The Department of Housing (DOH) and the Connecticut Housing Finance Authority (CHFA) are pleased to announce the State-Sponsored Housing Portfolio (SSHP) Notice of Funding Availability (NOFA) for Critical Needs (defined below). Up to $3 million is available under this NOFA.

A. BACKGROUND
The purpose of this NOFA is to provide funds to SSHP developments that need to make physical improvements to the property to directly address Critical Needs.

B. ELIGIBLE APPLICANTS
All owners of SSHP developments that were included in the CHFA Capital Plan released in 2013 (the Capital Plan) and have a property with one or more Critical Needs, as defined in Section C of this NOFA are eligible to apply for funding under this NOFA for such developments; except:
(1) if such owner was already selected for financial assistance for such project through a prior SSHP recapitalization round or other State-funded recapitalization program; or
(2) if the property was awarded and completed construction for Critical Needs funding within the past 12 months and at the discretion of DOH/CHFA.

C. ELIGIBLE USES OF FUNDING
Funding provided under this NOFA may be used solely to address Critical Needs at an SSHP property. A Critical Need is a capital improvement that is urgently needed to protect the health and/or safety of one or more residents as certified by a building design professional or other professional with equivalent expertise. Allowable hard and soft costs will be at the discretion of CHFA. Examples of allowable scopes of work include, without limitation, major system repairs/upgrades, environmental remediation, and associated architect/engineering drawings. Developer fees are not allowed.

D. SUBMISSION REQUIREMENTS
The application can be found here. Applicants whose applications were pending based on previous appropriations will be required to resubmit a new application using this current form. Applications for funding under this NOFA will be accepted on a rolling basis beginning December 21, 2018 and awards will be made until the available funds have been exhausted. Applications to be considered complete must include:
- certification that the proposed work has been bid in accordance with the owner’s procurement policy and consistent with State and Federal Requirements;
- supporting unsigned current contract proposals, consistent with project costs; contracts may not require upfront payments unless otherwise approved by CHFA;
- Appropriate contractor: for general scope projects a Major Contractors License will be required; for all trade specific scopes trade contractor with the appropriate license will be required.
- supporting documents for all “other” funding commitments, if any,
- A critical needs statement for each replacement/repair component, prepared by a third party design professional

Applications must be submitted electronically to CHFASHP-2@chfa.org.
E. SELECTION CRITERIA
Completed applications will be reviewed as they are submitted and awarded loan funding based on need, including consistency with the Capital Plan, if applicable, and relevant documentation demonstrating the scope of Critical Needs. Completed applications will be accepted on a rolling basis until further notice, or until such funds have been exhausted. Applicants are encouraged to submit complete applications since incomplete applications will not be considered until all required documents have been received. Notwithstanding any term or criteria contained herein, DOH/CHFA reserve the right to reject or accept any application based on the critical nature of the property need.

F. OTHER INFORMATION
The following additional criteria apply to this NOFA:

1. Owners are expected to leverage property reserves in excess of the recommended minimum balance of $1,500 per unit for family properties and $1,000 per unit for elderly housing properties.

2. If the proposed scope of work involves energy related work, the application must include a current Letter of Agreement signed by the utility company.

3. Owners must comply with CHFA's current Multifamily Design, Construction and Sustainability Standards, DOL prevailing wages (if applicable), the Connecticut Environmental Policy Act, State affirmative action requirements, as well as Federal, State and property procurement guidelines.

4. For any structures that are over 50 years old, applicants must submit a State Historic Preservation Office (“SHPO”) Project Notification Form to SHPO prior to submitting a Critical Needs application to ensure that a determination of the property’s historic designation or eligibility is identified early in the process and that any necessary recommendations and/or mitigation actions are incorporated into the project.

5. Funding will be disbursed as loans not to exceed $2,000,000 with terms and conditions determined by DOH.

6. Funds will be awarded as interest free loans. The awardee will be required to execute a loan agreement to be recorded on the land records; the loan agreement anticipates repayment concurrent with the earlier of 1) any State funded recapitalization or alternate financing recapitalization; or 2) any sale or transfer of the property; 4) a transfer of 20% or more of the beneficial interest in the property owner constitutes a transfer that would trigger the repayment obligation. 5) thirty (30) years from the date of the agreement. If a capital transaction has not occurred within the term, the loan may be forgiven in the sole discretion of DOH.

G. INQUIRIES
Questions can be directed to Deb Olson at 860-571-4307 or via email at debra.olson@chfa.org.

H. RESERVATIONS
All applications submitted in response to this NOFA are the sole property of the State and subject to the provisions of Connecticut’s Freedom of Information Act, CGS §1-200 et seq., which provides that public records and documents are subject to public access and copying unless specific exemptions to disclosure exist. If an applicant believes that portions of its application are exempt from disclosure, the applicant should mark the specific portions as confidential. Acceptance of an application by DOH and/or CHFA that contains such reservations is not an agreement that the material is confidential or exempt from disclosure. DOH and CHFA reserve the right to amend or cancel this NOFA, to modify or waive any requirement, condition or other term set forth in this NOFA or the application, to request additional information at any time from one or more applicants, to select any number of applications submitted in
response to this NOFA, or to reject any or all such applications, in each case at DOH’s and/or CHFA’s sole discretion. DOH and/or CHFA may exercise the foregoing rights at any time without notice and without liability to any applicant or any other party. Applications submitted in response to this NOFA shall be prepared at the sole expense of the applicant and shall not obligate DOH and/or CHFA to procure any of the services described therein or herein from any applicant. DOH and/or CHFA shall not be obligated to any applicant until a final written agreement has been executed by all necessary parties thereto and all applicable approvals have been obtained. Funding is subject to Bond Commission approval.