



Arizona Department of Housing

SFY24 State HTF

Owner Occupied Housing Emergency Repair Notice of Funding Available

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Introduction

The Arizona Department of Housing (“ADOH” or the “Department”) is pleased to announce a Notice of Funding Available (“NOFA”) for approximately \$2 million in State Housing Trust Funds (“State HTF” or “SHTF”) for owner occupied housing emergency repair (“OOER”) activities. The SFY24 State HTF OOER funds will be distributed in one competitive funding round and the application submission deadline is Thursday, February 8, 2024 at 4 p.m.

The Application Process for the OOER funding allocation is outlined in this NOFA. The SFY2024 SHTF OOER Application and Self Score Sheet can be obtained from the ADOH website at: <https://housing.az.gov/documents-links/forms/state-housing-fund>.

Eligible Applicants

Eligible applicants include the following:

State Certified CHDO	General Partnership
Non-Profit (non-CHDO)	Limited Partnership
Local Government	Limited Liability Company
Tribal Government	Corporation
Council of Government	Individual Private Development Agency
Public Housing Authority	State Agency

The Applicant must have a Federal Tax ID number and DUNS number.

There are additional required materials for applicants who are one of the following:

Non-Profit (Non-CHDO)	Limited Liability Company
General Partnership	Corporation
Limited Partnership	Individual Development Agency

The required materials are Articles of Incorporation, By-laws, Partnership Agreement or other relevant entity organizational information, and a Certification of Good Standing from the Arizona Corporation Commission. Non-profits must also submit a copy of a recent IRS Non-profit Determination Letter. Please consult the SFY2024 SHTF OOER Application instructions for TAB A found on page 12 of the application form.

Eligible Activities

SHTF OOER Funds may be used for basic emergency repair when:

- The assisted housing unit has one or more hazardous conditions that threaten the health and safety of the occupants; and
- The cost to rectify the hazardous conditions does not exceed \$25,000; and
- Correction of hazardous conditions will result in a unit that is decent, safe and sanitary, including single purpose activities such as handicapped accessibility or lead-based paint removal.

OR

- The owner and assisted housing unit are on a wait list to receive assistance through an Owner-occupied Housing Rehabilitation program; and
- Correction of the hazardous condition(s) is *necessary* to avoid displacement of the owner occupants. All repairs undertaken must meet the Department's rehabilitation standards.

NOTE: Emergency repair funding cannot be used to replace adequately functioning systems that do not present a hazardous or health and safety condition.

When a unit that receives emergency repairs due to pending displacement then or shortly thereafter (within 24 months) receives rehabilitation assistance, the cost of the emergency repairs must be included in the total cost of rehabilitation. The emergency repair assistance then becomes subject to all terms and conditions of the State Housing Fund and the approved Owner-occupied Housing Rehabilitation program. The amount of the emergency assistance is rolled into the total amount of the rehabilitation assistance loan and becomes subject to repayment/recapture according to the terms of the rehab loan.

Eligible Beneficiaries

All assisted homeowners must meet the following guidelines:

- Have an annual gross income that does not exceed 80 percent of the area median income adjusted by household size as determined by HUD. The household must be income eligible at the time the emergency repair commitment is made to the homeowner; and
- Certify that they occupy the property as their principal and only residence.

Application Completeness and Threshold Requirements

The purpose of the completeness and threshold review is to ensure that the applicant and project application meet minimum qualifications.

A. Completeness Review Criteria

1. All sections of the application forms are completed.
2. The application appendices are in the correct format and order according to the application instructions and are properly labeled.
3. All required support documentation (back up) has been provided in the appropriate application appendices.

B. Threshold Review

There are common thresholds that apply to every application and thresholds that are activity specific. Applications must meet both general and project specific thresholds in order to be eligible for scoring.

1. Common Thresholds: To be eligible to apply for SHTF OOER funds, the applicant and all of its team members, with the exception of the applicant's consultant ("Applicant

Team”), must meet the following performance criteria on all SHF and CDBG contracts on the date the application is received by ADOH.

- a. All project contract and/or annual reporting required by ADOH is up to date.
- b. All monitoring findings have been cleared.
- c. All fees payable to ADOH are paid.
- d. Applicant Team is compliant with all current contracts.
- e. Applicant Team is in conformance with all original contract project timelines or has obtained ADOH approvals for revisions or amendments to their project timelines.
- f. For all previously funded projects the scope of work has begun.
- g. Applicant Team has no existing contracts in which individual activity, project completion or closeout reports and data have not been submitted and accepted by ADOH within sixty (60) days of a final draw.
- h. Applicant Team has no current contract in which funds have not been drawn for six (6) months.
- i. Applicant Team has no outstanding or unresolved contractual, property or beneficiary-related compliance issues.
- j. The applicant is an eligible party to apply for funding through ADOH.
- k. The activity, project and property type is eligible.
- l. SHTF ODER funds are budgeted for eligible uses.
- m. The proposed beneficiaries are eligible.
- n. The amount of SHTF ODER invested per unit does not exceed the program limits and is at least \$1,000/unit.
- o. Applicant has certified that all development or rehabilitation will meet, at a minimum, all local building codes; the property is properly zoned for the proposed use and meets local ordinances.
- p. All funding sources (loans, grants, fee waivers, land donations, etc.) must be secured with written binding commitments at application and the project must be scheduled to start within ninety (90) days of executing a Funding Agreement with the ADOH.

2. Owner-Occupied Housing Emergency Repair Program Activity Specific Thresholds:

- a. Applicant has acceptable written Owner-Occupied Emergency Repair Program Guidelines (ERGs) adopted by its governing body via a Resolution or motion.
- b. The form of ownership is eligible.
- c. Program costs are reasonable and customary.
- d. Applicant has a commitment of all non-State funding shown in the budget OR applications have been made to all funding sources and a commitment can reasonably be expected within 90 days from the application deadline.

Those applications missing required threshold items will be given a remedy period of five (5) business days to submit the required documentation. ADOH will contact the applicant (via e-mail) regarding the insufficient threshold documentation. Applications that do not meet all thresholds at the end of the remedy period will not receive further consideration. Original application packages determined to be incomplete after the expiration of the remedy period will be stored by ADOH electronically for 1 year and deleted upon expiration of the 1-year period.

Scoring

Only projects with the highest competitive score that meet all common and activity specific thresholds will qualify for an award of SHTF OOER funds under this NOFA. Applications shall be competitively scored in accordance with the criteria outlined in the SFY2024 OOER Application Score Sheet. The Score Sheet can be obtained from the ADOH website at: <https://housing.az.gov/documents-links/forms/state-housing-fund>.

Point Scoring Summary	Maximum Points
Very-Low Income Targeting	Up to twenty (20)
Other Priority Population Targeting	Up to five (5)
Manufactured Housing Targeting	Up to twenty-five (25)
Rural Projects (outside CDBG Entitlement areas)	Up to twenty (20)
Project Readiness	Up to ten (10)
Contract Non-compliance	Deduction of five (5) points
Contract un-timely Expenditure	Deduction of five (5) points
Organizational Capacity	Up to twenty (20)
BONUS: Leverage	Up to ten (10)
BONUS: No Corrective Period Required	Up to ten (10)
Total Maximum Points	One hundred twenty (120)

Selection Notification

ADOH anticipates notifying all applicants within sixty-(60)-days of application deadline as to whether they will be funded. Applicants approved for funding should be prepared to initiate projects within thirty-(30)-days of notification.

Upon request, both funded and unfunded applicants will have the opportunity to review their application's scoring with ADOH staff in order to increase their competitiveness in subsequent application and funding processes.

Maximum Grant Amount

The maximum grant available including administrative funding under this notice cannot exceed \$250,000. Awards will be comprised of up to \$225,000 of SHTF OOER project funding and up to \$25,000 in SHTF for administrative funding.

The minimum SHTF OOER fund per unit investment is \$1,000. The maximum SHTF OOER fund per unit investment is \$25,000.

Technical Assistance

The Department will not preview, comment on, or pre-judge any element of any application prior to its initial submittal. A limited amount of assistance is available regarding the

interpretation of the Department’s policies, the SHTF OOER program in general, and how program requirements should be applied. All requests for clarification shall be made in writing via e-mail to:

Kathy Blodgett, PCED
CD&R Programs Administrator
kathy.blodgett@azhousing.gov

Application Timeline

The following is a listing of key dates in the application and funding process:

FY2024/2025 SHF Guide (REV. 12/2023) release: December 8, 2023

NOFA release: December 8, 2023

Application Deadline 4:00p.m.: February 8, 2024

Application Submittal

ADOH will accept an application for one project from each eligible applicant to receive funding from the SHTF OOER NOFA.

Applications must be electronically submitted and received by ADOH through the State HTF Special Projects Portal located on the ADOH website at:

<https://housing.az.gov/portals/document-upload-portals> no later than **Thursday, February 8, 2023 by 4:00 p.m.**

Applications *may not* be submitted via U.S. mail, Fed-ex, UPS, e-mail or fax.

Questions regarding application submission may be sent via e-mail to:

kathy.blodgett@azhousing.gov