



## SOLICITATION ADDENDUM

Page 1 of 5

Solicitation Number: CFI-FY23-086-02 (MBT)  
Addendum # 1

Solicitation Due Date: April 7, 2023, 3:00 p.m., Phoenix Local Time

**CITY OF PHOENIX**  
**Housing Department**  
**251 W. Washington Street**  
**4th Floor**  
**Phoenix, AZ 85003**

### American Rescue Plan Act (ARPA) Gap Financing

This addendum answers the following questions, which the Housing Department received during and after the subject solicitation's pre-proposal meeting:

1. Question: Are the intent to apply forms mandatory? Or are they requested for estimates of how many applications are expected

Answer: *Yes. All applicants as required to complete the 'Intent to Apply' form (Attachment A) and email it to [housing.procurement@phoenix.gov](mailto:housing.procurement@phoenix.gov) no later than March 30, 2023, by 3:00 pm.*

2. Question: Can you post your contact info again?

Answer: [Melanie Bynoe Torzala](mailto:Hou.procurement@phoenix.gov)  
[Hou.procurement@phoenix.gov](mailto:Hou.procurement@phoenix.gov)  
602-262-4927

3. Question: Is it allowed to make an application if a Project already has a current HOME Loan award? To cover added construction costs.

Answer: *Yes, that is allowed if the applicant/developer can demonstrate that all applicable ARPA and HOME regulations can be met.*

4. Question: If a project is currently under construction, but not PIS is it eligible for funding?

Answer: *Yes, if the applicant/developer can demonstrate that all applicable ARPA regulations can be met. Also see answer to Question # 12.*

5. Question: Is there an AMI restriction for the ARPA set-aside units? Is it 65% AMI?

Answer: *Please see page 15 of the CFI document, under Section II Scope of Work, for specifics on the affordability terms. The AMI requirement varies depending on if there are other federal housing program requirements to follow.*

6. Question: Can projects be in-progress? Or do they have to be shovel ready and not yet begun

Answer: *Projects may be in-progress. This CFI does not preclude such projects from applying, but the applicant/developer must demonstrate that all applicable regulations can be met.*



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Page 2 of 5

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7. Question: Is the 65% AMI affordability requirement based on individual tenant income, or does it require that rent is set at a rate that is affordable for someone earning 65% AMI (thinking about voucher holders, who may have very low income but the voucher pays at the set rate)

Answer: [The rent that is set is based on what is affordable to someone earning the AMI threshold. The maximum rents are based on the Housing and Urban Development Department \(HUD\) limits established annually. Please see page 15 of the CFI document, under Section II Scope of Work, for specifics on the affordability terms.](#)

8. Question: If project AMI's include both 50% and 60% units, are the ARPA units 60% AMI?

Answer: [It depends on the other federal funding programs that are part of the project. If another funding source requires a mix of AMI's, the same mix would be expected for the ARPA units \(i.e., HOME\). Please review the Treasury guidance linked to within the CFI document \(see page 13\). Also see related answer to Question # 13.](#)

9. Question: How many projects can the same team apply for?

Answer: [Page 4 of the CFI under Section I Instructions states that "Qualified Proposers may not receive more than two program loans \(of any kind\) per year." This pertains to any Housing Department loans \(e.g., HOME\).](#)

10. Question: Are ARPA set-aside units considered HOME units for determining Davis-Bacon?

Answer: [No, the ARPA units are not considered HOME units. Treasury guidance does not require Davis-Bacon for ARPA units unless it is applicable per the requirements of other federal funding programs involved in the project. Please review all relevant Treasury guidance.](#)

11. Question: Can we use the Zoning Confirmation that was signed for the HOME application for this application? (Appendix 7)

Answer: [Yes.](#)



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Page 3 of 5

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12. Question: Please clarify more ... is a project that is about to be PIS is still eligible for funding to help cover cost overruns from construction?

Answer: [Yes. Projects about to be placed in service are not precluded from applying as long as the project can demonstrate that all applicable ARPA regulations can be met.](#)

13. Question: If a project already has HOME (50% AMI) and LIHTC (60% AMI), can the ARPA units be 60% AMI units?

Answer: [Yes, the ARPA units may be 60% AMI units. There are also specific requirements for Low Income Housing Tax Credit \(LIHTC\) projects. See page 15 of the CFI. Also see related answer to Question # 8.](#)

14. Question: Can one unit be both a HOME and ARPA set-aside units?

Answer: [No. The ARPA set-aside units would be in addition to the HOME units.](#)

15. Question: Can you address reporting requirements after the funding is awarded?

Answer: [Please review all relevant Treasury guidance. On page 16 of the CFI, under Proposer Requirements and Responsibility, there are direct links to various Treasury resources.](#)

16. Question: For Tab N - "Identify the number of funded units through this CFI that will be offered at or below 65% AMI, for the applicable affordability term." Does this mean the total units in the project or just the ARPA set-aside? For example, if we have 100 units at 60%AMI and 10 of those will be ARPA designated units, should we list 10 or 100 here?

Answer: [Please provide the number of ARPA funded units that will be set-aside. In the example provided, that would be 10 units.](#)

17. Question: Scoring #4-Affordability: "Project with the most affordable units receives all 100 points. Remaining projects receive proportional points". Can you clarify how that will work? Does on 1 project in the pool receive 100 points? For example, if the largest project is a 200 unit project all 60%AMI. And we apply with a 60 unit project all at 60% AMI, does the 200 unit project receive 100 points and we receive 30 points (100 points x 30/200)?

Answer: [This logic is correct. The project with the most affordable units at or below 65% AMI will receive all 100 points for that question. In the scenario provided, the formula to use should be: 100 points x 60/200 = 30 points.](#)



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Page 4 of 5

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18. Question: We have a project currently under construction developed with 9% tax credits and State Housing trust funds. Could you please confirm if these ARPA funds have federal requirements attached to them? Due to our state trust fund dollars, we did not have to do an environmental review, Davis bacon, etc... I just want to confirm that these funds do not have any of those requirements.

Answer: [Please review all relevant Treasury guidance. On page 16 of the CFI, under Proposer Requirements and Responsibility, there are direct links to various Treasury resources. There are also specific affordability requirements should a project also have Low Income Housing Tax Credits \(LIHTC\). See page 15 of the CFI.](#)

19. Question: Will we trigger Davis-Bacon if we have more than 11 units combined between HOME ARP & ARPA?

Answer: [Davis-Bacon is only triggered if the construction contract covers 12 or more HOME-ARP assisted units. The ARPA set-aside units are separate and do not contribute to that total.](#)

20. Question: In Section E. Affordability Terms, the language states that we must match our affordability restrictions to other federal funding we are receiving. If we received HOME ARP funds, how will that affect our unit set-asides overall?

Answer: [The ARPA set-aside units are separate and in addition to the HOME-ARP assisted units.](#)

21. Will the City publish new underwriting criteria and workbook for this CFI, or should we use the current Proforma Workbook available on the City's website?

Answer: [Yes, ARPA specific underwriting guidelines will be posted once finalized. Please see page 17 of the CFI for the link to the proforma workbook to use, this is the same workbook available on the City's website.](#)



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All other terms and conditions remain unchanged.

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**Offeror is required to sign and return this addendum with their proposal.**

Name of Company: \_\_\_\_\_

Address: \_\_\_\_\_

Print Name and Title: \_\_\_\_\_

Authorized Signature: \_\_\_\_\_