

DHCD Housing Accelerator Program Frequently Asked Questions

Can a developer submit an application for funding even if you do not set aside units for Public Supportive Housing (PSH)? Yes, as long as they are 100% affordable, we will consider you for funding.

Are we able to submit two grant applications, one for a development with PSH units and another without? No.

How does 30% AMI translate to a rental amount and for a sale price? The 2023 Maryland Income and Rent Limits can be found here: [2023-MD-Income-Limits.pdf \(maryland.gov\)](https://www.maryland.gov/2023-MD-Income-Limits.pdf).

Which Area Median Income (AMI) do we use for the PSH units? HOME-ARP will have to use the HUD AMI if the tenants are being leased because they are low income. HOME-ARP funded units are prioritized for homeless, and those fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking. HUD does allow a maximum of 30% of units leased to families that qualify as low income. In those cases, HUD AMIs will have to be used.

The NOFA recommends that developers should seek out project-based assistance for the PSH units. What if the community you are building in does not meet neighborhood standards to receive Section 8. Is the project disqualified for applying for funding?

Awards using Mayor's Office of Recovery Programs (MORP) funds do not require the building to meet Site and Neighborhood Standards. Awards using HUD HOME-ARP as a source must meet HUD's Site and Neighborhood Standards.

How does the developer get the subsidy to support PSH units? An option is to partner with service providers who already have contracts with the city for service costs. There are tenants who have Housing Choice Vouchers (HCV), and you can also apply for Project-Based Vouchers (PBV). The NOFA recommends that Developers should seek out project-based assistance for the PSH units.

How would Coordinated Access referrals provide preference to returning citizens for a project that is 100% PSH for returning citizens? PSH is a designation that often comes through Coordinated Access and other agencies that would be involved in determining and referring tenants to PSH. These agencies can help you identify returning citizens and then indicate the preference for those with PSH in your selection criteria for applications.

Can applicants apply for more than one project? Yes, but each application must be for different properties.

Can funds be used for acquisition of privately owned properties? For the Housing Accelerator Program only, funds can be used for the acquisition of privately owned property.

I am a mental health provider; can these funds be used for a mental health support home? As a provider, you may opt to develop PSH units or partner with a developer who is building PSH. For a primer on PSH units, please refer to the Supportive Housing 101 Webinar posted on our website.

Does the application have a sample that new applicants can review in order to complete it? Not at this time.

If PHS units must follow Housing First Model to fill vacancy with a relaxed selection criteria, how does this not violate Fair Housing b/c homelessness is not a protected class? 'Housing First' model encourages relaxed selection criteria for anything not federally or legally required, thus not violating FHA.

Can you apply the PBVs and the funds for PSH units within the application or separately? Will the PBVs work the same or will they be viewed differently based on the units being PSH? The PBVs would have to be applied for separately from the PSH application. Here is a link to the PBV RFP: <https://www.habc.org/habc-information/programs-departments/fiscal-operations/current-vendor-opportunities/>. The PBVs will work the same, they will not be viewed any differently for PSH.

Can the funds be used for Earnest Money Deposits? No. The Housing Accelerator Fund will only provide funding for hard construction costs, acquisition, and predevelopment costs.

Could you give an example of a home not meeting the neighborhood standard? It depends on where the home is located, the census tract, and what amenities and services are available in the immediate area, so where the unit is located is key.

What is the HOME-ARP? The Home Investment Partnerships Program American Rescue Plan Act (HOME-ARP) is part of The American Rescue Plan (ARP) and provides HOME Program funds to assist individuals or households who are homeless, at risk of homelessness, and other vulnerable populations like those fleeing domestic violence. Baltimore City is using its allotment of HOME-ARP funds to create permanent supportive housing for those qualifying populations.

Does HOME-ARP and The Housing Accelerator have the same AMI restrictions? HOME ARP does not have income restrictions, but if the tenant is qualified for a HOME-ARP unit because they are of low income, HUD AMI restrictions must be used. The AMI are often similar.

Is it possible for a tenant's income to exceed 30% AMI? HOME-ARP allows incomes to go above 30% but does not provide funding for homeownership. The affordability target for the Accelerator program is 30%. The HUD HOME-ARP affordability restriction is not a flat AMI amount.

I see the MD Income and Rent Limits for rental amounts. Is there a similar matrix for

determining a Max Sales Price at different AMI levels? HOME-ARP rent units cannot exceed the low limit and cannot exceed 30% of the household income. The following are links to the current HOME maximum rent and limits:

https://www.huduser.gov/portal/datasets/home-datasets/files/HOME_RentLimits_State_MD_2023.pdf

https://www.huduser.gov/portal/datasets/home-datasets/files/HOME_IncomeLmts_State_MD_2023.pdf

What does CHDO stand for? Community Housing Development Organization.

What are the project restrictions? Ineligible projects include Acquisition of City-owned properties; Acquisition of properties through receivership; Acquisition of properties through tax sale; Staff that are not directly related to predevelopment, construction, or maintenance of the project general operating costs such as rent, utilities, or operating supplies; Relocation; Repayment of existing loans or liens; Community gardens or urban agriculture uses; Projects that support a specific religious or other affiliation; Commercial, retail, or economic development uses; Costs associated with the preparation of this NOFA submission.

What are the eligible uses of funding then? Architectural and Engineering, Environmental assessment and testing, Market and Financial Feasibility Analysis, Carrying Costs, Zoning Analysis, Staff Time, Development Consultants, Legal Fees associated with closing, financing, and drafting legal documents necessary for development, and acquisition of privately owned property. The requested information must demonstrate that projects are ready to proceed and can be completed within a 24-month time frame of executing a Funding Agreement with DHCD.

What is the Project Readiness Score? Project feasibility is up to 70 points.

Do these properties need to be in opportunity zones? No.

Do you have a list of people who can assist with writing the proposal? No.

How can I determine the voucher rent for my proposed location? It is determined during the Subsidy Layering Review process if your project is awarded vouchers. There are a number of determinations based on where the units are.

Is the commitment to quality checklist required for projects that are 100% affordable but with no PSH units? Projects should at least consider having a leasing preference for tenants who would access PSH, if that is the case, the checklist is necessary.

Can the housing units be scattered site developments? Yes.

How do you determine whether or not an organization is Black-led/owned? Self-identify.

Do PSH units include development of single affordable housing units? This funding is for single family and multi-family rental only.

Can you clarify what the leasing preference of the 25% of units referred through Coordinated Access? Does that mean if you 100 unit development 25 units have to be set aside for PSH? If you only want to set aside 15 units, would that deem the project ineligible? Projects that incorporate units dedicated for Permanent Supportive Housing must commit to a leasing preference of 25% of units for people referred through Baltimore's Coordinated Access system. To maximize the number of dedicated Permanent Supportive Housing units produced through this funding, projects that commit more units will receive priority for funding.

Can you use funds to purchase vacant housing from the city for rehabilitation for affordable housing? No. The ineligible uses of funding are: Acquisition of City-owned properties, Acquisition of properties through receivership, Acquisition of properties through tax sale, Staff that are not directly related to predevelopment, construction, or maintenance of the project general operating costs such as rent, utilities, or operating supplies, Relocation, Repayment of existing loans or liens, Community gardens or urban agriculture uses, Projects that support a specific religious or other affiliation, Commercial, retail, or economic development uses, or Costs associated with the preparation of this NOFA submission.

Are there complementary NOFAs out or expected that could help fund the supportive services? Currently, there are no NOFAs through DHCD that will provide funding for supportive services.

How will where you are in the development stage be scored? And which section will it be scored in? The Project Feasibility section of the application will allow applicants to describe their project and provide project details. Information provided in this section will be scored under the Project Feasibility section of the application.

What if I have a property already in use that's 100% occupied by homeless clients and I'm looking for expansion and/or upgrades to the current property? If you are creating new units, those new units would be eligible.

What if we have a property with a mortgage, will the rent payment take that into consideration in determining rent payment? No, the rent has to be at 30% AMI, and it does not relate to your mortgage payment.

Can NOFA be used for rehabs housing and/or newly built homes? Yes.

If an applicant has current supportive housing, would the awarded funds qualify to support that project? Applicants will need to formally apply for Housing Accelerator Funds. Funds are used to create PSH units and/or other units of affordable housing.

Is this program for projects already in motion or projects that have not yet begun? The funding can be used for both. If the developers who have projects that are already occurring are interested in converting the units into PSH, then it will be considered.

Is there a preference between Rehabilitation versus New Construction? No.

Does this program favor rehab projects as opposed to built from ground up with the 24-month turnaround? There is no preference between the two project types.

Do you need to already own the properties to qualify for funding? Can the funds be utilized for both purchase and renovation cost for projects in the community? Proof of site control or the ability to gain site control will be required. Funds can be used for acquisition and renovation costs.

How much can we get on a per unit basis in funds? This application does not have a per unit basis for funds.

Do these funds apply to CHAP eligible properties as well? Commission for Historical and Architectural Preservation (CHAP) properties are eligible for the Housing Accelerator Fund.

Currently I'm a provider that has 2-to-3-4-bedroom homes that are currently vacant. If approved, what would the model look like from a perspective as to what's compliance based in terms of zoning and multi dwelling units? During the application review, your project will be determined if it meets certain Baltimore City requirements.

Is it a requirement to be MBE certified? MBE certification is not a requirement, but all applicants will need to meet all required MBE/WBE requirements.

If I have a property currently being used as a boarding house, can the funds be used to convert the facility into an affordable housing project? Funds can be used to convert the facility into an affordable housing project as long as the project meets the requirements of the Housing Accelerator Program.

If we have a single-family property that's going to be used, do we have to have a management company, or can the owner or realtor manage the property?

PSH units should be equipped with support services, or agreements should be in place with service providers who have a track record of providing support services to residents. The same goes for a property management team. Our goal is to ensure that the tenants in those PSH units receive the services that they need, so as we review applications, we will pay attention to the developers' plans to employ supportive service providers, as well as property managers who are experienced in these fields or who can work with others who are.

What are the strategies to provide supportive services with this housing resource?

MOHS does not have any direct funding source for supportive services aligned with the HOME-ARP or Housing Accelerator Fund program. Strategies to explore to fund Supportive Services include:

- Partnering with experienced service providers that can identify existing and potential funding sources
- Exploring ways to eliminate debt to allow for services to be funded through cash flow from operations
- Capitalizing a services reserve

MOHS and DHCD, in collaboration with the CoC, is committed to increasing supportive services funding by:

- Developing supportive services standards for PSH that improves the quality of care and defines the resources needed to adequately fund them.
- Advocating for the expansion of the Assistance in Community Integration Services (ACIS) program to fund tenancy support services.
- Advocating with the State of Maryland, the Federal government, and philanthropy to increase funding for supportive services to PSH

Will the Baltimore City Housing Zoning office have dedicated people working to ensure the 24-month time frame can be met for developer renovation projects?

DHCD staff will work with Housing Accelerator grantees to ensure they are aware of timeline requirements for the Housing Accelerator Program, and of their executed grant agreements.

Will the city provide the land to build the homes on? No.

Can single units be in a single-family residence with shared common space? A unit is generally defined as a bedroom with its own bathroom and kitchen.

How can we find out more information about Public Supportive Housing? You can view the PSH 101 Webinar here: <https://www.youtube.com/watch?v=dVmUu6CMdQg> .

How can I find out more about the Housing Accelerator Program? You can view the Housing Accelerator Program Pre-Proposal Conference at https://youtu.be/cPytXsPTByM?si=xc8tHKBM0_HaB8Mm .

How do I apply for project funding? Navigate to <https://portal.neighborlysoftware.com/baltimoremd/Participant> to begin your application. The application will be open the week October 20, 2023. Applications are due by 4:30 PM November 20, 2023.

Who will be the DHCD point person to answer developer questions related to PSH? Inquiries can be made via e-mail to: housingacceleratorprogram@baltimorecity.gov.