



MEMORANDUM

**Addendum #2 to Request for Proposals for Multi-Unit Residential Projects
Serving Populations with Special Needs**

February 20, 2019: New Hampshire Housing Finance Authority (the Authority) published a Request for Proposals (RFP) on its website on December 13, 2018 seeking applications for projects that would provide supportive housing in any area of the state to extremely low-income individuals, with a priority for persons experiencing homelessness.

The Authority held one optional information session at the Authority offices in Bedford NH on January 8 where attendees were informed the Online Data Management (ODM) system used in the past to submit applications would not be available for this RFP round and that applications materials were to be submitted via email. A new application management system has been put in place by the Authority and is now available for use with this RFP. This document revises the application submission method to be followed for this RFP and summarizes questions, and answers from prospective applicants.

Revised Application Submission Method:

- All application materials must be uploaded electronically to Apricot (new application management system) <https://apricot.socialsolutions.com> by 5:00 PM on April 16, 2019.
- To set up an Apricot account and sign up for training, contact Laurel Treamer at ltreamer@nhhfa.org or 603-310-9293).
- You must contact Laurel Treamer no later than March 22, 2019 to set up an account.

Additional Questions asked and answered by prospective applicants:

1. Question: Is the 10% match based on the total development cost, including acquisition, rehab, soft costs, and relocation expenses?
NHHFA staff response: The addendum states “The Authority requires the generation/investment of matching resources in an amount equal to 10% of funds provided by the Authority.” So regardless of what the funds are being spent on, your match has to add up to 10% of the funds that you are applying to receive from the Authority.

2. Question: Is the 5% allowable developers fee based on the same total development cost?
NHHFA staff response: The maximum developer's fee is 5% of the Total Development Cost which includes all sources, and all uses. If you were applying for \$800,000 in HTF from NHHFA, you would have to come up with \$80,000 of match, resulting in a project budget (TDC) of at least \$880,000. Your developer fee could be up to 5% of that \$880,000, or \$44,000. The other \$836,000 would be spent on the actual project costs.

3. Question: if we wanted to use our 5% allowable developers fee as part of the 10% match, how exactly might that work? Could it be a deferred developers fee or "loan" to the project that is paid off over time by the rental income? Or would it be a "donation" to the project?
NHHFA staff response: Either deferred developer fee or a seller note/loan can count as match.

4. Question: I know sweat equity is not allowed as match. Does that include professional services. For instance, we have several attorneys on our Board, and they would handle all the loan closing for free. Would the value of the legal services count as match, or is that sweat equity?
NHHFA staff response: We can include a reasonable estimate of the value of donated professional services as match.

5. Question: Do we need to abate lead paint if no kids expected?
NHHFA staff response: Yes, this is a requirement of federal funding.

6. Question: Do Davis-Bacon wage rules apply?
NHHFA staff response: The source of capital financing (national Housing Trust Fund) does not trigger Davis Bacon, but if you are applying for Project Based Vouchers, nine or more project-based vouchers would require Davis Bacon compliance.

7. Question: Is historic preservation an issue?
NHHFA staff response: Yes, because HTF is federal funding, compliance with historic preservation regulations (Section 106 of the National Historic Preservation Act of 1966) do apply.