

**City of Oakland NOFA
Questions and Answers
September 20, 2013**

Below are answers to questions from the September 18, 2013 NOFA Pre-application Meeting, as well as other questions received that are of general interest.

1. *I'm interested in applying through the Rehabilitation NOFA for an existing affordable housing project, but the project received HOME funds in the past. Will the project be eligible to receive additional HOME funds?*

In the past, HUD has not allowed additional HOME funds to be awarded to projects that are within their original HOME affordability period. However, the 2013 HOME Rule now allows for “troubled” properties to receive additional HOME funds. According to HUD, “troubled” properties are no longer financially viable during the period of affordability and are at-risk of foreclosure. A HOME-assisted rental unit is considered no longer financially viable when its operating costs significantly exceed its operating revenue. Written HUD approval in the form of a Memorandum of Agreement is required to permit additional HOME investment in a property.

Some NOFA funds are from sources other than HOME, so it may be possible to fund the project without HOME funds, depending on the amount requested. We recommend talking with housing development staff if your project already has HOME funds and wants to apply through either NOFA.

2. *How can I determine if I should submit my existing affordable housing rehab project through the Preservation and Rehabilitation NOFA or through the Affordable Rental and Ownership Housing NOFA?*

Generally, the leveraging and application requirements of the Preservation and Rehabilitation NOFA are less stringent. To qualify to apply through the Rehabilitation NOFA, your project must:

- 1) be an existing affordable housing development with rents and income restrictions regulated by a public agency at or below 60% of Area Median Income (AMI);
- 2) request for City funds cannot exceed \$120,000 per unit;
- 3) building must be at least 10 years old;
- 4) the majority of the scope of work is necessary to maintain or prevent the loss of the habitability of the housing, correct code deficiencies, or replace building components or systems that require excessive maintenance and repair expenditures;
- 5) may not result in the permanent relocation of any existing residents (temporary relocation is permissible).

Existing affordable housing projects may also apply through the NOFA for Affordable Rental and Ownership Housing, but must meet the more stringent leveraging and other requirements of that NOFA.

3. *If I have an existing affordable housing development that I want to rehab, but I also want to construct new units as part of the project, can I submit under the Preservation and Rehabilitation NOFA?*

No. If the project involves construction of new units you will need to apply through the NOFA for Affordable Rental and Ownership Housing, although rehabilitation of the existing housing would also be eligible for funding.

4. *For the City's Local Employment and Apprenticeship Program, how long does a person need to live in Oakland to qualify as an Oakland Resident?*

For the Local Employment Program, primary residency in Oakland must have been established at least two weeks prior to commencement of work by the contractor/subcontractor.

For the Apprenticeship Program, primary residency in Oakland must have been established at least six months prior to commencement of work by the contractor/subcontractor.