

Pennsylvania Housing Affordability and Rehabilitation Enhancement Fund



Frequently Asked Questions

The following questions and answers are made available to help guide organizations interested in the PHARE program. We hope this guidance will organizations through the application and funding process.

Applicant Eligibility

Q: Land banks are not specifically mentioned as an eligible applicant in the RFP. Are land banks eligible to apply for PHARE funds?

A: Yes. As a governmental entity, land banks are eligible to apply for PHARE funds.

Q: Would PHFA, for any reason, award a lower amount than what is being requested by an applicant?

A: Yes, in many cases the Agency will not award an organizations full funding request. This will depend on the volume of funding requests the Agency receives in response to the RFP. We also allow grantees to adjust their proposal accordingly.

Q: If there are several counties have one regional program, could these county applicants submit one joint application to support the program, or would they all need to submit separate applications supporting the same program?

A: Yes. If multiple counties, organizations, or a combination of both are looking to partner together to implement one program, those groups should submit one combined, regional application.

Proposal Eligibility

Q: Are supportive services (casework or providing wrap-around services to clients) allowable expenses or do those costs get absorbed by the applicants as part of their leveraging for in-kind contributions to the program budget?

A: Providing case management and other direct and indirect support to clients can be included as part of the proposal's budget. Administrative and overhead cost would come out of the 5% allowable "administrative fee". PHFA will be looking for programs/projects that can document significant leveraging of other funds to address the overall budget.

Q: What Americans with Disabilities Act standards does the RFP require projects to meet?

A: Applicants are required to identify the number of units that are either ADA Accessible or "Visitable", but the PHARE funds do not stipulate ADA standards. All projects are required to meet all building code requirements for ADA standards as required by Local, State, and Federal law.

Q: Are rental rehabilitation programs allowable under PHARE?

A: Yes. PHARE has funded successful rental rehab programs across the state.

Proposal Requirements

Q: What is the grant term for the use of PHARE funds?

A: PHARE funded proposals should commence within one year from the date funds are disbursed. The grant period extends for 18 months.

Q: Is there a "match requirement" for PHARE funds?

A: There is no match required although PHFA will certainly be looking for projects that can leverage significant addition resources and recognize that the PHARE award is likely to cover only a small portion of an overall project/program.

Q: Is there an expenditure threshold whereby a certain percentage of funds need to be expended by a particular point within the contract period?

A: There is no explicit expenditure threshold, but the project will need to provide a timeline for implementation as part of the application. The Agency closely monitors grantee reports that are submitted semiannually to assess the performance and success of all grantees.

Q: Do applicants need to identify specific properties as part of the application? May applicants simply indicate targeted blocks or neighborhoods and identified qualified participants for the program later?

A: We strongly encourage applicants to be as specific as possible with the properties to be addressed in the project/program, but it is not a requirement for submission.

Applicants should identify targeted blocks would be necessary and the greater specificity that can be provided about individual properties the more competitive the application. As mentioned above, the Agency will be looking for application that can rapidly move to implementation, have all other necessary funding secured, are part of the overall community housing strategy, and will ensure that at least 30% of the funds benefit households below 50% of median area income.

Q: Is there any flexibility in the 10-year affordability compliance? For example, should a landlord want to opt out after 5 years, could they pay back 50% of the money received?

A: Yes, there is flexibility, but given the competitiveness for funding and the large number of expected incoming applications and the need for long-term affordability to address significant need, we highly recommend retaining the 10-year requirement.

Q: If the application is made up of Project Based Section 8 units should the applicant submit the rents figures they expect to collect based on the HAP contract, or the rent we expect the tenants to pay?

A: Please use the expected rent levels that you anticipate under the HAP contract for the unit, depending on # of bedrooms.

Q: Are there any requirements around identifying and addressing lead-based paint?

A. PHARE does not impose any additional requirements on Lead Based Paint beyond what would be required under local building codes, Department of Health requirements or HUD stipulations.

Q: Do we need to provide back-up for Development Budget line items? (quotes/proposals/contracts, etc.)

A: Yes, the more back-up detail you can provide for each budget line the better but only to the point that it helps clarify that specific line and the overall request.

Q: Should operating pro-forma be included in the application?

A: A pro-forma is not required for the PHARE application, but if you have one completed you are welcome to provide as further documentation.

Proposal Submissions

Q: Is there an application fee associated with the PHARE program?

A: No. There is no cost to submit a PHARE funding request.

Q: Is there an online application process available?

A: Yes. All PHARE applications must be submitted using the [PHARE website](#).

Q: Is there a page limit to what an applicant can submit?

A: No, there is no page limit. We ask applications to be as cohesive and strategic as possible.

Q: What is the application submission deadline?

A: All PHARE funding proposals and supporting documentation must be uploaded and submitted via the [PHARE website](#) by 2:00pm on Friday, November 17, 2023.

Q: If a project wants to apply for both Marcellus Shale and Realty Transfer Tax funding, should they submit a single proposal? Or should they submit two separate applications?

A: Applicants should submit **one application** and indicate on the requisite "check off" boxes that you are applying for both pots of funding. Your budget, narrative and supporting documents should indicate the amount you are requesting from each PHARE funding source. Also remember that only eligible Counties are permitted to apply for PHARE/MS funding.

General RFP Application Questions

Q: The RFP mentions the ability to address homelessness. Which homeless definition are you going by?

A: The RFP purposely does not include a formal definition of homelessness. The Agency believes that distinction should be determined locally based on the needs of your local housing providers. The RFP identifies priorities and examples of activities.

Q: When applying for funds to assist in the rehabilitation of multiple properties, is it possible to substitute other properties later should the new properties be more favorable than the ones submitted with the application?

A: PHFA will be looking for projects that have specific sites identified (if applicable) and all other components in place. That said, if a project needs to substitute addresses, we would certainly be willing to accommodate that change.

Q: How much grant funding will be allocated to each successful proposal?

A: There are no ceilings or floors on the funding per project. Applications will be reviewed to determine appropriate funding based on the competitiveness of the proposals. The priority will be projects that can quickly move to implementation, have all the funding in place, leverage significant other resources and are part of an overall community plan for housing/community development.

Q: Does PHFA expect to do site visits?

A: No, we do not expect to be doing site visits as part of the application review process unless there are extenuating circumstances.

Q: What is the length of the contract period?

A: Grantees are expected to complete their funding proposal within 18 months from the date funds are disbursed. Grant programs must begin implementation within one year of award, if not sooner. There is also a 10-year affordability requirement for units assisted for households below 50% of median area income.

Q: If awarded funds, will there be a fixed date when grantees may begin spending down on their awarded grant funds?

A: Once awards are announced and all contract documents executed and returned to the Agency, organizations may begin drawing down on funds for eligible project costs. The date of contract execution will serve as the starting point for the 18-month contract period.

Q: Do PHARE funds carry either Federal or State prevailing wage requirement?

A: PHARE awards are considered State grant funds and MAY trigger prevailing wage requirements depending on the type of project/program proposed. Grantees should submit at [Prevailing Wage Determination Request Form](#) to the Pennsylvania Department of Labor and Industry for a final answer regarding wage requirements.

Q: Does PHFA consider a Developer Fee to be an “administration cost”?

A: Yes, the Developer Fee is considered an administrative cost under the program and limited to 5% of the funding awarded.

Q: Are consulting fees associated with preparing the PHARE application eligible for reimbursement as part of the project’s administrative cost?

A: PHARE funds may be used towards consulting fees, but they would have to be taken from the 5% “administrative fee” portion and not be included in any of the program/project costs. Ideally, we would prefer to have those fees be covered by the applicant.

Q: Will grant funds be awarded to organizations in a single payment? Or are funds released through an invoicing process?

A: In most cases PHARE funds are disbursed to grantees as a single payout via ACH, but the Agency reserves the right to pay grantees as necessary.

This document will be updated based on questions submitted by potential applicants.

