovery & Mitigation Action Plans and Federal Register Notices page for updates: https://www.hcd.ca.gov/grants-and-funding/disaster-recovery-and-mitigation/action-plans-and-federal-register-notices-frns.

4. Will the funds be distributed proportionally to five counties? Or will highest scoring project be selected regardless of geographic area?

All projects will be scored objectively and awarded funding based on the Application



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Scoring Criteria (Section II.G of the Solicitation). There is no geographic set-aside for the counties.

5. Given that the program intends to replace low-income housing tax credits which make up a majority of most projects' sources, is the goal to only award 2-3 projects?

The goal is to fund the greatest number of projects based on need to move projects into construction within 180 days of award.

6. Can you elaborate how the points work based on affordable unit count? Will multiple projects be awarded 5, 4, 3, 2, and 1 points based on a threshold of unit? Such as 100 + units will score 5 or will only the 5 largest projects get points and everyone else will get 0?

Within the pool of applications, the proposed project application with the highest number of total affordable units will receive 5 points. The next highest will receive 4, and so on until the 5 largest projects receive points. Please refer to Section II.G (Application Scoring Criteria) of the Solicitation.

7. Could you please provide some clarity on what each of these letters (Sustainable Strategy, Regional Plan, and Transit Priority Area) needs to address? Also, would one letter covering all three items be acceptable?

The following documents on the DR-ACCEL Application Workbook Document Checklist are not required with application submission. They are from the previous DR-MHP Round One NOFA that were not removed entirely.

- 20u Walkable Route Location Map
- 20v Proximity to Amenities List
- 20w Proximity to Amenities
- 20x Sustainable Strategy
- 20y Regional Plan
- 20z Transit Priority Area
- 20aa Green Building Status
- 20ab Near Electrification
- 20ac Electric Design



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8. We previously submitted a Supportive Services Plan as part of another successful 2021 HCD application, which currently covers all required services for homeless veterans and other residents. Would it be acceptable to submit this existing plan in place of creating a new one for the CDBG-DR MHP application?

If the Supportive Services Plan from 2021 has been previously approved, you can use it as a base and submit an updated plan reflecting any changes in the terms or costs since then.

9. Why are the DR-ACCEL loan amounts not calculated on the Unit Mix tab on the application Workbook?

You may ignore the Unit Mix sheet, column N (DR-ACCEL Loan Amount). This should have been deleted because DR-ACCEL does not have a per-unit loan limit.

You must fill in the Dev Budget SU and Dev Sources sheets completely to show the gap remaining as a result of not securing tax credits. This will be the DR-ACCEL request shown in cell G32 of Dev Sources.

10. We notice that the Developer Fee tab is limiting the fee to \$1.2M. Is this an error? The guidelines state the fee cannot exceed \$2.5M.

Please select the 9% Tax Credit New Construction for project type on row 6 of the Developer Fee tab (as DR-ACCEL is intended to replace Tax Credit) so the limit will be calculated correctly. The Application Workbook has been updated and uploaded to the program website under the Resources tab.

11. If our previous HCD award application was showing \$2.2M for a developer fee, do we need to stick to that amount or can we adjust to the new limit?

Please consult with Program staff for that specific HCD award. TCAC has increased the developer fee limits, but Program staff should be able to confirm if it is retroactive for that HCD award.