

front porch

INVESTMENTS

Development & Preservation Fund

Informational Workshop Q&A

GENERAL APPLICATION PROCESS QUESTIONS:

Q: When in the pre-development phase, the total project budget, final capital stack, firm proforma assumptions, etc., may not always be clear until further pre-development study is done. How can we ensure a strong application in the midst of these other temporarily elusive variables?

A: We realize that housing development comes with a lot of variables. Please provide as much concrete information as you can to support any request. If you are requesting funds for pre-development, you may still be in the planning phase of the project and we realize that in the exploration phase, things change. You could include in your request funds that support your needs in getting to a clear construction budget.

GEOGRAPHICAL AREAS:

Q: The housing study included more than City of Omaha, so will funds be available outside of Omaha in future rounds?

A: Yes. Although the funding source for the Fall 22' Round is limited to the public-private partnership between the City of Omaha and FPI's philanthropic match, future rounds will include the full study area.

Q: Will the DOGIS map be enough to prove zoning, or do we need to submit a zoning letter from the City?

A: You can use DOGIS or the Assessor's website to **prove current zoning** for a project. In the case that your project requires a **change in zoning, a letter from the City would be required.**

Q: Is the DOGIS map available to the public, or only within this application process and for specific use by applicants for this funding round?

A: Yes. The City of Omaha will make this map available on the Planning Department website.

AFFORDABILITY:

Q: Do all units in a housing development, funded by this round, need to average 120% AMI or less?

A: Funding available through Front Porch in this round will support the creation of units at 120% AMI or less. This does not mean that mixed-income project cannot include “market rate” units, however, the amount of your request should be proportional to the number of units at 120% AMI or less.

Q: If our project is located in a QCT (qualified census tract), do we also need to adhere to 65% AMI?

A: The location and AMI served by the project are two separate qualifiers. If your project is in a QCT it automatically qualifies for ARPA eligibility in terms of location. If your project is outside of a QCT you will be prompted to give information via the application to justify how the location provides additional amenities or services to impacted populations such as distance to transit or job centers. An interactive map with QCTs, location to transit and job centers is also included within the application.

If your project serves populations at 65% AMI, it is also automatically eligible for ARPA funding. The partnership does however support units for populations up to 120% AMI. Again, for all units provided above 65%AMI, you will be prompted to provide information about how your project is serving the needs of impacted populations and/or the affordable housing market demand in the City of Omaha.

Q: If a grant is meant to support a homebuyer, does that mean the homebuyer has to be in their home for 20 years?

A: No. The same homebuyer does not need to be in the home for 20 years. There would need to be a Land Use Restriction Agreement on the property to ensure that if the current homebuyer sells the property, the home itself would be sold to someone at the same or lower AMI category for a period of 20 years.

Q: Can the funds be used for for-sale housing? If so, how does the 20-yr affordability period work?

A: Yes. The same homebuyer does not need to be in the home for 20 years. There would need to be a Land Use Restriction Agreement on the property to ensure that if the current homebuyer sells the property, the home itself would be sold to someone at the same or lower AMI category for a period of 20 years.

Q: If the funds have to be repaid in 24 months, how does the 20-year affordability requirement work? Does affordability requirement apply for 20 years even if the funds are only used for bridge financing?

A: There must be proof of a Land Use Restriction Agreement for the property, ensuring that there is a minimum of 20 years of affordability on any project/property. Front Porch Investments is committed to investing in sustainable options for affordable housing. Investments even in short-term loans require a commitment on the part of the developer or nonprofit to a period of affordability in the project.

GRANT QUESTIONS:

Q: What is defined as gap financing for grants?

A: For grants, the gap financing is defined as the difference between the cost of bringing a unit to market (rental or for sale, from acquisition to move-in) and the cost to sell or rent to the homebuyer or tenant at 30% or less of their defined AMI category and/or household income.

LOAN QUESTIONS:

Q: Can loans be used to support operations of existing affordable housing?

A: Please remember that the purpose of this fund is for the creation and/or preservation of affordable housing. If the project itself that required these operating costs could prove that it serves in developing or preserving affordable housing, it may be considered. Because this round of loan funding is ARPA only, the eligibility may or may not be an issue depending on the exact costs would be covered by the loan. We highly recommend reviewing the Affordable Housing How-To Guide provided by the Treasury Department to ensure the use would be eligible.

Q: Can acquisition funds be used to purchase and hold property for the purpose of maintaining site control while planning redevelopment ?

A: It depends on the purpose of the redevelopment. Does it include a minimum of 20 years of affordable housing? Is there a clear and committed plan for how that will be accomplished? It's important to remember that the purpose of these funds is for the development and/or preservation of affordable housing, and your application will need to clearly state how these funds and your project will accomplish that goal.

Q: Can short-term maintenance improvements be rolled into the acquisition loan?

Yes. ARPA eligible uses include rehabilitation as per the guidelines:

Affordable Housing Development: Within the Assistance to Households category, one of the eligible services for both "impacted" and "disproportionately impacted" households and communities is "the development of affordable housing to increase supply of affordable and high-quality living units."

Eligible Services: Affordable housing projects generally "must be responsive and proportional to the harm identified," but the Treasury allows for "a wide variety of affordable housing interventions, including production, rehabilitation, and preservation of affordable rental housing and, in some cases, affordable homeownership units."
