

# FY 2022 Section 202 Supportive Housing for the Elderly Program Notice of Funding Opportunity (NOFO)

Wednesday, October 12, 2022

2-3 PM ET



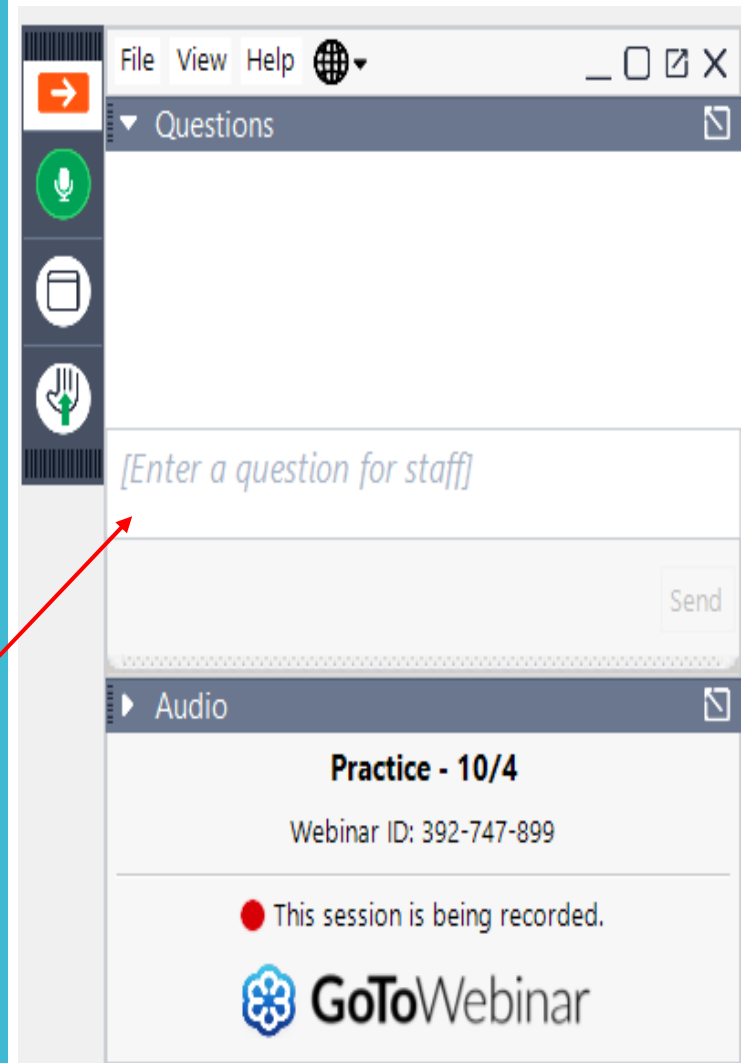
*This presentation provides a summary of information presented in the NOFO. Please refer to the NOFO document on HUD's funding opportunities website ([https://www.hud.gov/program\\_offices/spm/qmomgmt/grantsinfo/fundingopps](https://www.hud.gov/program_offices/spm/qmomgmt/grantsinfo/fundingopps)) for complete information, including requirements for eligibility and submission.*

# Administrative Info

## This webinar is being recorded.

The recording and slides will be available on the “FY 2022 Section 202 Supportive Housing for the Elderly Program” website within 3-5 business days. (Direct Link: [https://www.hud.gov/program\\_offices/spm/gm\\_omgmt/grantsinfo/fundingopps/fy22\\_section202](https://www.hud.gov/program_offices/spm/gm_omgmt/grantsinfo/fundingopps/fy22_section202))

**Questions?** Submit in writing via the “Questions” feature on your GoToWebinar control panel. Time permitting, questions will be addressed at the end or responded to via email after the webinar concludes.



The screenshot displays the GoToWebinar control panel interface. At the top, there is a menu bar with 'File', 'View', and 'Help' options, along with a globe icon and window control buttons. Below the menu is a 'Questions' panel with a dropdown arrow and a 'Send' button. A text input field contains the placeholder text '[Enter a question for staff]'. A red arrow points from the text in the 'Questions' section of the slide to this input field. Below the 'Questions' panel is an 'Audio' panel with a play button icon. The 'Audio' panel displays the text 'Practice - 10/4' and 'Webinar ID: 392-747-899'. At the bottom of the 'Audio' panel, there is a red dot icon followed by the text 'This session is being recorded.' and the GoToWebinar logo.

# Agenda

- Description of FY22 Section 202 Funding Opportunity
- Differences between FY20 and FY22 NOFO
- Preparing Your Application
- Toolkit Overview
- NOFO Requirements
- Rating Factors
- Application Review and Award
- Focus Session Info
- Q&A

## Description of Funding Opportunity

- **NOFO Title:** FY 2022 Section 202 Supportive Housing for the Elderly Program
- **NOFO Reference:** FR-6600-N-52
- **Application Due Date:** 11:59:59 PM ET on **January 25, 2023**
- **Eligible Applicants:** Private non-profit organizations that have tax-exempt status under Section 501(c)(3) or Section 501(c)(4) of the Internal revenue Code of 1986, and non-profit consumer cooperatives
- **HUD Goals:**
  - Produce housing that is physically designed to promote the long-term wellness of Elderly Persons **(62 years+)** and allow them to age in place;
  - Provide a robust package of services that support the health and social well-being of Elderly Persons; and
  - Leverage Capital Advance funds with other financing sources to maximize the number of units created per dollar of HUD funding.

## Description of Funding Opportunity

**Available Funding:** Up to \$174.6M in total funding for the development of supportive rental housing for very low-income persons aged 62 years or older. Includes \$15M for intergenerational units.

- **Capital Advance**
  - Funds to finance **construction, reconstruction**, moderate or substantial **rehabilitation**, or **acquisition of a structure** with or without rehabilitation. Funds cannot be used to construct or operate assisted living facilities.
  - Capital Advance funds requested may not exceed the Total Development Cost (TDC) as published by HUD and is determined by building type and unit size.
- **Project Rental Assistance Contract (“PRAC”)**
  - Provide ongoing operating assistance and maintain affordability of covered units. PRAC funds are used to cover the difference between tenants’ contributions toward rent and HUD-approved operating costs. PRAC funds may also be used to provide supportive services and to hire a service coordinator.
- Applicants must request a Capital Advance amount (minimum \$1) and identify the number of units to be assisted under PRAC.

# How is the FY22 Section 202 NOFO different from FY20?

- Includes funding set aside for projects with an **intergenerational component** that would increase the supply of intergenerational housing for elderly caregivers raising children;
- NOFO specifies that all awarded properties meet regarding **energy, water efficiency, and climate resilience standards**. It provides rating factor points for properties that achieve higher “greening” or climate resiliency standards
- Awards points based on a **measure of the poverty rate** in the project’s intended neighborhood;
- Removes points based on the **absorption ratio** and establishes a more stringent absorption ratio criteria as an eligibility threshold;
- Points are no longer awarded for the inclusion of the **Section 3 hiring plan**; it is now a program requirement;
- **Adjusts point levels** throughout, including reducing points based on leverage; and
- Provides greater specificity around the building design and supportive services components of Rating Factor 1.

# Preparing Your Application

## How should I prepare for application submission?

- Systems
  - Register with System for Award Management (SAM.gov) and Grants.gov – this is a multistep process and can take up to 4 weeks – **START NOW!**
  - Ensure your Environmental Professional has HEROS access
- Submit **complete** applications electronically unless applicant has good cause to submit in hard copy. Requests for a waiver of electronic submission must be submitted to HUD in writing to [202capitaladvancenof@hud.gov](mailto:202capitaladvancenof@hud.gov), or by mail, at least 15 days prior to application deadline
- Follow page limit and formatting guidelines for narratives and other attachments



See Section  
IV.B.1





# How should I prepare an application for submission?

- ❑ Submit each “Tab” of the application as a separate, clearly labeled PDF file
- ❑ Upload the Toolkit in Excel format
- ❑ Submit a table of contents listing the items included in each Tab
- ❑ Check that all required items are included using the Document Checklist in the Toolkit – **not all omissions are curable!**

## Table of Contents

- A. **Eligibility and Articles of Incorporation**  
Attachments
  - A.1: By-Laws
  - A.2: Articles of Incorporation
  - A.3: IRS Tax Exemption
  - A.4: Evidence of Structure
- B. **Need**  
Attachments
  - B.1: PDF of Table Used to Calculate Absorption ratio (with c
- C. **Development Plan**
- D. **Development Budget**  
Attachments
  - D.1: Sources and Uses
  - D.2: Construction Cost Estimate from KBS
  - D.3: LOI from Red Stone Equity Partners (4% LIHTC syndica
  - D.4: LOI from SunTrust Bank (4% bond/construction lender a
  - D.5: FHLB Atlanta application submitted 7/1/2019
  - D.6 PBV Commitment from RRHA
  - D.7 Seller Note from RRHA
- E. **Operating Pro Forma**  
Attachments
  - E.1: Cash Flow Pro Forma
- F. **Capital Needs Assessment**

- OtherNarrativeAttachments\_1\_2-Attachments-1234-2. 2530 Previous Participation Certification
- OtherNarrativeAttachments\_1\_2-Attachments-1235-1. Table of Contents
- OtherNarrativeAttachments\_1\_2-Attachments-1236-2. 2880
- OtherNarrativeAttachments\_1\_2-Attachments-1237-3. Lobbying Form V1.1 Letter
- OtherNarrativeAttachments\_1\_2-Attachments-1238-4. 92013 - Capital Advance
- OtherNarrativeAttachments\_1\_2-Attachments-1239-Tab A
- OtherNarrativeAttachments\_1\_2-Attachments-1240-Tab B
- OtherNarrativeAttachments\_1\_2-Attachments-1241-Tab C
- OtherNarrativeAttachments\_1\_2-Attachments-1242-Tab D
- OtherNarrativeAttachments\_1\_2-Attachments-1243-Tab E
- OtherNarrativeAttachments\_1\_2-Attachments-1244-Tab F
- OtherNarrativeAttachments\_1\_2-Attachments-1245-Tab J
- OtherNarrativeAttachments\_1\_2-Attachments-1246-Tab K
- OtherNarrativeAttachments\_1\_2-Attachments-1247-Tab L
- OtherNarrativeAttachments\_1\_2-Attachments-1248-Tab N
- OtherNarrativeAttachments\_1\_2-Attachments-1249-Tab O
- OtherNarrativeAttachments\_1\_2-Attachments-1250-Tab P
- OtherNarrativeAttachments\_1\_2-Attachments-1251-Tab G
- OtherNarrativeAttachments\_1\_2-Attachments-1252-Tab H
- OtherNarrativeAttachments\_1\_2-Attachments-1253-Tab I
- OtherNarrativeAttachments\_1\_2-Attachments-1254-Tab M

# What is the NOFO Toolkit?

**FY22 202 NOFO Toolkit**

Project Name:

Project Sponsor:

**INSTRUCTIONS**

This 202 NOFO Toolkit (Toolkit) is intended to streamline and standardize the application submissions under the FY 22 Section 202 NOFO by providing templates that satisfy the NOFO's submission requirements, alerting the applicant when entries may violate NOFO requirements through system-generated flags, and calculating provisional scores for a subset of rating factors. This Toolkit does not contain ALL NOFO submission items. If the Toolkit is used, it must be supplemented with the additional submission items described in Section IV.B. Content and Form of Application Submission of the NOFO.

The Toolkit contains 12 worksheets to be completed by the Sponsor in the submission of their FY22 Section 202 application, including:

- Absorption Ratio
- Site and Neighborhood Standards
- Physical Design
- Supportive Services

- An optional, but strongly encouraged, Excel tool to streamline and standardize application submissions by:
  - Providing templates that satisfies NOFO submission requirements; and
  - Alerting applicant when entries may violate NOFO requirements.
- Auto-calculated scores displayed in the tool are contingent on verification by HUD.

## How do I access the 202 NOFO Toolkit?

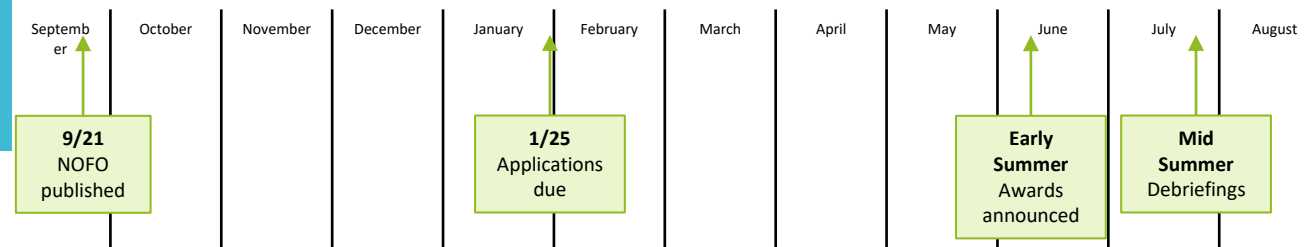
- Access the 202 NOFO Funding Opportunities website ([https://www.hud.gov/program\\_offices/spm/gmomgmt/grantsinfo/fundingopps/fy22\\_section202](https://www.hud.gov/program_offices/spm/gmomgmt/grantsinfo/fundingopps/fy22_section202)).
- Scroll down till you see the “S202 NOFO Toolkit” hyperlink.
- Double click on the hyperlink to download the Excel file.
- We will host a focus session on how to use the Toolkit on Thursday, October 18 from 2-3 PM ET. The recording will be posted in the same location as the Toolkit.

Focus  
Session

# NOFO Requirements

## Award Administration

- Applications are due **January 25, 2023 at 11:59:59 EASTERN STANDARD TIME!**
- Must obtain a **Unique Entity Identifier** number from SAM.gov.
- Apply via **Grants.Gov @ WWW.GRANTS.GOV**
- **Notifications will be sent by email to the person listed as the Authorized Representative in item 21 of the SF-424.**
- Do not confuse this person with the Standard Authorized Organization Representative who is authorized to submit applications in Grants.gov on behalf of the organization. However, they can be the same person.
- Your organization **MUST** be a Nonprofit having a 501(c)(3) status with the IRS.



- Maximum Award Amount: \$20,000,000 Per Project Period

# What is the NOFO Toolkit?

**FY22 202 NOFO Toolkit**

Project Name:

Project Sponsor:

**INSTRUCTIONS**

This 202 NOFO Toolkit (Toolkit) is intended to streamline and standardize the application submissions under the FY 22 Section 202 NOFO by providing templates that satisfy the NOFO's submission requirements, alerting the applicant when entries may violate NOFO requirements through system-generated flags, and calculating provisional scores for a subset of rating factors. This Toolkit does not contain ALL NOFO submission items. If the Toolkit is used, it must be supplemented with the additional submission items described in Section IV.B. Content and Form of Application Submission of the NOFO.


The Toolkit contains 12 worksheets to be completed by the Sponsor in the submission of their FY22 Section 202 application, including:

- Absorption Ratio
- Site and Neighborhood Standards
- Physical Design
- Supportive Services

- An optional, but strongly encouraged, Excel tool to streamline and standardize application submissions by:
  - Providing templates that satisfies NOFO submission requirements; and
  - Alerting applicant when entries may violate NOFO requirements.
- Auto-calculated scores displayed in the tool are contingent on verification by HUD.

# Application Deficiencies

Application deficiencies are classified as one of the following:



## Curable

- Can be corrected by the applicant.
- Does not influence how the applicant is ranked or scored.
- Not a threshold requirement, except for documentation of applicant eligibility.
- Applicants must email corrections to curable deficiencies to [applicationsupport@hud.gov](mailto:applicationsupport@hud.gov) AND [202CapitalAdvanceNOFO@hud.gov](mailto:202CapitalAdvanceNOFO@hud.gov).
- The time allowed to correct deficiencies is between 48 hours and 14 days. Deadline will be specified in the notification.
- Subject line of applicant's response email must state "Technical Cure" and include the Grants.gov tracking number.

### Examples:

- Missing a Partner Worksheet in HEROS
- List of board members not included with HUD-92041
- HUD-2991 signed by applicant rather than jurisdiction official
- Market tab missing site map



## Non-Curable

- Cannot be corrected by the applicant.
- Correcting would change the applicant's score or rank.
- May result in an application being ineligible, or otherwise adversely affect an application's score.

### Examples:

- Missing documentation of committed funds
- Supportive Services plan does not address social isolation
- Market tab does not include walking/transit distance to amenities

We will send a notification of curable deficiencies to the contact on the SF-424 – ensure you fill this out carefully!



# What types of requirements are in the NOFO?

1

## Threshold

- Applications who fail to meet these requirements will be deemed ineligible and their applications will not be evaluated.
- 501©(3) designation letter from the IRS

2

## Program Specific Requirements

- Specific to Section 202. Many require submission of supporting documentation
- Example: Lack of a written supportive services plan
- Demonstration of need

3

## Statutory and Regulatory Requirements

- Eligibility requirements for all HUD programs. Detailed information for each requirement is posted on [HUD's Funding Opportunities Page](#).
- Example: No delinquent federal debts

## Threshold Requirements

See  
Sections  
III.A. and  
III.D.4,  
Tab A

See  
Section  
III.D.5,  
Tab B

Threshold requirements deficiencies are not curable,

- 1. Timely Submission** - Applications submitted after **11:59:59 PM ET on January 25, 2023** that do not meet the requirements of the grace period policy will be marked late. Late applications are ineligible and will not be considered for funding.
- 2. Complete Application** - HUD reserves the right to determine whether an application is substantially deficient and non-responsive to the NOFO application requirements. Section IV.B., “Content and Form of Application Submission” identifies the required documentation for submission for a complete application.
- 3. Non-Profit Status** - Applicants must document their status as a private non-profit organization or as a mixed-finance limited partnership with one or more private non-profit organizations serving as the general partner (see 24 CFR 891.805) **Tab A.**
- 4. Need** - HUD will assess the unmet housing needs in the proposed development area relative to the number of proposed assisted units. Applicants must provide an absorption ratio by dividing the number of units in the proposed project by the number of income eligible households aged 62 years old or older with severe housing needs. To be eligible sites must have an absorption ratio of 30% or less. **Tab B.**

## Program Specific Requirements



Refer to the NOFO for details. Some of the required items include: (This list is NOT all inclusive. Please refer to the NOFO for the entire list)

- Development Plan
- Development Budget
- Committed Funds
- Operating Pro Forma Financial Statement
- Evidence Site Control
- Environmental Review (HEROS)
- Site and Neighborhood Standards
- Encumbrances
- Climate Resiliency
- Intergenerational Narrative (if proposing these units)

## NEW: Intergenerational Housing

- **\$15 million** set aside.
- Intergenerational proposals will compete against each other. Intergenerational units are paid for from the \$15 million, and the rest of the PRAC units are paid for with the other NOFO funds.
- Proposing intergenerational units is not required.
- To be considered, the greater of **five units or 20% of PRAC-assisted units** must be intergenerational.
- Intergenerational units must have **2+ bedrooms** and be equipped with design features appropriate for the physical needs of elderly persons and young children, as needed.
- PRAC amounts for intergenerational units of 2+ bedrooms are adjusted to reflect higher operating costs.
- Intergenerational units can constitute the entirety of a project or can be integrated as part of a larger project, including one with non-intergenerational units.
- Physical Design and Supportive Services documentation must explain the features included to support children and elderly persons – **refer to the required narrative in the NOFO.**

## Required Forms

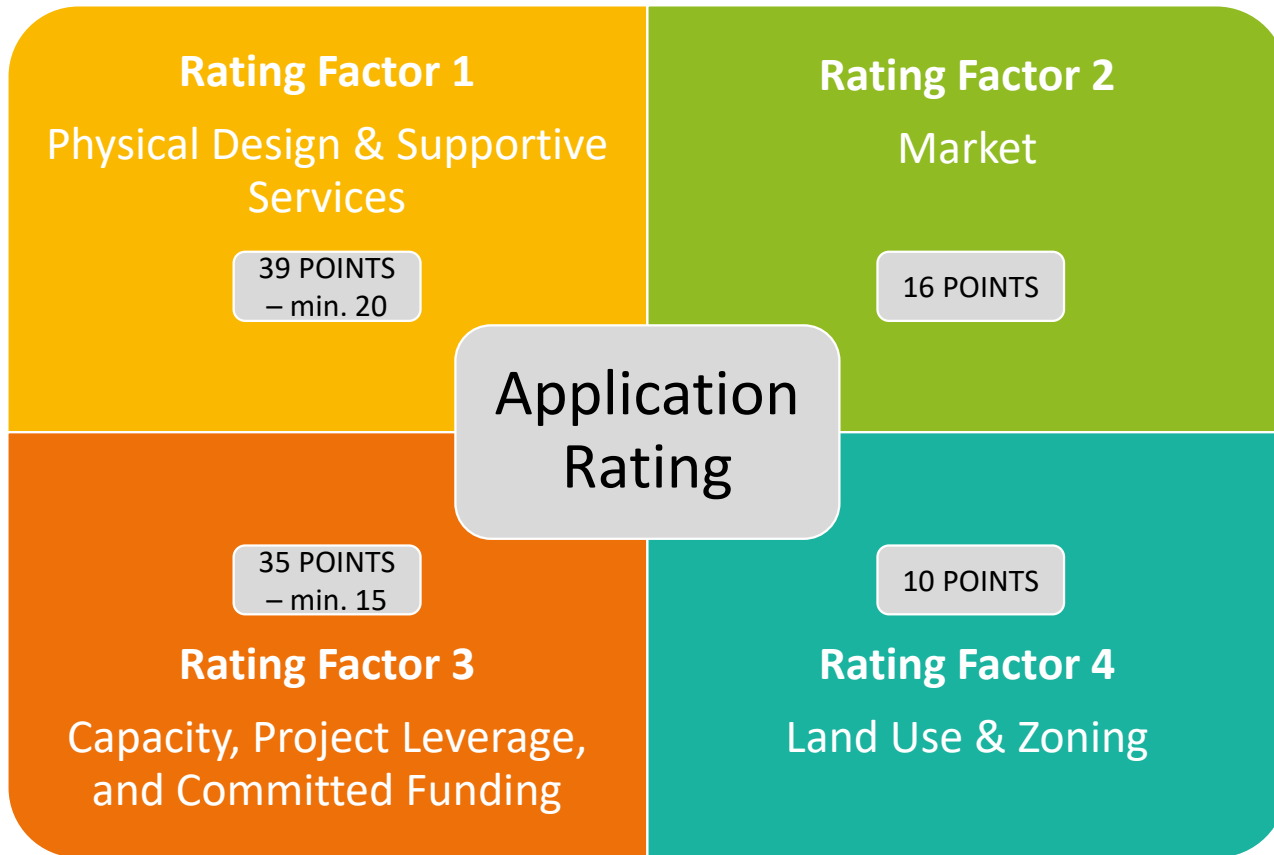
Required forms to be submitted include:

- SF-424 – Application for Federal Assistance and SF-LLL-Disclosure of Lobbying Activities (Grants.gov)
- HUD-2880 (Applicant/Recipient Disclosure/Update Report)
- HUD-2530 (Previous Participation Certification)
- HUD-92041 (Sponsor’s Conflict of Interest Resolution)
- HUD-92042 (Sponsor’s Resolution for Commitment to Project)
- HUD-92015 (Application for Capital Advance Summary Information)
- HUD-2991 (Certification of Consistency with the Consolidated Plan)
- THIS LIST IS NOT ALL INCLUSIVE. PLEASE READ THE NOFO FOR FURTHER INFORMATION

# Rating Factors

Focus  
Session

# How is my application scored?



# Application Review & Award



# CURABLE DEFICIENCIES

- Curable Deficiencies may be corrected by the applicant with timely action. To be curable the deficiency must:  Not be a threshold requirement, except for documentation of applicant eligibility;  Not influence how an applicant is ranked or scored versus other applicants; and  Be remedied within the time frame specified in the notice of deficiency.

# NON- CURABLE DEFICIENCIES

- Non-Curable Deficiencies cannot be corrected by an applicant after the submission deadline. Non-curable deficiencies are deficiencies that, if corrected, would change an applicant's score or rank versus other applicants. Non-curable deficiencies may result in an application

# YOU'VE BEEN AWARDED A SECTION 202 GRANT!

- A fund reservation award constitutes *preliminary approval* of the application and does not constitute an approval of the site, pending full environmental review.
- Awarding of funds contingent on meeting “Period of Performance” requirements in Section II.D of the NOFO, including: (1) Agreement Letter and (2) Firm Commitment Application. Initial closing of the Capital Advance and start of construction are expected to be accomplished within 6-18 months after acceptance of the Agreement Letter.
- HUD considers the funds obligated when HUD issues the Agreement Letter which stipulates the terms and conditions of the Section 202 fund reservation. No later than 180 days after accepting the Agreement Letter, awardees are required to submit a Firm Commitment Application. Awardees should begin working on the Firm Commitment application as soon as they accept the Agreement Letter. HUD expects Sponsors to have commitments for all funds and required permits no later than 12 months following the acceptance of the Agreement Letter. Initial closing of the Capital Advance and start of construction are expected to be accomplished within 6-18 months after acceptance of the Agreement Letter.
- HUD may impose special conditions on awards when assessing applicant risk.
- Application debriefings will be available, if requested by the applicant, for a period of 120 days beginning 30 days after the public announcement of awards.

## REVIEW

- Applicants must email corrections of Curable Deficiencies to [applicationsupport@hud.gov](mailto:applicationsupport@hud.gov) within the time limits specified in the notification. The time allowed to correct deficiencies will be no less than 48 hours and no more than 14 calendar days from the date of the email notification. The start of the cure period will be the date stamp on the email sent from HUD. If the deficiency cure deadline date falls on a Saturday, Sunday, Federal holiday, or on a day when HUD's Headquarters are closed, then the applicant's correction must be received on the next business day HUD Headquarters offices in Washington, DC are open. The subject line of the email sent to [applicationsupport@hud.gov](mailto:applicationsupport@hud.gov) must state: Technical Cure and include the Grants.gov application tracking number or the GrantSolutions application number (e.g., Subject: Technical Cure - GRANT123456 or Technical Cure - XXXXXXXXXXXX). If this information is not included, HUD cannot match the response with the application under review and the application may be rejected due to the deficiency.

# REVIEW

- Initial Review. Reviewers will evaluate threshold and minimum program compliance and, if the project meets the threshold and minimum program requirements, will preliminarily rate each eligible application, solely based on the rating factors described in Section V.A of this NOFO. Reviewers will assign a preliminary score for each rating factor and a total score. HUD will then rank applications in descending score order. HUD will also evaluate Previous Participation (HUD Form 2530) submissions to assess applicant risk.

# REVIEW

- Secondary Review. A Review Coordinator will: 1. Review the Initial Review documentation to ensure any inconsistencies between preliminary reviewers are identified and rectified and to ensure the Initial Review documentation accurately reflects the contents of the application; 2. Assign a final score to each application and rank them in descending score order; 3. Recommend for selection the most highly rated applications located in nonmetropolitan areas until the minimum requirement for such areas, specified in paragraph 3 below, is reached; 4. Recommend for selection the most highly rated of the remaining applications until the minimum requirement for each Office of Multifamily Housing Programs administrative region, specified in item 3.4 below, is reached; and 5. Recommend for selection the most highly rated of the remaining applications, subject to the amount of available funding

## QUALIFYING

- Minimum scoring. To qualify for a Capital Advance Award, applicants must earn a minimum score of 75 points, which must include a minimum score of 20 points for Rating Factor 1 (Physical Design and Supportive Services) and a minimum score of 15 points for Rating Factor 3 (Capacity, Project Leverage, and Committed Funding). Any application not earning the minimum scoring will not be awarded a grant under this NOFO.
- 2. Tie Scores. If two or more applications have the same score and there are insufficient funds to select all of them, HUD will select the application(s) with the highest score under Rating Factor 1. If a tie remains, HUD will select the application(s) with the highest score for Rating Factor 2, then Rating Factor 3, then the project(s) with the lowest amount of 202 funding (Capital Advance and PRAC) per PRAC unit. The final tiebreaker is a random selection from among the remaining applicants.

## NEXT STEPS

- **STEP 1** - Agreement Letter is accepted
- **TIMING** - 30-45 days after Awards are made
- **STEP 2** - Applicant submits Firm Commitment application
- **TIMING** - 180 days after acceptance of Agreement Letter
- **STEP 3** - Sponsor has commitments for all funds and has required permits
- **TIMING** - 12 months after acceptance of Agreement Letter
- **STEP 4** - Initial closing of the Capital Advance and start of construction
- **TIMING** - 6-18 months after acceptance of Agreement Letter
- **THE FIRM COMMITMENT APPLICATION WILL BE SUBMITTED TO THE HUD OFFICE THAT SERVICES THE LOCATION WHERE THE PROPERTY WILL BE LOCATED**



## Focus Sessions

Thursday, 10/13  
2-3 PM ET

Scoring

Tuesday, 10/18  
2-3 PM ET

Toolkit

Thursday, 10/20  
2-3 PM ET

Environmental

Thursday, 10/27  
2-3 PM ET

Site and Neighborhood  
Standards

# Q&A