

HOME / ERA RFA Questions

1. **What if a single project takes most of the funding - is this a problem?**
 - a. No, this is not a problem.
2. **Up to 10 points can be awarded for leverage. To get the maximum points, is there a percentage or fixed amount of funding that must be pledged?**
 - a. No, each amount is project specific
3. **Upgrades are allowed to ensure sustainability. We are proposing the following improvements interior unit cabinets, plumbing, appliances, HVAC, and hurricane windows. Would these improvements be eligible?**
 - a. These improvements appear to be eligible.
4. **Can you confirm that ERA2 funds are grant funds with no payback required?**
 - a. Yes, ERA2 funds are grant funds with no payback required so long as the property is maintained according to affordability standards for a minimum of 20 years.
5. **Administrative and grant management is an allowed cost. It appears these are allowed up to 15% of the cost. Is this correct?**
 - a. Admin is not allowed for either funding source.
6. **I assume that Lee County is the grant recipient, and we would be a subrecipient. As a subrecipient, it appears that monthly and quarterly reports are required to be submitted by us, as well as a project close out document. Can you confirm that these are our reporting obligations?**
 - a. Yes, those are the reporting obligations.
7. **We are proposing renovations of an existing HUD Section 811 project serving mentally ill. All residents are at or below 50% AMI and receive project-based vouchers. Will you accept household income reporting that we provide HUD as documentation on the eligibility of each household?**
 - a. Yes, HUD documentation of eligibility would be perfect.
8. **Will the County be responsible for creating and submitting reporting documentation to the US Treasury Department for subrecipients?**
 - a. Yes, the County will aggregate reporting documentation to report to the US Treasury Department from all subrecipients.
9. **If the total ERA2 funding is below \$750,000, will we avoid the need for a Single Audit?**
 - a. A non-Federal entity that expends \$750,000 or more during the non-Federal entity's fiscal year in Federal awards must have a single audit conducted in accordance with § 200.514 except when it elects to have a program-specific audit conducted in accordance with paragraph (c) of this section.
10. **What is the legally enforceable income limitation period for ERA2 funds?**
 - a. The household income of occupants of units funded by ERA2 funds is limited to the maximum income applicable to very low-income families, as such term is defined in section 3(b) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b))The affordability period of rental housing projects must be in place for at least 20 years.

11. Is there a fillable PDF Application Form?

- a. No, but there is a word version I can send if need be.

12. We plan on submitting an ERA2 applications under the name of the non-profit partner. They are the sponsor of the HUD projects. HUD required that each sponsor create a single asset/single purpose entity to own the property. These individual corporations have no assets other than the property, have no ability to raise funds, and only purpose is to operate the property. We wanted to be sure that applying under the non-profit is acceptable and not as the single asset/single purpose corporation.

- a. Yes, you can apply under the non-profit.

13. If the application is too large to be emailed, could we send to a drop box or some other method?

- a. Yes, that is fine, or sending it in multiple emails is also fine, as long as it is received before the deadline.

14. Is signage, landscaping, and fencing an allowable expense when renovating a project?

- a. This depends on the funding source. It is not acceptable for ERA or HOME, as those are focused on creating housing. It could potentially be eligible for CDBG if it was part of the non-profit renovation.

15. Can we combine two projects sponsored by the same sponsor under one application to hit the \$500,000 minimum threshold?

- a. Yes. Combining 2 projects would be eligible as long as they have the same stakeholders, funding sources, and project type with a similar scope of work. Our goal is to have one contract per applicant, so if the projects are able to be combined to a generalized scope, even with different locations, that would be acceptable.

16. Is Davis-Bacon triggered if the project costs are acquisition and soft costs?

- a. The construction of the project is covered by Davis-Bacon. Unlike the CDBG program, the HOME labor standards provision is triggered whether HOME funds are used for construction or non-construction project costs. Since the construction contract will contain 12 or more HOME-assisted units, Davis-Bacon rates will apply.

17. Regarding land acquisition and new construction:

- a. CDBG cannot be used for land acquisition for new construction.
- b. HOME is acceptable for land acquisition and new construction.
- c. ERA can be used for facility acquisition for rehab, but not for land acquisition for new construction.

18. Regarding Loan / reimbursement funding

- a. Grants are not eligible to be made available as a loan to subcontractors. The funding will be reimbursed once work has been completed. Lee County HVS does not have revolving loan funds.

19. Number of HOME units per funding source:

- a. <https://www.federalregister.gov/documents/2022/03/17/2022-05578/annual-indexing-of-basic-statutory-mortgage-limits-for-multifamily-housing-programs-annual-indexing>
- b. <https://www.hudexchange.info/resource/2315/home-per-unit-subsidy/>
- c. <https://www.hudexchange.info/programs/home/home-rent-limits/>