

CHIP PROGRAM FREQUENTLY ASKED QUESTIONS (FAQs)

Awards for the CHIP Program are scored on a competitive basis. The Office of Community Development created the following questions and answers to help provide clarity on the new CHIP Program requirements and assist applicants in filling out the application for PY 2015 funding. The application deadline is **May 1, 2015, at 11:59 p.m.**

ELIGIBILITY AND PARTNERSHIP STRUCTURE

Who is eligible to apply? Is a city or county allowed to apply as a grantee?

Cities and counties are eligible to apply as the grantee for CHIP Program funding.

Please define or give an example of two adjacent counties.

Adjacent counties share a common border. An example would be Pickaway County and Ross County.

Does OCD have a list of communities that are eligible to apply or join a partnership for PY 2015?

Yes. A list of PY 2015 CHIP Program-eligible communities can be in the CHIP Program Notice of Funding Availability (NOFA) found on OCD's website.

If a city's borders are within multiple counties can it partner with any of those counties?

OCD will assign cities that overlap multiple counties to the county it is assigned for all other OCD-funded programs. The city is only eligible to join a partnership within the assigned county. Contact OCD staff to confirm the assigned county.

If two entities choose to partner for this grant period, will they be required to partner in the future?

The partnership agreement ends at the end of the grant period.

Is each partner within a partnership allowed to follow its own OCD-approved PPM?

The grantee and all partners must adopt one PPM. The following three activity-specific elements will be required in the application for funding:

- client selection criteria;
- method of determining income;
- finance mechanism features.

These three elements are currently addressed in each eligible partner's PPM. The information submitted in the application will supersede the PPM adopted by the partnership. Other than the above three elements, any necessary updates to the PPM adopted by the partnership must be attached to the application for funding.

Maximum Award

An eligible county is considering applying for PY 2015 CHIP Program funding. There are two CHIP Program-eligible cities within the county that have different population sizes. What is the maximum grant award for which the partnership would be eligible to apply?

To determine the total funding amount based on population, please refer to the CHIP Program Guidelines found on OCD's website.

What is the maximum amount for which a partnership can apply for the Home Repair activity?

The maximum amount an applicant can request for the home repair assistance category is 30% of the total grant request. The 30% maximum is the aggregate of rental repair and owner repair requests combined.

What is the maximum amount for which a grantee/partnership can apply for the Tenant-Based Rental Assistance (TBRA) activity?

There is no cap on the request for the TBRA activity.

Application Scoring

How would one partner's performance affect the application score in a partnership?

Performance scoring will be based upon the applicant's performance. Non-applicant partners' performance will not affect the application's overall score, but, a jurisdiction's portion of the grant total may be reduced by up to 50 percent of the eligible amount available to that jurisdiction if serious performance issues exist. It will be incumbent on all partner jurisdictions to fully disclose negative performance issues.

If one partner had poor performance in the past and the application is approved, will the partner with performance issues be eligible for funding in PY 2017?

Yes.

How many points will be attributed to the partnership element of the CHIP Program Application for PY 2015?

CHIP Program awards are competitive and OCD will not be disclosing how points are assessed in the scoring process.

How many impact points are designated to Partnership Development?

CHIP Program awards are granted on a competitive basis and OCD will not be disclosing how points are assessed in the scoring process

Is the distress scoring an average of the participating partners?

Distress scoring will be based on an applicant's level of distress. The calculation will be a combination of the average of the following trends in the current census data related to low- and moderate-income household needs across the state using an average of the applicant and partnering communities:

- percentage of low- and moderate-income (LMI) populations;
- percentage of households paying more than 35 percent of income for housing;
- age of housing stock; and
- unemployment rate.

Will Administrative Capacity scores be based on a community's last monitoring or current administrators?

Administrative Capacity will be scored based on the following:

- an adequate proposed administrative plan;
- the degree of consistency with application requirements;
- the applicant's or consultant's experience and capacity for implementing the proposed activities; and
- adequately filling the required roles to successfully administer a grant.

How would one partner's potential low score for performance due to a past Administrator's performance affect the partnership's score?

Performance scoring will be based upon the applicant's performance. Non-applicant partners' performance will not affect the application's overall score, but, a jurisdiction's portion of the grant total may be reduced by up to 50 percent of the eligible amount available to that jurisdiction if serious performance issues exist. It will be incumbent on all partner jurisdictions to fully disclose negative performance issues.

There is only one CHIP Program-eligible city in a county; however, the city has performance issues with other OCD-funded grants and currently has a hold on all OCD-funded grants. If the county decides to partner with that city, will the application be negatively scored because of these performance issues?

Performance scoring will be based upon the applicant's performance. Non-applicant partners' performance will not affect the application's overall score, but, a jurisdiction's portion of the grant total may be reduced by up to 50 percent of the eligible amount available to that jurisdiction if serious performance issues exist. It will be incumbent on all partner jurisdictions to fully disclose negative performance issues.

Will applying for an amount that is less than the maximum ceiling affect the possibility of receiving an award?

The amount of funding requested has no bearing on the score, as long as it is within the amounts stated in the PY 2015 CHIP Program Guidelines.

Eligible Activities

With the expectation that OCD will require a comprehensive planning update in PY 2016, should applicants include Planning as a budgeted activity in their PY 2015 CHIP Program applications?

Planning is no longer an eligible activity under the PY 2015 CHIP Program and should not be included in CHIP Program applications. OCD anticipates the upcoming planning process in PY 2016 will be downsized significantly from the Community Housing Improvement Strategy (CHIS) and Community Assessment Strategy (CAS), therefore not likely to require funds for planning.

Housing Advisory Committee (HAC) and Public Hearing Requirements

A partnering city would like to schedule its first public hearing. However, it has not formed a partnership. Can communities who will likely partner, but have not yet formed partnerships, conduct their first public hearings independently of each other?

Yes. Each community will need to state in the minutes that the community may elect to partner with another community in applying for CHIP Program funds.

Also, will each of these first public hearings count for the grantee's application?

Yes. Each first public hearing can be used on the application.

Can the Housing Advisory Committee meeting be conducted by the partnership, or do all partners need to conduct them within their respective communities?

To serve the partnership in the most effective manner, the Housing Advisory Committee meeting(s) should be held by the partnership as a whole. The PY 2015 CHIP Planning Instructions and Forms have been updated in order to accommodate partnerships.

Will OCD provide Distress Criteria or are communities responsible for providing that information?

PY 2015 distress data is currently on OCD's website.

Administrative Contracts and Procurement

In a partnership, if one partner contracts with another party to administer their CHIP Program, can the other partners contract with consultants to administer their local portion of the grant?

Yes, OCD anticipates that partnership applicants will have several contracts and subcontracts within the partnerships for the administration and implementation of the grants. Subrecipient agreements are prohibited. The overall responsibility of the grant must remain with the grantee.

Can one partner sign a contract with an agency to administer and implement the program for its community and hire another agency to implement the activities for the other partners?

Yes, OCD anticipates that partnership applicants will have several contracts and subcontracts within the partnerships for the administration and implementation of the grants. Subrecipient agreements are prohibited. The overall responsibility of the grant must remain with the grantee.

Can the contracted administrative agency subcontract with multiple firms to implement the activities: one for county activities and another for partnering city activities?

Yes, OCD anticipates that partnership applicants will have several contracts and subcontracts within the partnerships for the administration and implementation of the grants. Subrecipient agreements are prohibited. The overall responsibility of the grant must remain with the grantee.

What administrative duties can consultants perform in a partnership?

Please refer to OCD policy 13-04 for details of allowable duties assigned in administrative contracts. The document can be found on OCD's website.

How should procuring administrators be handled in a partnership?

Procurement will be handled by the grantee. The grantee may transfer procurement and funding implementation duties to other partners via the partnership agreements. Current contracts cannot be extended to administer the new CHIP Program.

Partnership Agreements

Will OCD provide a sample Partnership Agreement for the PY 2015 CHIP Program or will partners need to create their own agreement following the Requirements for Partnership Agreements?

It is the responsibility of each jurisdiction's legal counsel to develop an agreement to include all aspects that protect the parties involved. OCD staff will not approve agreements prior to execution.

Do partnership agreements outline how much funding each partner will be guaranteed to receive?

No, the partnership agreement does not commit exact dollar amounts to a jurisdiction. Dollar amounts will be budgeted for each jurisdiction in the application for funding as a result of the planning process.

OCD recommends the following be considered when developing partnership agreements:

- Outline in the details of the agreement if the responsibility of hiring administrators transfers to a partner or if that responsibility will remain with the grantee.
- The responsibility for filing mortgages on properties, retaining program income, and redistributing program income should either collectively be the responsibility of either the grantee or each partner.
- Details of fiscal obligations. Determine if the grantee will pay contractors in partnering jurisdictions directly, or if each partner will directly pay contractor invoices then get reimbursed by the grantee upon submission of complete source documentation verifying that invoices are paid.
- Outline who will manage grant fund administration and implementation. Actions should be considered when distributing funds based on need, performance, timeliness, outcome achievement, and availability of funds. Funds distributed from grantee to partner are budgeted, not awarded, based on the planning process. Therefore, it is simply an expectation that those budgeted funds will be spent in that specific jurisdiction. It is ultimately the grantee's responsibility to ensure all elements of the grant agreement are carried out prior to closeout.
- Language affirming that information will be provided to the grantee as necessary for reporting purposes.
- Language affirming that all records will be retained by the grantee after financial closeout.
- Language affirming that all parties have a mutual understanding that they are compliant with Program Policy Notice: OCD 13-04, Agreements for Grant Administration of Office of Community Development Programs.
- Language affirming which partnering jurisdiction's PPM will be adopted for the partnership. (Please see Eligibility/Partnership Structure section for more information.)

More information on partnerships can be found in the Additional Partnership Guidance section of the Partnership Agreement Guidance document.

Grantee Responsibilities

Is there a requirement to decide how funds will be spent in the partnering jurisdictions?

No, partnering communities will determine how funds will be distributed as a result of the planning process.

Will each partner have its own housing activities and budgets or will there be flexibility in how funds are used?

In a partnership, funds are allocated to one grantee, not each individual partner. The application should outline how the funds will be spent on the project. This provides the grantee and its partner with the flexibility to determine the best use of funds to implement the project.

Will a non-grantee partner be able to process draws and pay invoices?

Partners will not be able to submit draw requests to OCD. However, partnering jurisdiction(s) can pay invoices on a reimbursement basis, if agreed by the parties in their partnership agreement. The grantee is responsible for maintaining copies of complete source documents on items paid with CHIP Program funds.

The grantee is financially responsible for the proper expenditure of all CHIP Program funds. Should all purchase orders and checks flow through the grantee's Auditor?

Yes, the grantee is financially responsible for the grant. However, partner(s) may pay invoices on a reimbursement basis, if outlined in the partnership agreement. A partnering jurisdiction may choose to pay contractors directly, but will have to supply the grantee with complete source documentation in order to be reimbursed by the grantee.

If either the grantee or the partner fails to meet the outcomes, will it impact their next application?

Future applications may be affected if the partnership (grantees and partners) do not meet the overall activity outcomes outlined in the application, which is based on the partnership agreement. The grantee community is responsible for insuring that the overall activity category outcomes of the grant are met.

Environmental Review

Will there be separate Environmental Review requirements for the grantee's activities versus the partnering agencies' activities?

No, a CHIP Program grant award to a partnership will require only one Tier 1 Environmental Review.

Program Income

In the case of a city partnership with a county, who will be entitled to receive the program income?

Program income management should be defined in the partnership agreement, and it is the partnership's decision as to which jurisdiction retains the program income.

Can the city designate in its partnership agreement that it prepares and files the mortgages from its community and then receives that program income if any is returned?

The mortgage may be in that corresponding jurisdiction's name. Therefore, any partnering jurisdiction may receive program income and file mortgages. Alternatively, the grantee could file all mortgages and retain all program income. The grantee could distribute the program income back to the other jurisdictions.

Eligible Expenses

How will soft costs (inspections, work-write ups, etc.) be handled?

Soft costs are an allowable expense and should be covered in the Partnership Agreement.

Geographic Targeted Areas

Is there a requirement for each jurisdiction in a partnership to commit funds to a geographic targeted area?

It is required as part of the planning process for each jurisdiction to list the targeted area in which they have determined the most need; however there are no stipulations that a community has to target a specific geographic area within its borders. However, there will be no requirement to commit CHIP funds in any geographic targeted area other than the grantee's jurisdiction(s) under a partnership or a single jurisdiction application.