

HOP-MF Application Guidance

As of May 12, 2023

An accurate and complete application must be received prior to the June 6, 2023 deadline. The following is an instructional guide intended to assist applicants in completing the application and providing the appropriate supporting documentation. Applicants should also reference the slides from presentations provided by PHFA and the FAQ guide. If these resources do not address your question, please reach out to PHFA through HOP-MF@phfa.org.

Registration and Login

Registration

Applicant must first register for the website to complete the application process.

1. The link to register is in the upper right corner of the webpage. Left click the "Register" link to start the process.
2. The applicant will be prompted to complete the fields listed below to complete the initial registration process:
 - a. First Name- Enter your first name.
 - b. Last Name- Enter your last name.
 - c. Email- Enter your email address.
 - d. Password- Enter your password.
 - e. Confirm password- Re-enter your selected password.
3. Left click the blue Register button to complete the registration process.

Login

Once the applicant has completed the registration process, the Login selection will be used to complete the application and provide the required documentation. The application does NOT need to be completed in one session. You may login as often as needed to revise your submission prior to the application deadline of June 6, 2023.

1. The link to access the Login page is in the upper right corner of the webpage. Left click the "Login" link to complete the login process.
2. The Log in screen will prompt the applicant for information provided during the registration process.
 - a. Email- Enter your email address from Registration.
 - b. Password- Enter your password from your Registration.
3. Left click the blue Login button to complete the log in process.

If you have forgotten your password, need to register as a new user, or have an email confirmation resent, left click on the appropriate link and follow the prompts.

HOP-MF Application

HOP Applicant Information

The HOP Applicant Information page is where you will enter the OFFICIAL name of the applicant's project. This project name will be the one used in all HOP-MF contracting and marketing materials. Changes to the Name of Project/Development **CANNOT** occur once submitted.

1. Enter the name of the project/development into the area under "Name of Project of Development Applying for Funding". The project name cannot exceed 500 characters.
2. Left click "Next" to save the information.
NOTE: Once "Next" has been clicked you will no longer be able to change the name of your project/development.

Eligibility Question

Your answer to the listed questions will indicate whether your project is eligible for HOP-MF funding.

1. Read through the questions to determine funding eligibility.
2. Select either YES or NO.
3. Left click "Next" to save your information.

If your answer is YES- the project does not qualify for HOP-MF funding and your application process will end.

If your answer is NO- you will continue to the next screen.

Applicant Contact Information

You will need to provide contact information for the developer/owner (the main applicant). If there is a co-applicant on the project, their contact information will also need to be provided.

NOTE: If you are a consultant- there will be a page further in the application package to provide your business information.

1. You will be prompted to complete the following fields to provide the relevant contact information for the primary party involved in the project:
 - a. First Name (Up to 25 characters)
 - b. Last Name (Up to 25 characters)
 - c. Organizational Name (Up to 150 characters)
 - d. Street Address (Up to 250 characters)
 - e. Municipality (Up to 50 characters)
 - f. County (Up to 50 characters)
 - g. State (Up to 2 characters)
 - h. Zip Code (Up to 25 characters)
 - i. Phone (Up to 25 characters)
 - j. Email (Up to 100 characters)
2. Co-Applicant Info- If there is more than one party involved in the project. Their information will also need to be provided. Refer to item 1. for the items to be included.
3. Left click "Next" to save your information.

Acknowledgements and Disclosures

1. Carefully read all listed acknowledgements and disclosures items.
2. “Check” each box next to “I Acknowledge”.
NOTE: If you DO NOT “check” all boxes for the acknowledgements, you will be unable to continue the application process.
3. Left click “Next” to save your information.

Funding Questions

You will need to carefully read the options listed below and select which one best suits the scope of your project. The options you may choose from are listed below along with additional information detailing the specifics for each program.

ONLY ONE OPTION MAY BE SELECTED PER APPLICATION

1. New Construction and/or Construction Conversion

NOTE: Construction conversion is defined as rehabilitating a building into housing that was not previously housing (such as a school or hospital).

Additional Information: Maximum of \$100k per unit OR \$7.5M per project- whichever is less.

Project must be consistent with LIHTC design and construction standards (including ADA standards). No HOP funds can be used for demolition.

2. Project Rehabilitation and/or Preservation of Existing Affordable Housing

NOTE: The existing housing should be either naturally occurring affordable housing and/or have income deed restrictions or contracts associated with the property.

Additional Information: Maximum of \$60K per unit or \$5M per project- whichever is less.

Proposed work must address at least 1 critical repair but can also be used to provide quality housing for tenants. At least 90% of units must have existing tenants meeting the definition of Low-Income. No residents should be permanently displaced. Properties must be occupied by low-income households upon lease-up/ turnover.

3. Emergency Repair

NOTE: This option is ONLY to address emergency repairs (such as an actively leaking roof, broken windows, leaking pipes, etc.) If the scope of work will be larger than an emergency (such as also including appliance upgrades, minor interior repairs, painting, etc.), the “Project Rehabilitation and/or Preservation of Existing Affordable Housing” will need to be selected in lieu of the Emergency Repair category.

Additional Information: Maximum of \$50K per unit or \$1M per project- whichever is less.

Proposed work can only address critical repairs. At least 90% of units must have existing tenants meeting the definition of Low-Income. No residents should be permanently displaced.

The next screen you see will be unique to which option you select:

Grant Funding and Timelines (For all Application Types)

You will need to provide at least TWO construction bids for your project with your application. The items below will need to be completed to move forward.

1. Grant Amount- Enter the amount of funds that you are seeking for your project through the grant program.
2. Total Development Cost- Enter the total projected cost of the project.

NOTE: Applicants will need to provide at least a 25% match towards the Total Development Cost and provide appropriate documentation. (If Total Development Cost is \$50,000, applicants will need to provide at least \$12,500 towards that goal with the difference of \$37,500 being provided by the Emergency Repairs Grant.)

3. Construction Start Date- Enter the start date for construction to begin.

Anticipated Construction Completion Date- Enter the anticipated date of completion.

All work should be completed in time to meet the grant expenditure deadline of December 31, 2026.

Construction Financing, Bridge Loans, etc. (if applicable)

Complete the form with the applicable construction financing information if relevant to your specific project. The information listed below will need to be provided for each source (if applicable). If additional space is needed, the remaining items can be included in the Excel Spreadsheet included in your upload.

1. Source Name- Name of Funding Source
2. Amount- Loan Amount
3. Rate and Term of Loan- Rate and Term of the Funding
4. Contact Name- Name of your Contact for your Financing
5. Contact Phone- Phone Number for the Contact Name you Listed

Matching Sources

Applicants are required to provide matching funds (Equity and/or Grants) or at least 25% of the total development cost. Use the spaces provided to indicate the following:

1. Source- List the name of the Funding Source.
2. Amount- List the amount being provided by the Funding Source.
3. Repeat if needed to provide all sources.

NOTE: If you are unable to provide the matching amount through equity or grants, you will need to contact Jordan Laird jlaird@phfa.org for first mortgage financing information through PHFA.

Federal Subsidies

You are required to indicate if any Federal Subsidies are financing any portion of your project. Follow the instructions below:

1. Select YES or NO
 - a. If YES- "Check" ALL that apply to your specific project.
 - b. If NO- Continue to next page of the application.

Existing Affordability Restrictions

The items below will need to be answered to move forward:

1. Does the property have an existing Indenture of Restrictive Covenants (IRC) or Land Use Restrictive Agreement (LURA)?
 - a. If YES- Indicate expiration date and attach a copy of the agreement.
 - b. If NO- Continue to next section.
2. Does the property have an existing Housing Assistance Project (HAP) Contract?
 - a. If YES- Indicate expiration date and attach a copy of the agreement.
 - b. If NO- Continue to next section.
3. Are there any other covenants, declaration, contracts, etc., that restrict affordability?
 - a. If YES- Describe in detail in the space provided AND attach a copy of the document.
 - b. If NO- Continue to next page.

NOTE: Applicants are required to identify the number of housing units that will be both affordable and available to households at or below 60% AMI. This will be done using the Unit Configuration & Rental Income Projections from the required supplemental Excel document that is included later in this application.

Operating Subsidy Sources (If applicable to your project)

The following are to be completed if they are applicable to your project.

1. Project Based Section 8 Assistance/ Housing Assistance Payment Contract
 - a. Enter the number of units under contract.
 - b. Enter Annual Assistance Payment.
2. Rural Housing Services -515 Rental Assistance
 - a. Enter the number of units under contract.
 - b. Enter Annual Assistance Payment.
3. Non-Project Based Subsidy (Transitional Rental Assistance Program, Tenant Based Section 8, etc.)
 - a. Enter the number of units under contract.
 - b. Enter Annual Assistance Payment.

NOTE: If the development only has Voucher-Based Section 8 and not Project-Based Section 8, provide a letter from the local housing authority detailing the demand for voucher-based units.

All funding sources listed on this page will need to be verified in the HOP-MF spreadsheet attachment.

Critical Repairs: Emergency Repairs (If this option was selected during the “Funding Questions” section)

1. Select all the options that apply for your emergency repair requests.
2. (If Applicable) List any additional items under the “Other” section. Anything entered into the “Other” section will need to be evaluated by PHFA before a determination is made.

Critical Repairs: Preservation Repairs (If this option was selected during the “Funding Questions” section)

1. Select all the options that apply for your critical repair requests.
2. (If Applicable) List any additional items under the “Other” section. Any items entered into the “Other” section will need to be evaluated by PHFA prior to issuing any determinations.
3. Select all applicable “general” repair requests.
4. (If Applicable) List any additional items in the last section. Anything entered into this section will need to be evaluated by PHFA before a determination is made.

Resident Displacement (For Emergency and Preservation Options)

You will need to indicate if any residents will be displaced due to your proposed project.

- If your answers indicate that YES residents will be displaced, a temporary relocation plan must be provided with your application.

NOTE: PHFA WILL NOT AWARD FUNDING FOR ANY PROJECTS THAT PERMENANTLY DISPLACE RESIDENTS.

Project Readiness

Applicants must be able to confirm that the project will be able to move forward in a timely manner and be completed within the time allotted.

1. Indicate YES or NO to “Has a contractor been identified.”
 - a. If YES- Provide the name of the contractor (Up to 75 characters).
 - b. If NO- continue to next questions.
2. Provide appropriate YES or NO indications for the additional questions on this screen.

Note: Applicant should include all documentation pertaining to project readiness (permits, bids, designs, etc.)

General Application Questions

This page is for consultants to provide their information and explain their role within a project.

1. Indicate YES or NO to if you are completing this on behalf of another organization.
 - a. If YES- Complete all sections on this page.
 - b. If NO- Continue to next page.

Applicant Good Standing

Applicant will need to indicate YES or NO to all sections on this page to verify their status (Have you defaulted on any obligations, any bankruptcies, foreclosures, etc.).

- If Applicant selects YES to “Is the Applicant related to or have financial interest in any other party involved in the development?” they will be prompted for additional information.
 - a. Party (Up to 50 characters)
 - b. Relationship (Up to 50 characters)

Applicant’s Previous Projects

Applicant to read and answer the questions regarding previous projects:

- Each field can handle up to 5000 characters of text.
- Applicant to state N/A if an item does not apply.

Project Description

Applicant will need to provide a brief description of the project they are proposing for the HOP-MF grant (resident population, supportive services, location, etc.)

- The description field can handle up to 5000 characters.
- Applicant will need to provide the following: Two years of financial statements are required for the development entity/owner entity. If owner entity is a limited partnership, two years of financial statements for the sponsor organization are required. If owner entity is a sole proprietor without corporate financial statements, provide two years of personal income statements.

Project Location

Applicants will need to complete this form with the information for the PRIMARY property location.

- Additional addresses for this same project are to be listed in the HOP-MF Excel Spreadsheet.

Legislative Information

Applicants will need to provide the indicated legislative information for the location of the subject property. A link to search the PA General Assembly is provided in the application.

Note: If the project spans multiple jurisdictions and not all the information will fit in the form, an additional page can be uploaded with your attachments to provide the missing information.

Buildings and Units Information (Required for all Application Types)

This section is for the applicant to provide the details for the affordable housing (at or below 60% AMI) including the type of units and type of building. If your proposed project does not include one of the items, enter 0.

If Applicable- complete the section for non-affordable units. If your proposed project does not include one of the items, enter 0.

Note: Non-affordable units are capped at 10% of all project units.

Unit and Building Guidance: The net area of all dwelling units must fall within the limits listed below. (Net area is measured from the interior finish surface of the unit perimeter walls, and shall include all rooms, corridors, interior walls, storage areas, and mechanical spaces.) An exception may be allowed for Preservation Grants.

	FLATS	MULTI-FLOOR UNITS
SRO	90 to 200 s.f.	
EFF	400 to 600 s.f.	
1 BR	550 to 850 s.f.	650 to 950 s.f.
2 BR	700 to 1,100 s.f.	850 to 1,300 s.f.
3 BR	950 to 1,350 s.f.	1,000 to 1,550 s.f.
4 BR	1,100 to 1,550 s.f.	1,200 to 1,750 s.f.
5 BR	1,300 to 1,750 s.f.	1,400 to 2,000 s.f.

Building Description (Required for All Application Types)

In this section the applicant is to explain the existing building systems and include the proposed improvements. Each field allows for up to 25 characters for the explanation.

Applicant will also need to indicate YES or NO to the Following: Are there any environmental hazards that exist on the property, for example, hazardous waste, toxic waste, lead based paint, or is the property located in a flood plain?

Site Control (Required for All Application Types)

1. Applicant will need to indicate either YES or NO to owning the proposed sites.
 - a. If YES- A copy of the deed will need to be provided.
 - b. If NO- A copy of the sales agreement, lease agreement and/or option agreement, with an expiration date that is NOT before March 31, 2024 must be attached.

NOTE: The lesser of 20% of the appraised value OR 20% of the HOP grant (if awarded) can be used to pay for acquisition.

2. Applicant will need to indicate either YES or NO to “Is the project inside a Participating Jurisdiction”.
 - a. If YES- Current Owner Information and Type of Site control fields will need to be completed.
 - b. If NO- Continue to next section.

Wage Determination

1. Indicate YES or NO- Does the property trigger Davis Bacon Wages?
 - a. If YES- Applicant will need to fill in the following fields.
 - Identify the source that triggers Davis Bacon Wages (Up to 50 characters).
 - Indicate what entity will monitor the Davis Bacon Wage rates (Up to 75 characters).
 - b. If NO- Applicant must “check” that they acknowledge that if awarded a HOP grant, State Prevailing Wages apply.

Walkability and Zoning

1. Applicant to indicate either YES or NO to walkability question.
 - a. If YES- Use up to 5000 characters to provide a description (Include walkability score from link in application (www.walkscore.com/)).
 - b. If NO- Continue to next section.
2. Applicant to indicate zoning classification and indicate YES or NO to if it is zoned for multifamily development.
 - a. If YES- Continue to next section.
 - b. If NO- Applicant to indicate rezoning status.

Impact on Inequalities and Disparities

1. Applicants to “check” all options that apply.
2. Applicants will have up to 500 characters to describe any impact the project may have on historically marginalized populations it serves.
3. Applicants to indicate YES or NO if supportive services will be provided.
 - a. If YES- Complete Supportive Services information prompt.
 - b. If NO- Continue to next section.

Minority/Women Business Enterprise (M/WBE)

1. Read and respond YES or NO to all Minority/Women Business Enterprise (M/WBE) questions.
 - a. If YES – appropriate supporting documentation must be provided with application.
 - b. If NO- Continue to next section.

NOTE: If the applicant checks yes and a HOP grant is awarded, the grant will be awarded contingent upon demonstrating compliance with this requirement.

List of Items to be Included with Application

1. HOP-MF Excel sheet (included in application)
2. Audited Financial Statements of the Project requesting HOP funding (Preservation only)
3. Audited Financial Statements of a comparable project (New Construction only- if applicable)
4. Evidence of Site Control such as: Deed, Ground Lease or Sales Agreement (All submissions)
5. Tenant Relocation Plan (Emergency and Preservation- If applicable)
6. Matching Funding Source Documentation (All submissions)
7. Project Needs Assessment (Preservation only)
8. TWO separate construction bids that include a construction draft (Emergency and Preservation)
9. Draft Construction Contracts (All submissions- encouraged if available)
10. Scope of Work (All Submissions)
11. Proof of Zoning (All Submissions)
12. Site Plans and/or Schematics (Preservation and New Construction)
13. Proof of Insurance for the following (All Submissions):
 - a. Liability Insurance
 - b. Property Insurance
 - c. Builder’s Risk
14. Proof of Housing Assistance Payments (All Submissions- If Applicable)
15. Letter from the Local Housing Authority or Continuum of Cares (if applicable)
16. MBE/WBE Documentation (if applicable)
17. NOTE: If there is a co-applicant involved with the project, all relevant information for them will need to be provided (in addition to the primary applicant)

A maximum of 50 MB can be uploaded for each application.

NOTE: In the application and on our main website applicants will find Construction and Architectural Design Requirements. Please refer to this document as you work through your application to ensure compliance.

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EXCEL Spreadsheet

1. The final portions of the application are contained within the Excel spreadsheet. It Includes fields for additional building addresses, required utility information for the project (Note: Local Public Housing Authority utility allowances may be used), the proposed operating budget for the project, additional Minority Business Enterprise (MBE) & Women Business Enterprise (WBE) items, etc. Please see the tables below for additional information.
2. The Agency will focus on the following while evaluating your provided information:
 - o The capital budget should show that Sources equal Uses and that the sources are secured.
 - o Construction costs should be based on a cost estimate (the further along architectural drawings are, the more accurate the cost estimate).
 - o Hard (construction) costs and soft costs should be in line with comparable deals and within industry standards.
 - o Developer’s overhead (HOP-MF fee) should not exceed \$300,000 or 5% whichever is less.

<u>PHFA forms, provided in Excel, to be filled out by applicant:</u>	<u>New Construction and/or Conversion</u>	<u>Rehabilitation/ Preservation</u>	<u>Emergency Repairs</u>
Building Addresses	X (1)	X (1)	X (1)
Occupancy Status	--	X	X
Unit Configuration & Rental Income Projections	X	X	X
Utilities	X	X	X
Operating Budget	X	X	X
Development Budget	X	X	X
Development Sources	X (4)	X (4)	X (4)
Emergency Repairs Breakdown	--	X (2)	X
Proforma	X	X	X
Cyber Security Form	X	X	X
Public Official Employees Disclosure Statement	X	X	X
Minority Business Enterprise (MBE) & Women Business Enterprise (WBE)	X (3)	X (3)	X (3)

- (1) Only provide if there are more than one property address requesting HOP funding. The primary address is entered in the web application.
- (2) Required if emergency repairs are also identified on a Rehabilitation/Preservation application.
- (3) Required if requesting prioritization of participation of minority and/or women owned business.
- (4) Required if the development has more sources than the web application allows.

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<u>Documents to be provided by applicant:</u>	<u>New Construction and/or Conversion</u>	<u>Rehabilitation/ Preservation</u>	<u>Emergency Repairs</u>
Audited Financial Statements of the Project requesting HOP funding (2 years)	--	X	--
Audited Financial Statements for two comparable projects (2 years each)	X (5)	--	--
Site Control (deed, ground lease or sales agreement)	X	X	X
Relocation Plan	--	X (6)	X (6)
Construction and/or Permanent Funding Sources (letters of intent or commitments)	X	X	X
Matching Funding Source (letter of intent or commitment)	X (11)	X (11)	X (11)
Project Capital Needs Assessment (completed within 1 year of application date)	--	X	X
Construction Bids (2)	--	X	X
Draft Construction Contracts	X (9)	X (9)	X (9)
Scope of Work	X	X	X
Proof of Zoning	X	X	X
Site Plans and/or Schematics	X	X	--
Proof of Insurance: liability, property, and/or builders risk	X	X	X
Proof of Housing Assistance Payments	X (7)	X (7)	X (7)
Letter from the Local Housing Authority or Continuum of Care (Local Office of Homeless Assistance)	X (8)	X (8)	--
Proof of Wage Determination	X	X	X
Current Rent Roll	--	X	X
Photos of Existing Site and/or Building	X	X	X
Marketing Materials for Property	X (10)	X (10)	X (10)
Appraisal	--	X	--

- (5) Provide audited financial statements for two comparable projects, if available. If not available, PHFA may request additional information.
- (6) Required if displacement of tenants is anticipated.
- (7) Required if Housing Assistance is part of the development.
- (8) Required for developments accepting Tenant-Based Section 8 Vouchers and that do not have a Project-Based Section 8 assistance contract.
- (9) PHFA is encouraging applicants to provide Draft Construction Contracts, if available.
- (10) PHFA is encouraging applicants to provide Marketing Materials for the Property, if available.
- (11) If the applicant is using the property and/or land as a matching source, an As-Is appraisal will be required and the As-Is value minus any mortgages and/or liens will be considered the equity value assessed for the 25% grant match.

Attestation and Signature: All Applicants will need to carefully read this section and acknowledge that they have read and agree to the attestation. Applicant should not hit SUBMIT until confident that all required documentation was uploaded.