

Notices: Questions Asked and Answered

2022 Competitive Housing Development Request for Grant Applications (RFGA)

Licensed Residential Treatment Homes or Facilities

April 29, 2022

Notices

Questions + Answers

Housing Type and Population

- 1. Q: Can the SDOH approve the grant to our non-profit if we have identified a property but are still performing due diligence on to determine if it is fit or do we need to have an executed contract by the July deadline**

A: A: No you do not, please see addendum posted on 07/18/2022

- 2. Q: What is the degree of involvement by the SDOH in approving a property that the Non-Profit is considering using the grant to acquisition? Can it be used for a down payment for new or pre-existing construction, rehab properties etc?**

A: If awarded SHOH works closely with Applicant to determine the status of the property.

- 3. Q: Is it possible for a 30 unit complex to be considered as dual projects if it is designed to meet the needs of two separate communities of color?**

A: Each project requires an application.

- 4. Q: When approved, what is the timeline for securing the funds from the grant and after a property has been secured, can funds from the grant be used for earnest money, inspections, environmental studies etc?**

A: If it is part of the startup cost for the license application. (Please refer to start up definition)

5. Q: Should a developable property be secured with the grant and that property is further expanded in the future, does the State have a Position of Interest in the property? If so, will the issuing agency subordinate to a development loan?

A: Because we are changing our method to secure properties from a Trust Deed to Declaration of Restricted Covenants the state (OHA) will not have a security interest in the property therefore there is no need to be concerned about subordination or any subordination agreements if financing from outside of OHA is invested in the project.

6. Are temporary housing structures allowed on the sites that the grant has been used to procure?

A: We would need more information to consider this issue. It depends on what is meant as temporary housing structures. The preferred use of funds would be for permanent housing structures.

7. Finally, are there city agencies that land bank properties that could be donated to our non-profit to be developed? If so, would the grant still be accessible to provide structure, housing and necessary service for the project?

A. We do not have a business relationship with city agencies that have properties land banked. However, you may certainly use OHA funds to acquire the land and build a structure on the property.