



County of Fairfax, Virginia

To protect and enrich the quality of life for the people, neighborhoods and diverse communities of Fairfax County

Date: December 14, 2022

ADDENDUM NO. 1

SUBJECT: Notice of Funding Availability (NOFA) for Affordable Rental Housing Development Projects

APPLICATION CLOSING DATE: Rolling until June 30, 2023, or until funds are exhausted

Section 1) of the subject NOFA is amended as follows to increase the amount of federal American Rescue Plan Act (ARPA) funds by \$15,000,000:

- 1) **Amount of Funding Available:** A total of \$19,420,505 is currently appropriated from the following sources and remains available for FY2023:

Funding Source	Available Funds	Description
Housing Blueprint	\$4,420,505	Fairfax County Affordable Housing Development and Investment Fund
Tysons Housing Trust Fund	\$0	Fairfax County funds for Affordable Housing in Tysons Urban Center
Federal American Rescue Plan Act (ARPA)	\$15,000,000	Federal funding provided by the Board of Supervisors for this purpose
Total Remaining Funding	\$19,420,505	

FCRHA reserves the right to allocate funds under this Notice of Funds Availability (NOFA) from whichever pool is most appropriate at its own discretion.

Section 3) c) of the subject NOFA is deleted and replaced as follows:

- c) **Federal American Rescue Plan Act (ARPA) Funds:** The Board of Supervisors has provided a total of \$34 million in ARPA funds for this NOFA, of which \$15 million remains available. ARPA funds may go into deals as an equity contribution for land acquisition by the FCRHA as part of the overall deal or as loans from the FCRHA to the project owner. Please see the recent federal guidance, released in July 2022, for further information on the use of ARPA funds as loans for affordable housing projects.

Section 9) f) of the subject NOFA is deleted and replaced as follows:

- f) Countywide Blueprint, Tysons Housing Trust Fund and ARPA funds will standardly be awarded in the form of a loan structured as a cash flow deferred note from the FCRHA at an interest rate of 2%. ARPA funds may also be used as equity. An applicant may provide an option within their application for the FCRHA to acquire the land as part of the project's overall structure. The option will be evaluated based on the feasibility of the land purchase, as well as the scale, affordability and public benefit offered by the proposed development on the land.

Section 11) c) of the subject NOFA is deleted and replaced as follows:

- c) For new construction projects, on a case by case basis, the FCRHA may consider disbursing up to 50% of funds after the achievement of 50% construction completion and upon satisfaction of the following:
- i) A letter from the architect certifying at least 50% construction contract price expended;
 - ii) Payment and Performance Bond provided that specifies “with FCRHA as named insured”;
 - iii) No outstanding or pending defaults under any loan, construction, or other project-related agreement; and
 - iv) Mutually acceptable intercreditor agreement (ICA) with construction lender

The FCRHA may further, in its sole discretion, consider disbursing ARPA funds at such time during the development cycle and upon such terms as it deems advisable.

Section 13) c) of the subject NOFA is deleted and replaced as follows:

- c) Funds must be approved by HCD’s Loan Underwriting Committee (LUC), the FCRHA, and the Fairfax County Board of Supervisors (BOS).

Section 14) b) is added to the subject NOFA:

- b) For applicants proposing to use ARPA funds as a loan for a project requiring the use of 9% LIHTC, the FCRHA reserves the right to cancel the award if the project does not receive an award of 9% LIHTC in the 2023 application cycle.

All other terms and conditions remain unchanged.

DocuSigned by:
Kevin Sheehan
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Kevin Sheehan, CPPB
Contract & Procurement Coordinator

THIS ADDENDUM IS CONSIDERED A PART OF THE SUBJECT NOFA