Q & A from Email Inquiries

APPLICABLE TO ALL FUNDS

Aging Out

1. Q: When the children “age out,” the monies from this grant can no longer be used to serve those families. Is that correct?
   A: Correct.

Application

2. Q: Please clarify about the tabs for application submission. Do the tabs need to be only in the areas like A – Threshold Items, etc. Also, if we have an attachment, say for E.1., but we do not have a corporate seal and we need to include a copy of the Articles of Incorporation, do we also include a copy of the CD? And where do you want it so it meets your CD requirements?
   A: Applications should include tabs for each item on the Application Checklist (i.e. A.1 – A.21, etc.). Even if an item does not apply, please include a tab for it and explain why the item is not applicable. The files in the CD need to be labeled to correspond to the order of the checklist and binder tabs. Accurate assemblage of the binder and CD is required. See General Instructions of Appendix 1 and 2 and Addendum 1 for section on Negative Points.

DCFS Involvement

3. Q: The NOFA states that DCFS will be the entity responsible for developing and managing the client referral process and confirming eligibility. However, at the bidder conference, it seemed that referrals could come from avenues other than DCFS, but DCFS would still confirm eligibility. Just to clarify, will DCFS be the sole entity referring families to the program?
   A: DCFS will be the entity responsible for confirming DCFS involvement; however, referrals do not have to just come from DCFS.

4. Q: Is client eligibility determined by DCFS? Similarly, is client participation through DCFS referrals only, or can agencies serving the target population refer families for housing placement/rental assistance/supportive services under this First 5 LA Supportive Housing programs?
   A: DCFS will be responsible for confirming current or past DCFS involvement. Applicants will be responsible for verifying the age of children, income, and homeless or at-risk status. Clients may be referred by community-based organizations, in which case the applicant will be responsible for confirming DCFS involvement.

5. Q. Section 5 - As far as families who would be served under this grant, do ALL families with children age 0-5 need to have had contact with DCFS? Are those the only families who are qualified to receive funding from this grant?
   A: Yes.
Eligibility

6. Q: My organization is the named service provider for an agency applying for Capital Development Funds (they will be applying for capital and services). My organization would like to apply separately for Rental Assistance & Supportive Service funds for an entirely different project. Can we apply for Rental Assistance & Supportive Services since our request is unrelated to the aforementioned capital project?
   A: Yes, each applicant entity or General Partner may submit one application under each Fund. Also, as a lead service provider for a capital project, you would not be the applicant.

7. Q: If at least one of the partner agencies is a nonprofit but the property developer is not would our project application qualify? The developer has experience providing supported services and permanent housing to low income families.
   A: For-profit entities are eligible applicants under the Capital Development and Gap Financing funds. Non-profit and for-profit entities may also partner. For-profit entities are NOT eligible applicants under the Rental Assistance and Supportive Services fund.

8. Q: Am I allowed to apply for all of the programs, plus the supportive services piece?
   A: Yes, applicants may submit one application per Fund and each application may include a request for supportive services. See Sections 3.5, 4.5 and 5.5 Eligible Applicants.

Sex Offender Restriction

9. Q: Section 2.2.3 – Do all families with children age 0-5 have to undergo a Criminal Background Check in order to comply with the Sex Offender Restrictions?
   A: Yes. See Addendum 1.

Supportive Services

10. Q: At the conference, I think I heard that the funding cannot be used for supportive services which are “not related to housing”. However, Attachment 4 has a long list of required and optional services, many of which some folks might not consider directly related to housing such as adult mental health services, substance abuse services, recreational opportunities for children, health care services. We view many of these services as related to housing. For example, if a parent has serious unaddressed mental health or substance abuse problems they are going to have problems stabilizing their family and housing situation. So we must address these issues. It seems like First 5 LA agrees because you have made these required services. Can you please give some examples of services which cannot be funded under support services, so we can better understand what “not related to housing” means to First 5 LA?
    A: First 5 LA funds may not be used for “stand-alone” supportive services, or services that are not connected with a housing component. First 5 LA funds can cover costs related to providing the range of services that help to stabilize families in housing, including all the services listed in Appendix 4, with the exception of legal assistance.

11. Q: For how long does the agency have to provide supportive services?
    A: Capital Development and Gap Financing Fund projects are expected to provide supportive services to the target population for a minimum of 30 years depending on the loan term. The Rental Assistance and Services Fund is a 2-year program.
Threshold Requirements

12. Q: The instructions on the bottom of the Consolidated Plan Certification form in Appendix 1 describes items above and below a “double line”. There is no double line on the page. What is the process for handling this form?
   A: The “double lines” refers to the line above “Name of Certifying Jurisdiction” in the revised versions of Item A.10 of Appendix 1 or Item A.9 of Appendix 2. Complete the information being requested above this line, then submit this form to the entity responsible for developing the Consolidated Plan for the jurisdiction in which the project is located. Applicant should consider ample processing time. The applicant is responsible for including this form in the application. See further explanation in Question 8 of the Q & A from the Bidder’s Conference.

13. Q: Our agency is located in SPA 3, the San Gabriel Valley. Who specifically do we ask for the Consolidated Plan Certification?
   A: See further explanation in Question 8 of the Q & A from the Bidder's Conference.

14. Q: The Certificate of Good Standing is typically requested on an annual basis, not every six months. Due to State staffing reductions and other budgetary issues, it now takes at least seven weeks to receive a new copy of the Certificate. Even if we had requested a new copy on the very first day this NOFA was released, we would not have received it in time for this application. Will you consider altering or removing the requirement that the Certificate be no more than 6 months old?
   A: A Certificate of Good Standing not older than 12 months is acceptable. See Addendum 1.

15. Q: According to the Application Checklist, it says that the applying agency must provide the “Tax-exemption letter from the Internal Revenue Service.” Just to verify, we must furnish our 501c3 letter, with the name of the organization clearly stated on the letter and the organization’s tax ID number. Correct?
   A: Correct.

Other

16. Q: For the purpose of exploring potential collaborations, would you be able to provide a copy of the conference sign-in sheet?
   A: The sign-in sheet has been posted. See NOFA website under Mandatory Bidders’ Conference section.

17. Q: What is an organization to do if they do not have a board meeting scheduled between the issuance of the RFP and the due date of the proposal in terms of provision of the minutes of the board meeting wherein approval was given for the agency to apply for the funding? We have a provision that allows us to take votes via email for time sensitive motions like the one required which we usually list as an action item that is taken without a meeting (this is a fairly common practice amongst nonprofit entities) will this suffice for the board minutes?
   A: Yes. The provision in the bylaws to allow voting by e-mail must be provided. And, documentation must be provided specifically stating that it is a Board action and the specifics of the action and the outcome of the vote.

18. Q: Will LAUP provide funding to those children that are 4 years that are eligible for preschool?
   A: First 5 LA funds may be used to serve families with children age prenatal to five that meet the eligibility criteria in Section 2.2. We cannot respond on behalf of LAUP.
CAPITAL DEVELOPMENT AND GAP FINANCING FUNDS

Aging Out

19. Q: If a potential project receives an award from the Capital Development Fund for capital expenditures for construction and the project also has an award of Section 8 project vouchers for all of the units, all of which are restricted at 30% & 40% AMI, what happens when the youngest child in the household reaches the age of 6 assuming the household is not receiving assistance from First 5 LA?
   A: The family may remain in the unit or be given the opportunity to move to a more appropriate housing situation. If the family remains in the unit, the family shall not be assisted with First 5 LA service funding, and the next available unit shall be made available to a family with a child prenatal to five years.

Application

20. Q: On Appendix 1 – C.13, are the blue numbers in row 5 supposed to be for each unit of cash flow. Do we then only fill-in up to the amount of units we are requesting for?
   A: The blue numbers in row 5 correspond to each year following occupancy, from Year 1 to Year 30. Cells in C.13 will automatically populate because cells are linked to C.3 Permanent Financing, C.7 Operating Budget and C.12 First Year Income and Expense. Applicants must review for accuracy.

21. Q: F.4 on Appendix 1 checklist says experience for Managing GP and refers to NOFA 11.3.3 which deals with Property Management, please clarify?
   A: The NOFA reference for Development Team is 11.3. This has been corrected in the revised Appendix 1.

22. Q: How is tab F.4, GP Experience, different from tab F.3, Long-term Owner Experience?
   A: F.4 should detail the experience for the Managing General Partner, while F.3 should detail the experience of the entity that bears day-to-day responsibility for operations. See NOFA Section 11.3.2.

23. Q: On tab B.1 of the application, where should the request for transition reserve funds be indicated? In the Operating Subsidy line?
   A: Appendix 1 has been updated to include this correction. See Addendum 1.

Design

24. Q: A question regarding Appendix 11: It appears that there are conflicting energy performance standards in the document. Page 3 of Appendix 11 indicates 20% better than T24 whereas Page 19 of Appendix 11 indicates 15% better than T24. Can you please confirm the minimum requirement?
   A: Substantial rehabilitation projects noted on page 3 of Appendix 11 requires that energy be reduced at least 20% from the baseline. For new construction projects, as noted on page 19, you must exceed Title 24 by 15%.

25. Q: Section 3.8 requires vetting by a design review body for substantial rehabilitation projects. Can you give examples of acceptable design review bodies?
   A: Vetting by a public design review body is not a requirement. However, if the project is subject to this by its local jurisdiction, then the NOFA design evaluation will take this into consideration when the applicant identifies specific design elements that do not adhere to the Architectural Design Guidelines because of input by a public design review body.
**Eligible Uses of Funds**

26. **Q:** Can Capital Development funds be used to purchase a site that includes an existing structure, with a plan to build an additional (new) structure on the site that will be used for housing the target population?
   **A:** Yes.

27. **Q:** We would like to acquire a building that is currently occupied, but which is scheduled to lose its program funding (and therefore to become vacant) in mid-2013. Is this project ineligible for Capital Development funds under this NOFA because the building is currently occupied, or is it eligible because it is scheduled to become vacant?
   **A:** Acquisition-only projects are eligible only if the property is vacant at the time of the NOFA application and requires no relocation. Other types of projects involving relocation are eligible. See Addendum 1.

28. **Q:** Is it possible for me to add on to the new housing project a charter school for children K-6 and add an age group every year on the same lot?
   **A:** In your application you can include the charter school as part of your design plans but First 5 LA funds may only be used for development costs related to the set-aside units.

29. **Q:** Will I be able to add a recreation center within the complex?
   **A:** In your application you can include a recreation center as part of your design plans but First 5 LA funds may only be used for development costs related to the set-aside units.

30. **Q:** If I am selected will I be able to build a new housing complex with all amenities?
    **A:** At the time of the application, applicants must include design plans for the housing development being proposed, which may include various amenities. An application that does not include all the design and construction submittals will not be considered complete and will not pass threshold.

31. **Q:** Will I be able to include a library within the complex and a dress for success closet and beauty salon for those families that are working outside of the home, attending school; etc.?
    **A:** The project may include any relevant service amenities and/or commercial space, but First 5 LA funds may only be used for development costs related to the set-aside units.

**Eligibility**

32. **Q:** On page 13, section 3.5.2, where it states that you have to “have at least two years experience providing services and permanent housing placement to families with young children . . .” We have a THP-Plus contract, which is transitional housing, and have experience in working with young women with babies. We have had the contract since 2009 but have not always had young women with babies in the program. Would that qualify as experience?
    **A:** Yes, if the experience includes placing the young women with babies into permanent housing when they complete the transitional program.

33. **Q:** We have been approached by two organizations about subcontracting with them due to our experience in providing support services to the target population and especially our expertise with the 0-5 population and child welfare involved families. Both of these organizations are interested in the Capital Development Funding. For this fund there are Lead Service Provider Requirements (3.5.2, pg. 13), and we would like a further definition of experience providing permanent housing placement to homeless families. We have been providing a wide range of services to both homeless families and DCFS involved families for years, and have numerous contracts and community partnerships which we could bring to the table as leveraged funds such as children’s mental health contracts, child welfare
contracts, supported employment for parents, etc. One of these contracts is Family Preservation contracts which we have had for years, and under this contract, we have helped numerous families find permanent housing. Would this qualify as permanent housing placement?
A: Yes, assisting families in locating and securing permanent housing will qualify as permanent housing placement experience under the Capital Development and Gap Financing Funds.

34. Q: If this is our first time running and operating permanent supportive housing units, does that mean, based on 3.5.1, we are ineligible even if we have successfully run a similar scale transitional or emergency shelter for over 30 years and helped our clients into permanent housing with the support of Shelter 8 vouchers? If this is the case can we partner with someone who has Permanent Supportive housing experience so we can be eligible to receive funds? Would they be the lead applicant?
A: Experience operating permanent housing is required for a proposer to be eligible to apply under the Capital Development Fund. You can apply as a joint venture with another organization that has the necessary experience, but there would need to be a contract or agreement in place.

35. Q: Are the First 5 LA funds only available to nonprofits?
A: Please read Section 3.5 and Section 4.5 Eligible Applicants (for Capital Development and Gap Financing Fund).

36. Q: Do you have to have a selected site and specific project before you can apply?
A: Please read Section 10.2.2 Site Control.

37. Q: Can one solely invest in a project in need of gap financing?
A: Please read Section 4.5.1 Developer Requirements (for Gap Financing Fund).

38. Q: Are existing transitional facilities that are shifting from a 24-month housing program to a permanent supportive housing model eligible for funding under the Capital Development Fund? We have a request into to HUD and upon approval the program will offer new permanent supportive housing units.
A: The Capital Development Fund does not allow for rehabilitation-only projects. See Addendum 1.

39. Q: Please clarify whether a property which is currently operated as transitional housing would be eligible for funding under the “Capital Development” Component of the RFP, if part or all of the building is converted into permanent housing. While the property is currently occupied by the transitional housing program participants, due to the transitional nature of the housing, it is very feasible to set aside 35% of the units within the building for permanent supportive housing fairly quickly, with no relocation, through attrition.
A: Rehabilitation of existing housing currently in operation is not eligible.

40. Q: Please also clarify whether such a property would need to be acquired by an entity other than the current owner in order to qualify as an “acquisition/rehabilitation” project or whether the current owner could apply for rehabilitation only funding.
A: The Capital Development Fund does not allow for rehabilitation only projects. See Addendum 1.

41. Q: If we are applying as a joint venture with multiple agencies, how many agencies can be in the joint venture? For Capital Dev Fund, Form B.2 allows for one Developer/General Partner and one Co-Developer/Co-General Partner. For Rental Assistance/Services Fund, Form B.1 allows for only one Applicant agency.
A: The joint venture may include multiple agencies. The revised Rental Assistance and Services Fund application contains space to include information for partner organizations.

42. Q: In evaluating the NOFA, my plan would be to purchase single family homes that are foreclosures or short sales, renovate them and rent them to families under the NOFA
guidelines. The benefits are it would be more cost effective and would streamline the process to place the families in homes by providing a turnaround in relationship to new construction or acquisition and rehab of apartment units. It would also provide families with a home environment (back yard etc.) and neighborhood environment. At the same time, it would revitalize and stabilize the neighborhood. Is this allowable and do the supportive services have to be provided on site?

A. No, this scenario is not eligible; it will not meet the requirements of this NOFA, especially the “Aging Out” provision.

43. Q: Please confirm if funding can be utilized in both the City and County of Los Angeles for new construction.
A: All projects must be located within Los Angeles County. Capital Projects are eligible as long as they are not located within 500 feet of a freeway. See Section 3.2 and 4.2 Geographic Limitations.

Feasibility Criteria

44. Q: Is an appraisal required for a project involving donated land which is not a cost in the project budget?
A: Yes. An appraisal is required for all projects regardless of whether the land or property value is included in the project budget.

45. Q: Do we need to provide an appraisal if we have owned the property for 15 years? We are not requesting acquisition funding. We are requesting funding to renovate the property.
A: REVISED RESPONSE: Rehabilitation only projects are not eligible.

46. Q: The NOFA states that an attorney’s opinion is still required if the project requires payment of Davis-Bacon Federal Wages however the checklist Section K states that an attorney’s opinion is only required if the project is exempt from prevailing wages. Would you please clarify?
A: A legal opinion is required if the project is exempt from State Prevailing Wages, regardless of whether the project will be subject to Davis-Bacon Federal Wages.

Relocation

47. Q: Will a commercially zoned site that involves the potential relocation of month –to –month commercial tenants be acceptable for this NOFA (no residential relocation)?
A: Yes, the relocation restriction is removed for new construction and acquisition with substantial rehabilitation. See Addendum 1.

48. Q: It was stated that capital projects with commercial relocation are eligible to apply; is it a requirement to include a commercial relocation plan with the application, or do we just need to identify who will prepare and carry out the relocation plan?
A: A relocation plan and existing tenant profiles are required if the project necessitates any type of relocation. Include these items as A.17 a, b, and c, as applicable.

49. Q: For an acquisition with substantial rehabilitation project that we are acquiring, do we have to fill out appendix A17.B if no relocation of tenants contemplated?
A: All capital projects must complete the relocation questionnaire (A.17). A.17a and A.17b are to be filled out as appropriate.

Scoring

50. Q: It was stated that [points for] Development Feasibility [for Capital Development Fund] was going to be revised. The exact numbers were flashed very quickly so I believe that a
51. Q: What is the exact definition of long term operating subsidy to garner full capital development feasibility points on page 42 of your NOFA?
A: A long term operating subsidy is a commitment evidenced by an executed contract or Board resolution that provides a rental or operating subsidy to a housing development for more than one year. Examples are found in: Section 3.6.2 - 3rd main bullet, Section 4.3 - 2nd bullet and Section 4.6.1 - 3rd main bullet.

52. Q: Specifically, what does a long term operating subsidy agreement need if a private funder, such as a foundation or city or developer wants to fund a long term operating subsidy?
A: Yes. The privately funded operating subsidy has to be evidenced by a detailed commitment letter on letterhead that includes number of units, term of contract, project location, subsidy amount, and be signed by an authorized signatory.

53. Q: If a project has no committed construction or permanent financing sources, and no committed operating subsidy, but would be feasible with just a First 5 commitment and low income house tax credits, would that project score zero (0) in the Readiness category, making it ineligible to apply because of the minimum threshold of 287 points in the Development Feasibility category?
A: If the proforma adequately demonstrates that the project can be financially feasible with only First 5 LA funds and tax credits requires no operating subsidy it may earn points for readiness. See revised Readiness scoring in Addendum 1.

54. Q: If a developer has one source of private funding committed, does that qualify as "local permanent financing subsidy" for readiness purposes?
A: The scoring for this section has been modified to award points for any permanent financing commitment of $250,000 or more. See Addendum 1.

55. Q: In the table for 11.3.2 Long-Term Ownership Experience, why does scoring go up to 50 when the maximum points considered is only 25 points?
A: The scoring has been corrected to go up to 25 and correspond with maximum points. See Addendum 1.

56. Q: For section 11.1 Minimum Score Required, 70% of the total points allotted for the Capital Development Fund for Development Feasibility should be 280 and not 287 as written (70% of 400 is 280 not 287).
A: This has been corrected. See Addendum 1.

57. Q: In section 11.2 Development Feasibility, the way the matrices are explained, to meet the 70% threshold requirement all applicants must already have their Low Income Housing Tax Credit Allocation to get the 200 points within the Capital Development Fund section. However, CTCAC will not award Tax Credits without all the local sources being committed; in this case including the First 5 LA funds. Therefore, any one with their LIHTC allocation would not apply to the Capital Development Fund unless they had a gap in their financing, which they would then apply to the Gap Financing Fund.
A: This has been corrected. See Addendum 1.
58. Q: At the time of application submission, does the project need to provide evidence of having secured other Capital financing sources (to fund costs associated with units not reserved for the target population)?
   A: Yes, to earn points for the Readiness category the project would need to have a permanent funding commitment of at least $250,000 for the project as a whole. See Addendum 1.

Subsidy per Unit

59. Q: In regards to the First 5 LA NOFA, will the addenda address the maximum subsidy per unit per bedroom size that a project can ask for?
   A: A project may receive up to $200,000 per unit, for all unit sizes. Studio and SRO units are excluded as eligible First 5 LA units because they are not appropriate for families. This information is provided in Appendix 1, Section B.1 Project Summary. Please also see Addendum 1.

60. Q: Will there be a maximum subsidy per unit per bedroom size to be calculated?
   A: A project may receive up to $200,000 per unit, for all unit sizes. Studio and SRO units are excluded as eligible First 5 units because they are not appropriate for families. This information is provided in Appendix 1, Section B.1 Project Summary. Please also see Addendum 1.

61. Q: Will the First 5 LA subsidy only be allowed for the First 5 LA units?
   A: Yes, the First 5 LA funds are for the purpose of setting aside 35% to 50% of total project units for the target population.

Supportive Services

62. Q: The NOFA limits us to $200,000 for supportive services reserve for two years but underwriting guidelines limit to $50,000 annually which is $100K. How would we be able to show need for $200,000?
   A: The $50,000 underwriting guideline only limits the amount of Resident Service Coordinator costs that can be funded from project cash flow. The supportive service funds are available for projects that require additional resources for supportive services.

Threshold Requirements

63. Q: On 10.2.4, how old can the Article 34 letter be and still be valid for this NOFA?
   A: Not older than one year.

64. Q: Can the letter from the local jurisdiction acknowledging that the applicant is applying be the same letter as the local support letter provided both items are covered? (checklist items A.9 and K1).
   A: A single letter can be included for both sections if the letter addresses both requirements.

65. Q: Does an existing lease (without a purchase option) satisfy the site control requirement described on page 36 of the NOFA?
   A: Yes, however the long-term lease agreement must include an expiration date.

66. Q: For a new construction project located above an existing podium parking structure (site control thru a long term master lease for air rights), we assume a Phase I and Topography survey are not applicable, correct?
   A: No, it’s important to include the topographic survey because podium projects will have at least an entryway and elevator lobby that must be on an accessible path (and connected to local transit via the public sidewalk). Also, podium projects are not exempt from potential risk due to environmental contamination. Include the Phase I report.
**Underwriting**

67. Q: What is the current AMI that First 5 LA is expecting applicants to use?
A: Units reserved for the target population must be affordable at or below 30% AMI. Applicants should utilize the income and rent levels published by the California Tax Credit Allocation Committee, which can be found at [http://www.treasurer.ca.gov/ctcac/2012/supplemental.asp](http://www.treasurer.ca.gov/ctcac/2012/supplemental.asp), or those of the more restrictive funding source.

68. Q: If a project qualifies as a Special Needs project (i.e., at least 35% of the units serve a SN population), can the project be underwritten assuming the SN minimum operating expenses for all units?
A: The Special Needs minimum operating expense may be used, or the overall minimum operating expense may be calculated proportionate to the number of units in each category in NOFA Section 12.4.

69. Q: Please clarify when the First 5 LA transition reserve can be accessed by a project. Why will First 5 LA hold this reserve?
A: The transition reserve will be held by First 5 LA and can be accessed if the project is not able to secure a long term operating subsidy by the time of occupancy or if the project loses its long term operating subsidy.

70. Q: Can more than 50% of the project units target households at 30% AMI, as long as the share of First 5 LA units doesn't exceed 50% (Section 10.2.5)?
A: Yes. Applicants need to take into consideration the “Aged-Out” provision when determining the Project’s unit mix and income targets. See Sections 3.6.1 and 4.6.1 Housing Development Minimum Requirements.

71. Q: Given that the application requires a 30-year cash flow, can the underwriting assume renewal of the HAP contract in Year 16?
A: Yes, make note of this assumption at the bottom of this worksheet.

72. Q: On tab C.9, the tax credit rates are not consistent with TCAC’s most recent funding application. It should be 7.5% for the rehabilitation credits and 3.2 for the acquisition credits and 4% program.
A: Use the below updated 2012 tax credit rates from TCAC, which are included in Addendum 1.
- 9% projects- Acquisition: 3.2%; New Construction: 7.5%; Rehabilitation: 9%
- 4% projects- Acquisition / New Construction / Rehabilitation: 3.2%

73. Q: On the First 5 LA Appendix 1 application, you have a 4 percent LIHTC factor of 3.5%, which under current market conditions is not realistic and Novogradac has listed monthly rates more around 3.2%. May we change our proforma to assume 3.2% rate?
A: See above question and Addendum 1.

74. Q: The underwriting guidelines indicate that the maximum DSCR in Year One is 1.15 and that the minimum DSCR over the “remaining years” can be no lower than 1.15. Will the County consider a policy like that of TCAC, which allows a higher DSCR in Year One in order to maintain a minimum 1.15 DSCR for the remaining years (Section 10327(g)(6) - Except where a higher first year ratio is necessary to meet the requirements of subsection 10327(f))?  
A: No, the underwriting guideline will not be changed. First 5 LA may consider this during underwriting.
Other

75. Q: Under 3.6.1, where you have to set aside 35% of the project for this population, does it mean that if you have the apartments set aside and have no one that qualifies to be in them that they have to remain empty until you find someone?
A: Yes. However, the experienced property managers will work to minimize the vacancy period.

76. Q: Under 8.1.1 where it notes that the funding commitments are valid for 12 months, does that mean you have to start construction within 12 months or just have the rest of the funding secured?
A: Construction should commence within 12 months; see Addendum 1.

77. Q: We are only interested in providing the supportive services for this initiative, but are not going to apply directly for the Rental Assistance and Services Fund. We are only interested in sub-contracting under the Capital Development Fund. From the RFP it seems like First 5 LA would be executing both a loan AND a grant agreement with the applicant (our partner). Is this correct, and our agency as the Lead Services Provider would not be executing a grant agreement with First 5 LA.
A: If service funds are requested under the Capital Development and Gap Financing Fund, there will be a contract executed between First 5 LA and the Lead Service Provider that will be separate from the Loan between First 5 LA and the Housing Developer.

78. Q: Under Capital Development Fund, I thought I heard yesterday that 50% of the Supportive Services funds need to be expended within the first year, and the remainder by the end of year two. Our partners will be building the building during this time. So are you saying that after the building is completed, that the clock begins ticking on supportive services for the target population?
A: Yes, the 2 years begins at Certificate of Occupancy. See Addendum 1.

79. Q: Substantial Rehab versus New Construction: How will a site that includes a non-residential rehab component, which is segregated from the remainder of a residential project that is entirely new construction be handled?
A: The residential portion will be evaluated as a complete stand-alone project, regardless of the other activities on the site, and will subject to all the standard requirements.

RENTAL ASSISTANCE AND SERVICES FUND

Application

80. Q: In regards to Appendix 2, section B.2, Program Narrative, the General Instructions state that narrative boxes can be expanded to the size of an additional paragraph. The proper method by which to expand the boxes is unclear. The General Instructions state that the cells can be “unprotected,” however, they do not seem to be protected in the first place. Please provide clarification on the proper method to expand the boxes.
A: Place the cursor on the row number (on the left) which you want to expand. Once the cursor changes to a double sided arrow, drag the row down to expand the size of the box. Disregard the notice about unprotected the worksheet.

81. Q: B.1.4 – Estimated Number of Families Served through Rental Assistance and Service Program. Is this the number we are proposing to serve with the funds from this grant? Not the number we currently serve without the grant.
A: Yes, this should be the number of families you are estimating to serve with the grant funds. See Addendum 1 – this has been clarified in the revised Appendix 2.
**Eligible Uses of Funds**

82. Q: Does an organization have to offer all of the assistance or can they choose to offer the Arrears and or Move in costs?  
A: Selected providers must offer all of the types of assistance described in Section 5.6.1. The types of assistance any given family should receive will depend on the Provider's needs assessment.

83. Q: May we use rental assistance funds to pay for motel vouchers for homeless families while they are waiting to move in to a unit?  
A: Yes, funds may be used to pay for up to 30 days of a hotel/motel voucher when rental housing for a family has been identified but is not immediately available, provided there are no appropriate available emergency shelter beds. See Addendum 1.

84. Q: May we use rental assistance funds to pay for the housing locator function, including lease negotiation?  
A: No. The cost of the housing locator function is part of the supportive service component.

85. Q: For the Rental Assistance & Service Fund, are agencies able to use existing housing stock (apartments) to house the parents and children or are we to exclusively use new housing stock?  
A: Yes, but applicant may not utilize First 5 LA funds to provide rental assistance for housing stock that is owned by the applicant entity or affiliates.

86. Q: For the Rental Assistance & Service Fund, if there are parents and children currently being housed in our program, would we be able to move them onto this contract? If so, could we move the existing leases onto this contract, or would we need to move them into new apartments with new leases?  
A: No, First 5 LA funds should be used to provide assistance to families currently homeless or at risk of homelessness and may not supplant any existing resources.

**Eligibility**

87. Q: In Section 2.1.3, it says, “Successful applicants will be required to provide both rental assistance and supportive services.” In order to qualify for the grant, how much experience does the agency need to have in both rental assistance and supportive services? One year?  
A: Please read Section 5.3 Eligible applicants. Applicants must have at least two years of experience providing services and permanent housing placement and at least one year of rapid re-housing experience.