**First Addendum to the 2017 Funding Round Solicitation of Stage 2 Applications**

**Federal Funds Only Track – Request for Additional Information**

**December 15, 2017**

Department of Commerce (Commerce) recognizes that our communities are in a state of affordable housing and homelessness crisis and as such wants to provide an opportunity—albeit modest—to a few qualifying affordable housing projects to move forward on a separate **Federal Funds Only** track.

As of the date of this publication, the Washington State Legislature has not passed a 2017-2019 Capital Budget, and consequently, the State Housing Trust Fund program has no State funds to award. Commerce has, however, recently received awards of HOME and National Housing Trust Fund (NHTF) funds from the U.S. Department of Housing and Urban Development for fiscal year 2018. The amounts from these programs, available only for **multifamily new construction projects**, are:

* Approximately $2.3 million in HOME (including approximately $650,000 set-aside for a Community Housing Development Organization), and
* Approximately $3.7 million in NHTF (including approximately $1.1 million that can be dedicated to project operations and maintenance).

The purpose of this “First Addendum to the 2017 Funding Round Solicitation of Stage 2 Applications” is to provide a path for those HOME- or NHTF-eligible projects, which submitted a 2017 Stage 2 Application to Commerce AND which are ready to move to construction in 2018, to be considered for HOME and NHTF awards.

Upon receipt of the additional information described below, Commerce will proceed to finish its review of the eligible projects. We plan to make HOME and NHTF awards to a small number of projects (likely two to three) that:

* have achieved site control,
* have obtained final versions of all required third party studies,
* are positioned to go to bid and obtain their building permits in 2018, and
* have received commitments for all necessary financing with the sole exceptions of the affordable housing funds requested from Commerce and, if applicable, Low Income Housing Tax Credits.

We strongly encourage those Stage 2 applicants whose projects do not or cannot meet ALL of the conditions below to wait for the state 2017-2019 Capital Budget to be enacted, upon which time Commerce will publish a subsequent announcement. Per the process previously laid out in the “[2017 Funding Round Solicitation of Stage 2 Applications](http://www.commerce.wa.gov/wp-content/uploads/2017/08/hfu-htf-stage-two-solicitation-2017.pdf),” once a Capital Budget is enacted, all Stage 2 applicants will have the opportunity to update and/or submit any outstanding documentation required to complete their applications. Commerce staff will then proceed to final review and funding decisions to award State Housing Trust Fund funds.

**CONDITIONS OF THIS ADDENDUM**

1. For applicants who indicated that they can accept HOME and/or NHTF funds in the 2017 Stage 2 Application (HTF Addendum, Section 1-A) submitted to Commerce by October 9, 2017:
the applicant MUST now reaffirm that it can accept HOME and/or NHTF funds.
2. For applicants who did not indicate that they can accept HOME or NHTF funds in their 2017 Stage 2 Application (HTF Addendum, Section 1-A) submitted to Commerce by October 9, 2017:
the applicant MAY now confirm that it can accept HOME and/or NHTF funds, provided the reason HOME or NHTF funds can now be accepted does not materially change the project from the original application. Commerce reserves the right to make this determination.
3. The applicant MUST confirm that the project is a multifamily rental new construction project.
4. If the applicant can accept NHTF funds, the applicant MUST confirm that their NHTF funding request is for units that will ONLY benefit people and households at or below 30% of the AMI.
5. If the applicant can accept HOME funds AND if the applicant indicated its intent to seek certification for the purposes of the project as a Community Housing Development Organization (CHDO) in their Stage 2 Application (Section 9, Question 20), the applicant MUST fill out and submit a CHDO application to Commerce. The CHDO requirements and application from are found here: <http://www.commerce.wa.gov/wp-content/uploads/2016/06/hfu-chdo-certification-application-2014.docx>. Our records show that we have not received CHDO applications for any of the 2017 Stage 2 projects, even though some applicants checked “yes” in the CHDO question. Per HUD regulations, CHDO certifications are made at the project level, not at the organization level, hence having been certified as a CHDO for a prior application is not sufficient. Also, CHDO certifications from other jurisdictions (i.e., local governments) are not a substitution for the state’s CHDO certification.
6. The applicant MUST have submitted all third party studies to Commerce on or before October 9, 2017, OR MUST submit them to Commerce as soon as possible, but no later than January 8, 2018.
7. The applicant MUST affirm that, with the exceptions of the funds requested from Commerce and where applicable Low Income Housing Tax Credits, the project is fully funded, defined as having all other necessary funds committed or awarded (as opposed to planned for). If a project includes a commercial or facility portion, both the housing and the commercial/facility portions must be fully funded per this definition.
8. The applicant MUST provide documentation, through a Purchase & Sale Agreement or other similar instrument, evidencing that the project has site control.
9. The applicant MUST affirm that it is positioned to go through the bidding process, and project plans and specifications are prepared in order to obtain a building permit in 2018.
10. The applicant MUST affirm that construction is scheduled and expected to start in 2018.

**SUBMITTAL REQUIREMENTS**

A “2017 Stage 2 Additional Information Request Form” is included at the end of this document. Applicants who meet ALL of the conditions listed above must fill out and submit the “Additional Information Request Form,” as well as include all required attachments as indicated, to Sean.Harrington@commerce.wa.gov **as soon as possible but no later than 5:00 PM on January 8, 2018**. If the attachments are too large to be emailed, please contact Sean Harrington and he will work with you on an alternate delivery method.

**QUESTIONS**

If you have any questions or need additional information, please contact Sean Harrington at Sean.Harrington@commerce.wa.gov or at 360-725-2995.

**2017 Stage 2 Additional Information Request Form**

**Federal Funds Only Track**

**Submitted in response to the
First Addendum to the 2017 Funding Round Solicitation of Stage 2 Applications
Due to Department of Commerce by 5:00 PM on January 8, 2018**

|  |  |
| --- | --- |
| Applicant name: | Overwrite this text with your answer |
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| Project name: | Overwrite this text with your answer |
|  |  |
| City: | Overwrite this text with your answer |

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| Authorized person submitting this Form on behalf of the applicant (name, title, organization): |
| Overwrite this text with your answer |

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| 1. | [ ]  Yes | [ ]  No | This application is submitted in pursuit of Federal HOME funds. I am aware that this application constitutes a Federal Nexus, and will commit to avoiding any actions prohibited by U.S. Department of Housing and Urban Development (HUD) as Choice Limiting Actions as of the date of this Application. I further affirm my understanding that this prohibition is dependent on the certification of an Environmental Assessment by Department of Commerce and any other funding agency utilizing Federal funds, and the subsequent Release of Funds by HUD. If this attestation was not checked in your original Stage 2 application submittal (HTF Addendum, Section 1-A), explain the reasons you are now able to accept HOME funds: |
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|  |  |  | Overwrite this text with your answer |

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| 2. | [ ]  Yes | [ ]  No | This application is submitted in pursuit of Federal funds from the National Housing Trust Fund (NHTF). I am aware that any award resulting from this application will be subject to regulations broadly similar to those governing HOME Investment Partnership program, including the certification of an Environmental Assessment by Department of Commerce prior to the release of funds. If this attestation was not checked in your original Stage 2 application submittal (HTF Addendum, Section 1-A), explain the reasons you are now able to accept NHTF funds: |
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|  |  |  | Overwrite this text with your answer |

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| 3. | [ ]  Yes | [ ]  No | This application is for a multifamily rental new construction project. |

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| 4. | [ ]  Yes | [ ]  No | If this application is for NHTF funds, the NHTF funding request is only for units that will benefit people and households at or below 30% of the Area Median Income (AMI). |

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| 5. | [ ]  Yes | [ ]  No | If a Community Housing Development Organization (CHDO) certification is sought, I have reviewed the CHDO requirements and have submitted or am submitting with this Form the CHDO application for Department of Commerce’s consideration. |

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| 6. | [ ]  Yes | [ ]  No | I have submitted, or am submitting with this Form, all of the supplemental documents required for Stage 2 Housing Trust Fund applications, as listed in the HTF Table of Contents and Affidavits document. For any of the documents listed which I believe to be not applicable to this project, I have included a detailed reasoning in the provided field of the Table of Contents and Affidavits document or I am including it below: |
|  | Overwrite this text with your answer |

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| 7. | [ ]  Yes | [ ]  No | This project is fully funded, except for the affordable housing funds requested from the Department of Commerce and where applicable Low Income Housing Tax Credits, and has all necessary funds committed or awarded. If the project includes a commercial or facility portion, both portions are fully funded. |

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| 8. | [ ]  Yes | [ ]  No | This project has site control and I have submitted or am submitting with this Form such evidence. |

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| 9. | [ ]  Yes | [ ]  No | The applicant is positioned to go through the bidding process, and the project plans and specifications are prepared in order to obtain a building permit in 2018. |

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| 10. | [ ]  Yes | [ ]  No | This project’s schedule shows evidence that construction will start by the end of 2018. |

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| 11. | Additional information as to why this project is a good candidate for HOME or NHTF funds. Narrative must be concise and ONLY include changes and new information that have NOT already been addressed in your 2017 Stage 2 application: |
|  |
|  | Overwrite this text with your answer |