

Capital Fund Recovery Competition (CFRC) NOFA
Frequently Asked Questions #3
As of July 17, 2009

General

Q30. In the NOFA when it refers to “project” what do you mean? For example, on page 19 under category # 1 it says “applicants must submit a separate application for each “project”. We have original project #s and new AMP project #s – or does this refer to a construction project (activity at a specific site)?

A30. Applicants should review the Definitions section of the NOFA (section I.C., pages 15-19). As stated on page 19, a project is defined as, “Public housing buildings and units linked together under a single project number in HUD’s Public Housing Information Center (PIC)/Inventory Management System (IMS).”

Q31: Does “project” mean “AMP”?

A31: Yes.

Q32: Can a PHA apply for more than one CFRC grant for one project?

A32: Yes, but the project can only receive one grant. As a result of this restriction, applicants that wish to submit more than one application for one project, must carefully consider how to prioritize these applications. See Section I.F (page 24): “F. Number of CFRC Grants per Project. In accordance with Section V.B.5, HUD will not fund more than one CFRC grant for any one project. While an applicant is allowed to apply for funding of a project under more than one Category, HUD will fund only one grant for that project in accordance with the Review and Selection Process in Section V.B.” See Section V.B.5 (page 104): “5. Number of CFRC Grants per Project. HUD will not fund more than one CFRC grant for any one project. While an applicant is allowed to apply for funding of a project under more than one Category, HUD will fund only one grant for that project in accordance with the Review and Selection Process in Section V.B. above. Thus, as noted elsewhere in the NOFA, it is important for applicants that are submitting multiple applications on the same day to indicate the priority in which they wish their applications to be funded in the event there are not sufficient funds available to fund them all. For example, a PHA submits applications for Project ABC under a Category 2 and Category 4 Option 1 (Substantial Rehabilitation or New Construction). While both may be deemed eligible to be funded, HUD will only fund one.”

Q33: Can a PHA be funded for more than one CFRC grant for one project?

A33: No. See Section I.F (page 24): “F. Number of CFRC Grants per Project. In accordance with Section V.B.5, HUD will not fund more than one CFRC grant for any one project. While an applicant is allowed to apply for funding of a project under more than one Category, HUD will fund only one grant for that project in accordance with the Review and Selection Process in Section V.B.” See Section V.B.5 (page 104): “5. Number of CFRC Grants per Project. HUD will not fund more than one CFRC grant for any one project. While an applicant is allowed to apply for funding of a project under more than one Category, HUD will fund only one grant for that project in accordance with the Review and Selection Process in Section V.B. above. Thus, as noted elsewhere in the NOFA, it is

important for applicants that are submitting multiple applications on the same day to indicate the priority in which they wish their applications to be funded in the event there are not sufficient funds available to fund them all. For example, a PHA submits applications for Project ABC under a Category 2 and Category 4 Option 1 (Substantial Rehabilitation or New Construction). While both may be deemed eligible to be funded, HUD will only fund one.”

As a result of this restriction, applicants that wish to submit more than one application for one project, must carefully consider how to prioritize these applications.

Q34: Can a PHA receive more than one CFRC total (i.e., not just for one project)?

A34: Yes. A PHA can receive more than CFRC grant total (i.e., a Category 1 grant for Project A, a Category 3 grant for Project B, a Category 4, Option 2 grant for Project C, etc.). The NOFA only restricts that HUD will not fund more than one CFRC grant for any one project.

Q35: We are submitting for Category 1, Activities 1 & 3. We currently have three projects and want to apply for each project under Category 1, Activities 1 & 3. For example:

Project 1 - Category 1, Activities 1 & 3 (separate application) Project

2 - Category 1, Activities 1 & 3 (separate application) Project 3 -

Category 1, Activities 1 & 3 (separate application) Is this permissible?

A35: Yes. This is permissible. As noted in these FAQs, a PHA can receive more than one CFRC grant. The NOFA only restricts that HUD will not fund more than one CFRC grant for any one project.

Q36: Is an agency that is rated as a Standard Performer or Troubled automatically eliminated from the first round of reviews?

A36: No. Please carefully review the revised CFRC NOFA posted issued on June 3, 2009, and note the changes related to the Threshold Funding Caps and High Performer Status. For Categories 1, 2 and 3 and Threshold Funding Caps, see Section II.A (page 20), Section III.C.2.d (page 27-28) and Section V.B.1 (starts on page 94). For Categories 1, 2 and 3, during Round 1, 50% of each Category's Funding Cap is reserved as a Threshold Funding Cap for eligible applications from High Performers. The balance of the Category Funding Cap will be available for remaining eligible applications from High Performers and non-High Performers. For Category 4, the Threshold Funding Cap does not apply and there are not rounds. Rather a rating factor was added to Category 4 which awards 5 points for Category 4 applications from High Performers. For Category 4, see Section II.A (page 20), Section III.C.2.d (page 27-28) and Section V.B.2 (starts on page 99).

Q37: What will happen if an applicant does not meet the commitments it made in its application?

A37: Applicants should review the enforcement requirements on page 128 of the of the revised NOFA issued June 3, 2009:

“n. Enforcement. The commitments made for each grant application will be strictly monitored and enforced. A false statement in an application is grounds for denial or termination of an award and possible criminal, civil or administrative sanctions. CFRC funds not used in accordance with this NOFA will be recaptured or repaid with non-public housing funding sources. HUD may take all other available remedies to ensure funds are used in compliance with this NOFA. Further, failure to comply with the performance measures as indicated in this NOFA will subject the grant to sanctions including recapture of grant funds proportional to the shortfall of the performance measure(s).”

Q38: Does HUD have a list of the PHAs that will be qualified to apply for competitive grants in this round (they must be "high performing" and meet or exceed minimum expenditure rates)? It would be helpful to know what the competitive landscape is for these grants.

A38: Please carefully review the revised CFRC NOFA posted issued on June 3, 2009, and note the changes related to the Threshold Funding Caps and High Performer Status and Capital Fund expenditures). For Categories 1, 2 and 3 and Threshold Funding Caps, see Section II.A (page 20), Section III.C.2.d (page 27-28) and Section V.B.1 (starts on page 94). For Categories 1, 2 and 3, during Round 1, 50% of each Category's Funding Cap is reserved as a Threshold Funding Cap for eligible applications from High Performers. The balance of the Category Funding Cap will be available during Round 1 for remaining eligible applications from High Performers and non-High Performers. For Category 4, the Threshold Funding Cap does not apply; rather a rating factor was added to Category 4 which awards 5 points for Category 4 applications from High Performers. For Category 4, see Section II.A (page 20), Section III.C.2.d (page 27-28) and Section V.B.2 (starts on page 99). A list of high performing housing authorities can be accessed through the Capital Fund website: <http://www.hud.gov/offices/pih/programs/ph/capfund/ocir.cfm>.

Also note that the Capital Fund Expenditure Rate threshold requirement was replaced with a Compliance with Section 9(j) of the Act threshold requirement (page 28 of the revised NOFA).

Q39: We understand that CFRC grant applications should not be submitted to Grants.gov. However, is it required to report in the Grants.gov website that we have submitted an application to HUD for CFRC funding?

A39: No, it is not required to report in Grants.gov.

Q40: In terms of what we use as the number in a PHA's inventory, do we use the number of units currently in the PIC system or do we have to use numbers as of a certain date in the PIC system?

A40: Applicants should use the number of units currently in the PIC system.

Q41: Do we have to submit a certification for consistency with the consolidated plan?

A41: No, this is not required with the CFRC grant applications.

Q42: Where can I find the "checklist for certifying to threshold requirements for all applications" and "checklist for certifying to category specific threshold requirements" for Category #2?

A42: Please note that the forms applicants need can be accessed from this webpage, <http://www.hud.gov/offices/pih/programs/ph/capfund/ocir.cfm>, by clicking on "Recovery Act Competition Application Kit Map."

Q43: Is a commitment of CDBG funding considered "non public housing funds."

A43: Yes. CDBG funds are not public housing funds.

Q44: Page 42 of the NOFA says "there will be a place in the application to indicate the actual dollar amount of match resources." Where is it?

A44: This is relevant for Categories 1, 2 and 3. It appears in the section of the application where the leverage threshold requirement appears. This should be on page 10 of the CFRC application.

Q45: My question is concerning the ratio of Leverage required for Round 1 applicants. On page 42, the ratio of Leverage must not be less than \$0.05 per \$1.00 of grant funds; however elsewhere in the document the ratio is \$0.25 per \$1.00 of grant funds. Please clarify this apparent discrepancy.

A45: Please note the leverage ratio varies depending on whether it is Category 1, 2 or 3 you are applying for. Category 1 only requires (for round 1 consideration) that leverage must not be less than \$0.05 per \$1.00 of grant funds. Categories 2 and 3 have the 0.25:1 ratio. (Note: for Category 4, leverage appears as a rating factor).

Q46: My question applies to Categories 1, 2 and 3. If we do not have leverage commitments, or if we do not have enough to meet the ratio required under the given Category, can we still apply?

A46: Yes. Please note that while the leverage requirement applies for Round 1 consideration, it is one of the threshold requirements that can be lifted during Round 2 (see Section V.B.1). Here is a brief summary of the leverage ratio required for Category 1, 2 and 3 for Round 1 consideration:
Category 1: The applicant must certify that it has leveraged funds for the application at a ratio of not less than \$0.05 of leverage funds to \$1.00 of CFRC grant funds (page 42 of the revised NOFA).
Category 2: The applicant must certify that it has leverage funds for the application at a ratio of not less than \$0.25 of leverage funds to \$1.00 of CFRC grant funds (page 55).
Category 3: The applicant must certify that it has leverage funds for the application at a ratio of not less than \$0.25 of leverage funds to \$1.00 of CFRC grant funds (page 62).

Q47: How are leverage and match defined?

A47: See Section I.C for the definition of leverage and match (pages 17-18).

Q48: Is leverage a threshold requirement for Category 4?

A48: No. Leverage appears as a rating factor (see Section V.A.4., rating Factor 3 for each Option), not as a threshold requirement. However, applicants must certify in their application that any leverage commitments they have comply with the definition of firmly committed. The leverage commitment documents must be kept on file by the applicant.

NOFA Category 1

Q2. Page 38 says that 60% of a project must be elderly or disabled. Our inventory is one "project" number (AMP), does this mean that unless our entire inventory is 60% elderly or disabled we are not eligible? We have two sites that that are 100% elderly or disabled but they do not constitute a "project".

A2. The NOFA has been revised for Category 1 to allow the 60% requirement to apply to a building or project. The revised threshold requirement appears under two Category 1 Activity Types:

Activity 2 (page 44 of the revised NOFA): "(ii) The identified unit(s) must be located in a project, or a building(s) in the project you are applying for, where at least sixty (60) percent of the residents are either elderly and/or persons with disabilities."

Activity 4 (page 45 of the revised NOFA): "(iii) The identified non-dwelling area(s) must be located in a project, or be part of a building(s) in the project you are applying for, where at least sixty (60) percent of the residents are either elderly or persons with disabilities."

Q3: My PHA would like to apply under Category 1, Activity Type 3 - Improvements to non-dwelling areas to make them accessible and ADA-compliant. We plan to make improvements to the sidewalks in our targeted project to make them accessible and ADA-compliant. However, we are not able at this time make the doorways, to which the sidewalks lead, ADA-compliant (we intend to make the doorways compliant later with other funding). Is this ok? That is, can we still apply under Category 1, Activity 3 for the improvements to the sidewalks?

A3: Yes. The sidewalks are non-dwelling areas and thus are eligible under Category 1, Activity Type 3. Specifically, one of the threshold requirements under Category 1, Activity Type 3 is (page 45): "(i) The Applicant must identify the improvements that will be made in order to make non-dwelling areas accessible and ADA-compliant as well as identify the specific non-dwelling areas that will be improved." Applicants must be able to certify to this (along with the other threshold requirements that apply to Category 1, Activity Type 3). "

Q4: Can funds in Category 1 be used in family developments?

A4: While family developments are not explicitly precluded from consideration, the applicant must be able to qualify under and certify to certain criteria, as described in Category 1 and its different Activity Types. First, the overarching purpose of this Category is "to address the needs of the elderly and/or persons with disabilities through either improvements to: (1) public housing units; and/or (2) community facilities which attract or promote the coordinated delivery of supportive services" (page 38 of the revised NOFA). Accordingly, applicants must be able to certify to the following threshold requirement (page 39): "Eligible Activities. The applicant must certify that the CFRC funds will only be used to pay for eligible Capital Fund activities and expenses, including substantial rehabilitation, acquisition and construction, as defined in 24 CFR Parts 905, 941 and 968, that address the needs of the elderly and/or persons with disabilities through improvements to: (1) public housing units; and/or (2) community facilities which attract or promote the coordinated delivery of supportive services."

The Activity Types have specific thresholds. Two of the four Activity Types under Category 1 have specific threshold requirements related to the percentage of elderly and/or persons with disabilities. Activity Type 2 (Conversion of dwelling units to provide space for service providers targeted to the elderly and/or persons with disabilities, page 44) requires that: "The identified unit(s) must be located in a project, or a building(s) in the project you are applying for, where at least sixty (60) percent of the residents are either elderly and/or persons with disabilities." Also, Activity Type 4 (Improvements to or construction of non-dwelling areas to provide additional space for supportive services targeted to the elderly and/or or persons with disabilities, page 45) requires that: "The identified non-dwelling area(s) must be located in a project, or be part of a building(s) in the project you are applying for, where at least sixty (60) percent of the residents are either elderly or persons with disabilities."

Q5: Can Category 1 grant funds be used to build additional handicap accessible units in elderly or family housing?

A5: No. As noted in the 2nd FAQs (posted June 4, 2009), Category 1 does not allow for the new construction of units, regardless of type, under Category 1. Rather, under Activity Type 1, modifications (i.e., renovation/rehabilitation) of dwelling units to make them fully accessible in accordance with the UFAS.

Q6: We are applying under Category 1 which - in order to be considered for funding in Round 1 - must have certified that it has leveraged funds for the application at a ratio of not less than \$0.05 of leverage funds to \$1.00 of CFRC grant funds. Our Town is concerned that the leverage of 5% will be required to be spent first before any of the others funds are drawn down from LOCCS under the grant award. This would remove any extra time needed to raise the funds and make it through the current economic crisis.

A6: First, applicants should note that the threshold requirement is that (page 42 of the revised NOFA) "The applicant must certify that it has leveraged funds for the application at a ratio of not less than \$0.05 of leverage funds to \$1.00 of CFRC grant funds." That is, "has leveraged" means that the funds have already been leveraged at the time the applicant submits their application. Second, while there are expenditure requirements that apply to the CFRC grant funds (see Section IV.D on page 35 of the revised NOFA), the NOFA does not establish an expenditure requirement for the leverage (or match) funds. However, applicants should be familiar with any terms or conditions placed on leverage (or match) funds by the outside provider of those resources.

NOFA Category 3

Q3: Our PHA wishes to apply under Category 3 (Gap Financing for Projects that are Stalled due to Financing Issues). We plan to request demolition approval and do on-site replacement units. The PHA wishes to apply for grant funding only for the replacement units and the cost of the demolition will not be part of the grant application. May the PHA apply for a grant for the replacement units only for the site that needs demolition of the vacant public housing units with HUD approval of the demolition pending?

A3: Please note that the revised NOFA issued June 3, 2009, included a change to the threshold requirement related to demolition approval under Category 3 (Gap Financing). It now states (pages 64-65) as follows: "(h) Demolition/Disposition, if applicable. If the proposed activity includes the demolition and/or disposition of public housing, the PHA must have submitted to HUD the application for demolition and/or disposition approval no later than the date of the publication of the revised NOFA. This must be certified to in the application." So if the proposed activity includes demolition (regardless of how that demolition is to be funded), then the PHA would have had to have submitted the demolition application to HUD by June 3, 2009 (the date of the revised NOFA was issued) in order to meet this threshold requirement. All threshold requirements must be met in order to be funded. Such a requirement is a way to demonstrate that a project fits the concept of Category 3, Gap Financing for Projects that are Stalled due to Financing Issues (i.e., they are ready to proceed but are stalled due to the inability to obtain anticipated private capital). The cost of demolition does not have to be included as part of the grant application.

Q4: The Eligible Activities section of Category 3 (page 59) includes language about demolition and/or disposition of public housing and that the PHA must have received demolition and/or disposition approval from HUD no later than the date of the publication of the NOFA. But in the Threshold Requirements section of Category 3 (page 64-65), it says that the PHA must have submitted the demolition and/or disposition application to HUD by the publication date of the revised NOFA. Which applies?

A4: The language in the Threshold Requirements section of Category 3 (page 64-65) applies. Applicants must meet all threshold requirements in order to be funded. The threshold requirement in full is: "If the proposed activity includes the demolition and/or disposition of public housing, the PHA must have submitted to HUD the application for demolition and/or disposition approval no later than the date of the publication of the revised NOFA. This must be certified to in the application." This language is in the revised NOFA.

NOFA Category 4

Q17: Will other Green Communities Criterion outside the scope of a rehab project still be required?

A17: PHAs are required to comply with the Enterprise Green Communities Criteria, as amended in the NOFA, for Category 4, (Creation of energy efficient communities), Option 1, (New Construction or Substantial Rehab) only.

Q18. Can a PHA choose Option 1 or Option 2 for a rehab project or will HUD determine which is more appropriate?

A18: It is the PHA's responsibility to determine whether to apply under Option 1, New Construction/Substantial Rehab or Option 2, Moderate Rehab, and to specify this in your application. Only the PHA (and third party experts used by the PHA for such purposes) have the ability to determine the level of rehabilitation needed for the PHA's building stock to achieve energy efficiency.

Q19: Unlike Option 1, there are no required elements of the retrofit program in Option 2, only an obligation to meet overall reductions in usage. How will HUD certify that proposed measures are likely to achieve the results?

A19: The PHA, not HUD, certifies that the results can be achieved. As per the NOFA, the percentage of energy consumption savings will be determined by a comparison of 1) pre and post energy audits and 2) the percentage of water consumption savings based upon pre and post rehabilitation water consumption as certified by the PHAs water utility.

Q20: Will HUD provide guidance on what audit tools to use and/or what qualifications the consultants who prepare the audits must have?

A20: Guidance on energy audits and consultant qualifications can be found on the following DOE websites: <http://www.energysavers.gov/> AND <http://www.energy.gov/>

Q21: What will happen if actual performance does not achieve the percentage reduction? Especially in master-metered properties, PHAs don't have complete control over usage even if they've installed energy saving devices. How will HUD enforce the program requirements? What are the likely penalties and when would they be imposed?

A:21 Applicants should review the enforcement requirements on page 128 of the revised version of the revised NOFA:

"n. Enforcement. The commitments made for each grant application will be strictly monitored and enforced. A false statement in an application is grounds for denial or termination of an award and possible criminal, civil or administrative sanctions. CFRC funds not used in accordance with this NOFA will be recaptured or repaid with non-public housing funding sources. HUD may take all other available remedies to ensure funds are used in compliance with this NOFA. Further, failure to comply with the performance measures as indicated in this NOFA will subject the grant to sanctions including recapture of grant funds proportional to the shortfall of the performance measure(s)."

Q22: Option 2 rating factor 2 references energy and water efficiency targets. The measurement unit mentioned on page 87 (and 116) of the NOFA is BTUs. Are these “source” BTUs (that takes into account the energy used to generate electricity at the power plant) or “site” BTUs (that only take into account energy delivered to the building)? This has a significant effect on energy conservation measure selection. Cogeneration equipment, for example, reduces source energy BTUs but may not reduce site energy BTUs.

A22: The NOFA goals are to increase energy efficiency and reduce greenhouse gas emission. Generally, when measuring overall building energy consumption it is preferable to use energy measured at the point of use or “site” energy. However, in the case of onsite electricity generation with cogeneration it is preferable to measure energy in a way that accounts for the offsite generation or “source” energy, avoiding energy transmission losses.

To calculate the pre-retrofit source energy consumption, you should contact your electric provider and ask for their source energy conversion factor. You may also use the national average source conversion factor used by the Department of Energy for the Federal Energy Management Program: 11,850 BTU/kilowatt hour at the power plant versus 3,412 BTU/kilowatt hour at the building.

Q23: Can the term “consumption,” be read broadly to apply to the reduction in power required from the grid, in the case of the solar system, and the reduction in cost, in the case of the conversion to natural gas?

A23: Two NOFA goals of Category 4, Provision of Energy Efficient Green Communities, are to reduce energy consumption and greenhouse gas emissions. The use of solar power, a renewable energy source, accomplishes both of these goals. As per Category 4, Option 2, Rating Factor 2 of the NOFA on page 86, the applicant’s use of solar power to generate electricity will provide a measureable reduction in the consumption of energy to which the PHA can certify.

Regarding the conversion from one energy source to another, due to the volatility of energy costs the NOFA does not provide points for a reduction in costs. Points are only awarded if there are savings in energy consumption.

Q24: What percentage of structures need to be oriented for Passive Solar Points? In some bigger developments, it is not possible to orient all of them to achieve the points.

A24: A point will be awarded for passive solar orientation of units to the maximum extent possible. Additional information on the Green Communities Criteria is available on the website at: www.greencommunitiesonline.org

Q25: Do energy conservation measures need to be certified as green and if so who would do the certification?

A25: PHA must self-certify to savings in energy consumption for compliance with NOFA requirements. Please see the HUD website noted below for information on strategies that will result in energy consumption savings including estimates of the potential savings in consumption: <http://www.hud.gov/offices/pih/programs/ph/phecc/>

Q26: Does an energy audit equal a green assessment of facilities? If not what is the difference between them?

A26: An energy audit measures a project's energy usage and efficiency. As discussed on page 85 and 86 of the NOFA, a green assessment focuses on energy efficiency AND water conservation, indoor air quality, use of green materials and green construction practices, reviews greening opportunities that can provide both short and long term environmental benefits and can identify and prioritize sustainability initiatives based upon costs and estimated payback as well as other benefits that support the PHA's goals.

Q27: If we are proposing a project that does not include the use of wood products, will we lose the 5 points associated with the use of recycled wood products, salvaged wood, etc?

A27: If recycled or salvaged wood products are not being used, the PHA would not qualify for the points.

Q28: What are the facts about disposal and breakage of CFLs (compact florescent lights)? I've been told they contain a hazardous chemical which causes concern in residential situations.

A28: CFLs contain a small amount of mercury so care needs to be taken when disposing of old CFLs. Many stores have recycling programs for the disposal of CFLs. PHAs should check with their municipal trash disposal agency or their private trash disposal company for the recommended procedures for CFL disposal.

Q29: How does a PHA calculate, in order to certify the percentage of savings in water/energy conservation under Category 4, Option 2, Rating factor 2?

A29: Please see Page 87 of the revised NOFA for detailed information on calculating savings in water and energy consumption. The revised NOFA can be accessed at:

<http://www.hud.gov/offices/pih/programs/ph/capfund/ocir/recoverynofa.pdf>

Q30: Can a small/moderate PHA apply for \$10 million for Category 4, Option 1 and then also a separate amount based on inventory size for Category 4 Option 2?

A30: A small/moderate PHA can apply for the \$10 million for Category 4, Option 1 and can make another application for Category 4 Option 2. However, applicants are reminded that they will only be funded for one CFRC grant per project. : "F. Number of CFRC Grants per Project. In accordance with Section V.B.5, HUD will not fund more than one CFRC grant for any one project. While an applicant is allowed to apply for funding of a project under more than one Category, HUD will fund only one grant for that project in accordance with the Review and Selection Process in Section V.B." As a result of this restriction, applicants that wish to submit more than one application for one project must carefully consider how to prioritize these applications. Note that the NOFA also provides for the lifting of threshold funding caps after round 1.

Q31: What is the green home website?

A31: The green home website is a website sponsored by the U.S. Green Building Council and it provides information on green renovation, developing green, energy efficient projects and green resources. The link is: <http://www.greenhomeguide.org/>

Q32: Please confirm that for Category 4, Option 1 and Option 2 are separate funding amounts. There is up to \$10 million available for Option 1 and a separate amount available for Option 2 based on inventory size.

A32: This is correct. Please see page 22 of the revised NOFA for more detail:
<http://www.hud.gov/offices/pih/programs/ph/capfund/ocir/recoverynofa.pdf>

Q33: There was an example of Geothermal given for achieving the 10 points for renewable energy. Is this approach acceptable?

A33: Geothermal is a renewable energy resource that uses no fossil fuel and does not emit any greenhouse gases. As such, the use of a geothermal system by a PHA meets the NOFA's goals and is eligible for the Optional 10 point credit for the use of renewable energy sources.

Q34: What is the web address for green retrofits?

A34: Energy Improvements Checklist: <http://www.hud.gov/offices/pih/programs/ph/phecc>

Q35: Section V.A. 4 (2)(b) describes the point system for ratings in Option 2 Moderate Rehabilitation-Energy Efficient-Green Communities. It is not clear to me the scope of where the energy savings must be achieved. The section refers to the PHA's utility costs. Is the statistic to be calculated based on PHA paid utilities only, including water? Are tenant's utility costs to be considered? This would impact utility allowances. PHAs typically do not have access to tenant paid utility consumption.

A35: Category 4, Option 2, Rating Factor 2 is asking the applicant to "certify that they have developed and documented a strategy that will provide substantial savings in energy/water consumption." HUD is asking the PHA to certify to the total projected savings in energy and water consumption achieved from the energy retrofits made to the project's building/s. If the units are separately metered, the PHA will have to ask residents to provide permission for the PHA to access utility consumption information from the utility company so that enough utility consumption information is available for the PHA to accurately verify savings in consumption (energy & water).

Q36: Do you have any sample "green operations and maintenance manuals"/ criteria PHAs can review that would comply with Option 2 rating factor 1, subsection (i) mentioned on page 76 in the NOFA?

A36: Examples and information on developing green operations and maintenance manuals can be found on the following websites:
www.greencommunitiesonline.org

http://www.lisc.org/section/goals/healthy/green_dev

http://www.bayarealisc.org/bay_area/resources/publications_8392/maintenance_10373/index.shtml

http://www.bayarealisc.org/bay_area/assets/oandm_10372.pdf

Q37: Do you have any sample "green assessment" reports/ criteria PHAs can review that would comply with Option 2, rating factor 1, subsection (v) mentioned on page 85 in the NOFA?

A37: Please see the following websites for information on green assessments:

http://www.bayarealisc.org/bay_area/resources/publications_8392/green_10365/index.shtml
www.greencommunitiesonline.org
<http://bricks-and-brome.net/19c11.pdf>

Q38: For Category 4, how can a housing authority decide whether to apply for Option 1 or Option 2?

A38: The determining factor is the ability of the project to comply with the Mandatory Green Community Criteria, as amended by the NOFA. This compliance is required for Option 1. When reviewing the mandatory criteria, especially the Section 5, Energy Efficiency criteria, you will note that to comply with the mandatory criteria a PHA must make substantial upgrades to a building's envelope including insulation, high-performance windows, controlled air infiltration, upgraded heating and air conditioning systems, tight duct systems and upgraded water-heating equipment, appliance and lighting. If this is not feasible, a PHA should consider Option 2, Moderate Rehab. However, the PHA must make the decision concerning what grant funding (Category, Option) to apply for.

Q39: How am I supposed to express savings in both water and energy consumption?

A39: The criteria in the NOFA explains how savings are to be calculated. Revisions were made in the revised NOFA issued June 3, 2009 to Category 4, Option 2, Rating Factor 2 - Strategy for Energy Efficient Communities, which relates to savings in both water and energy consumption. Applicants should follow the criteria in the revised NOFA on page 87.

Q40: What is the deadline date for Category 4? July 29 or July 21?

A40: July 21, as published in the revised NOFA issued June 3, 2009 is the deadline date for Category 4.