



Questions and Responses – AHDF Round 2 (Version 2)

THE FOLLOWING QUESTIONS HAVE BEEN RECEIVED DURING THE APPLICATION PERIOD. RESPONSES ARE LISTED WITH EACH QUESTION. THIS DOCUMENT MAY BE UPDATED AS ADDITIONAL QUESTIONS ARE RECEIVED.

Questions	Responses
<p>1. Will you be providing more information about the reimbursement process and requirements?</p>	<p>Yes, as part of the process prior to receipt of the final Subrecipient Agreement for signature staff will review the adopted NCORR Billing Guide requirements and procedures with all projects selected for award.</p>
<p>2. Is there a specific Disaster Recovery plan that local governments should submit with the application and if so, is the application question regarding Community Recovery consistency where this information should be included?</p>	<p>No, NCORR does not prescribe a specific Disaster Recovery plan as local government and regional partnerships for recovery planning are diverse throughout the state. Application question #5 asks the applicant to describe any and all participation and concurrence with local and/or regional Disaster Recovery planning efforts.</p>
<p>3. If a project is already underway with efforts to complete a NEPA-compliant Environmental Review Record (ERR) as a result of federal funding committed to the project from another source, can the ERR/Environmental Assessment (EA) that is underway/completed satisfy NCORR’s ERR requirements?</p>	<p>Yes, if a project is already underway or has completed a NEPA-compliant ERR, including publishing and Notice of No Significant Impact/Request for Release of Funds submission to HUD, NCORR is able to adopt this local process and no further ERR/EA is necessary (provided that the ERR process that is underway/completed is fully compliant with HUD and NEPA federal requirements).</p>
<p>4. So, if the project receives an Authority to Release Grant Funds (AUGF) notification from HUD would this satisfy the requirement?</p>	<p>Yes, NCORR is permitted to accept and adopt a previously completed ERR/EA and AUGF issued by HUD and no further action is necessary (provided that the scope of the project remains the same as what was submitted in the Request for Release of Funds (RROF)). *In addition, the preparing UGLG Responsible Entity and NCORR must also enter into a written agreement to cooperate which includes identification of coordinated and overall responsibilities. NCORR has staff and consultants that can review such documentation to make sure it meets requirements for any awarded projects.</p>
<p>5. Are applicants required to submit an ERR/EA (whether underway or completed)?</p>	<p>At the applicant’s discretion, they may elect to upload/attach any ERR/EA that is either underway or completed however, it’s not necessary to submit the ERR/EA at the time of application. NCORR only asks that the applicant provide a description of the progress (if any) or completion of the ERR/EA. If a project is selected for award NCORR will then follow up with requests for additional information and</p>

	documentation which will include all pertinent information concerning an ERR/EA that is underway or completed.
6. Will NCORR be the Responsible Entity and responsible for submittal and all postings, etc.?	Yes, NCORR is the Responsible Entity and will submit all required documentation to HUD to permit issuance of an Authority to Release Funds (AUGF). If an ERR/EA record has previously been entered into the HUD HEROS system by an UGLG Responsible Entity, NCORR may adopt this ERR/EA. *In addition, the preparing UGLG Responsible Entity and NCORR must also enter into a written agreement to cooperate which includes identification of coordinated and overall responsibilities.
7. Will NCORR provide technical assistance to UGLGs on collecting and preparing information for Davis Bacon and Section 3 compliance and other reporting requirements.	While it is anticipated that the UGLG may have prior experience, NCORR will provide all necessary technical assistance needed to assist the UGLG with all reporting requirements.
8. What interest rate should be charged on the loan from the UGLG to the project?	The terms of the loan from the UGLG are up to the UGLG, but any interest charge and/or payments required must be accounted for in the project's DSCR and may also affect the terms of other financing in the project's capital structure. NCORR has designed this program under the assumption of a zero percent interest loan that requires no payments prior to a lump sum balloon payment due at the end of the affordability period.
9. Are the UGLG's costs to administer the program allowable? (Note corrected response from v.1)	We consider such costs to be Activity Delivery Costs. Activity delivery costs are allowable for the UGLGs and should be listed as a line item expense in your budget if you plan to charge for those services. Note that any activity delivery costs charged to NCORR must be accompanied by appropriate documentation (for example, time sheets for hours charged). Most of our similar projects charge 0 to 5% for that type of administration. NCORR has elected to cap these costs at 5%. Any costs charged to NCORR must be in compliance with 2 CFR 200 regardless of their nature.
10. Can multiple parties work on the application simultaneously?	If all the parties have access to the same email and password for the login and the applicant uses the "Save for Later" and the "Resume a previously saved form" at the top of the application page. It is not encouraged for people to work on the application at the same time because information may be lost.
11. Will NCORR provide technical assistance to UGLGs on collecting and preparing information for Davis Bacon and Section 3 compliance and other reporting requirements.	While it is anticipated that the UGLG may have prior experience, NCORR will provide all necessary technical assistance needed to assist the UGLG with all reporting requirements.
12. What project financial criteria will be used to evaluate applications? Is there a maximum cost per unit?	The evaluation criteria for the program are listed on the website. There is no maximum cost per unit, but NCORR will consider construction cost per unit when ranking proposals for award. NCORR will also evaluate debt service coverage ratio (DSCR) and will use the NCHFA standard of 1.15:1 as our guide to ensure that we are not awarding more funding to a project than is needed. This approach will allow us to optimize the limited amount of funding available for the program.

13. How long should the loan term be?	The loan term should be as long as the affordability period for the project with a minimum of 20 years.
14. What are the financial obligations if the project defaults?	NCORR will work with the UGLG partner to recapture any expended grant funds in a manner that creates the least disruption for the UGLG's financial situation.
15. If the UGLG partner intends to contract with a firm to help them manage the project, are they permitted to offer an RFP before receiving an award of grant funds? Understanding the cost of such services is an important element in preparing an accurate budget for the application, so having this information would be very helpful.	Yes, but any costs incurred prior to the grant awards being finalized will not be reimbursable, regardless of award status for the subject project.
16. Is it possible for us to see copies of the reimbursement cover sheet, Section 3 reporting form, Davis-Bacon reporting form and any other standard documentation used during the term of the grant?	Some examples will be posted on the website prior to the application deadline.
17. Can the application be modified? Can attachments be modified once uploaded?	Yes. All questions can be modified until submitted. Attachments will need to be changed and replaced if changes are made. Note that error messages will no longer be populated once answers or attachments are added. It will be up to the applicant to remember any changes they wish to make prior to submittal. No answers can be changed after submittal.
18. Once an application is saved, can the username and password be changed?	Yes. The applicant can change the username and password multiple times if they wish. This information cannot be changed after submittal, however.
19. Are there sample loan docs that we can reference?	NCORR is not requiring specific loan documents, but NCHFA has offered to provide samples for some of their existing programs. Those documents can also be requested by emailing tammy.wiggins@ncdps.gov .
20. Are there limits on file sizes? Should all plans be submitted?	There is a file size limit of 35 MB per response. Attach what you can. If additional attachments are necessary to review your request, we will set up a SharePoint folder for any additional documentation.
21. How will per unit costs be considered?	Costs per unit will be derived from traditional hard construction cost versus number of units; however, we will also consider total costs versus number of units and other comparisons as we see fit to process the whole picture of the project.
22. Do we need to attach updated letters of commitment?	This can be included in the question that asks for additional information that has changed or additional. All of the financial information will be requested for all sources before final awards are made due to our Duplication of Benefits analysis.
23. Do you have suggestions for insurance requirements particularly due to timing of agreements versus project start?	While each UGLG must determine their own requirements and procedures for insurance, one strategy would be to sign the agreement without the insurance certificates but include in the agreement that insurance certificates are required before a Notice to Proceed will be issued, and before any loan funds will be advanced.

Alternatively, certificates of insurance may be requested for the site or activity prior to signing the agreement at the parties' discretion. All insurance decisions should comply with 2 CFR 200.