

To: Real Estate Department Partners
From: Real Estate Department
Date: January 23, 2024
Re: **FAQ for RFP for Rental Housing for Youth Aging Out of Foster Care**

Notice: **RED-24-05**

On December 11, 2023, IHCD, in partnership with the Indiana Department of Child Services, issued a [request for proposals for the Development of Rental Housing for Youth Aging Out of Foster Care](#). Responses are due by February 12, 2024.

This notice serves as an FAQ to clarify requirements of the RFP and to answer questions received to date.

RFP Submission Requirements

Part 2.4(3)(a) of the RFP states “for each person identified, provide a current resume and a brief narrative (no more than 1 page each) describing why this person was selected and their anticipated role in the program.” If there are multiple key staff from an organization, is it one-page per organization or one-page per staff member.

The one-page limitation is per key person identified, not per organization.

Part 2.4(5)(d) of the RFP states “describe other local partnerships that demonstrate a local, multi-agency approach to providing housing for youth exiting foster care.” Are letters of support from all local partners required?

No, the applicant is not required to submit letters of support.

Is it required that the service provider be a separate entity from the developer, owner, and management company?

No, if one organization is qualified to serve as the service provider and also serve as the developer, owner, and/or management company role that is allowable.

Eligible households

Do all households served through the program have to be below 50% Area Median Income?

Part 1.3 of the RFP states “at time of admission, all residents must...have a gross household income at or below the 50% Area Median Income limit published annually by IHCD for the Development Fund program.” IHCD will not allow higher income



designations. The income limit only applies at time of move-in. If a household's income increases after move-in, they are allowed to stay in the unit.

Use of Funds

Can the IHCD funding be used to pay for ongoing supportive services, rental assistance, or other operating costs?

No, the IHCD funds available through this RFP are capital funds for the development of the units.

Will IHCD make other funding available for ongoing services, rental assistance, or other subsidies?

No, IHCD does not have other funding available for these developments.

Will IHCD allow a selected respondent to claim developer fee and soft costs from the award?

Each team will receive a combination of funding from the special state funding reserved for this initiative as well as IHCD Development Fund. IHCD will allow developer fee and soft costs to be claimed from the special state funding portion of an award (Development Fund policy does not allow DF to be used for developer fee). Each team will receive up to \$1,666,666.67 of the special state funding and \$833,333.33 of Development Fund funding for a max of \$2,500,000 total IHCD Funding.

Developer fee cannot exceed 15% of the special state funding portion. If you maxed out the award that would be a maximum of \$250,000 of developer fee.

The total combined developer fee + soft costs cannot exceed 20% of the special state funding portion. If you maxed out the award that would be a combined max of \$333,333 for developer fee + other soft costs.

Has IHCD established minimum unit sizes or development standards specific to this program?

No. All relevant codes and regulations will apply including but not limited to relevant building codes, Fair Housing Act design standards, and the affirmative habitability requirements under HUD's National Standards for the Physical Inspection of Real Estate (NSPIRE) standards. IHCD will work with each selected respondent to approve final development standards.

I have other questions about eligible vs. ineligible costs and cost limitations...

IHCD will work with the selected respondents on a case-by-case basis to answer these questions and to assist in preparing final development budgets and pro formas. As a reminder, selected respondents will be required to submit complete funding applications, including final budgets, by December 31, 2024.

How will funds be disbursed?

Selected respondents who receive awards will submit reimbursement-based claims through IHCDA's online claims system. Training will be provided to organizations not familiar with this process.

Misc. Questions

Is there a preference between new construction vs rehabilitation?

No, the RFP does not define a preference for construction type. Either is eligible.