



Frequently Asked Questions

Request for Proposal for Project-Based Vouchers

The Orange County Housing Authority (OCHA) is issuing its first Request for Proposal (RFP) for its Project-Based Voucher (PBV) program. OCHA's PBV RFP application, along with important deadlines, can be found here: <https://orangecountync.gov/3809/PBV>. This *Frequently Asked Questions* document contains common questions and responses about the RFP application and application submission process.

I. Application Timeline

1. What is the deadline for PBV applications?

- The deadline for the current RFP will be **Friday, December 12th, 2025 at 11:59 PM.**

2. What entity can apply?

- The RFP applicant must be the legal entity that will appear on the PBV Housing Assistance Payment (HAP) contract, such as the fee owner, beneficial owner, or ground lessee of the project. The owner must disclose any possible conflict of interest that would violate the Agreement to enter into a Housing Assistance Payment (AHAP), HAP, or U.S. Department of Housing and Urban Development (HUD) regulations, in accordance with 24 CFR § 982.161. Please note that the owner or project principal on the U.S. General Services Administration list of parties is excluded from Federal procurement and non-procurement programs.

3. Which project type is appropriate for my application?

- OCHA's PBV RFP application requires that you indicate the relevant project type. Definitions of the three options, according to the U.S. Department of Housing and Urban Development (HUD) are as follows:

- **Newly Constructed projects:** Housing units that do not exist on the RFP application selection date and are developed after the date of selection pursuant to an Agreement between OCHA and the owner for use under the PBV program.
- **Existing projects:** Housing units that already exist on the proposal selection date and that fully comply with Housing Quality Standards (HQS) on that date. For a project to be considered as fully compliant with HQS, 100% of PBV units must pass HQS inspection. Note that *applicants may apply for PBVs for existing properties only where there is no planned substantial improvement for the project from the RFP application submission date through the first two years of the Housing Assistance Payment (HAP) contract.* If a project does not meet this definition, it should apply as Rehabilitated housing.
- **Rehabilitated projects:** A project where proposed contract units exist by the RFP application submission deadline, but which doesn't qualify as existing housing is considered Rehabilitated project. Units are developed, renovated, or rehabilitated after the date of selection, pursuant to an Agreement between OCHA and the project's owner, for use under the PBV program. Please note that gut rehabilitation projects should apply under Rehabilitated projects. If any required documents or responses are not available due to the scale of the planned rehabilitation, this must be indicated in application, including explanation in the Project Narrative section.

4. When will selection letters be issued to notify projects if they have been selected?

- Conditional selection letters awarding PBVs will be emailed to the sponsors within approximately 30 of the RFP submission deadline for which the application was submitted.

5. When will the PBV award letter expire?

- The selection letters will be valid for twelve (12) months from issuance and will include information on how extensions may be requested.

6. Are there word count or page limits on responses in the RFP application?

- There are no word count or page limits. Any additional narrative responses and/or supporting documents that are submitted as attachments in Word, Excel or PDF must be clearly numbered and be labeled to correspond to the relevant question and/or Appendix in the application. When applying, please submit the fillable PDF

form so that all answers are visible. Scanned copies may inadvertently cut off answers.

7. Can projects resubmit corrected applications before the submission deadline?

- If, after the PBV RFP application is submitted, additional changes are made or supporting documentation becomes available, the full, corrected application may be resubmitted to OCHA at: hcv@orangecountync.gov.

8. How should the certification statements be submitted?

- All certification statements that apply to the project may be signed with either physical or digital signature.

9. Should the project narrative include any information other than what is requested?

- The project narrative must include the specific information requested in the application. However, additional information that may be relevant to the project's application that is clearly numbered and labeled may also be included as attachments.

10. How should narratives be submitted if technical challenges are experienced with the PDF's fillable fields, or if the space available for narratives is too short?

- If any technical difficulties are experienced while entering information into the PDF format provided, email hcv@orangecountync.gov for further guidance in advance of the application submission deadline. When applying, please submit the fillable PDF form so that all answers are visible. Please note that text boxes will accept a limited amount of text; this is to prevent responses from being cut off when PDF applications are printed. If any response extends beyond the space available in the text field, or if you choose to submit your narrative response in a separate document, additional pages may be attached. Any additional narrative responses and/or supporting documents that are submitted as attachments in Word, Excel or PDF must be clearly numbered and be labeled to correspond to the relevant question and/or Appendix in the application.

II. Allocation, AHAP/HAP, Environmental Review, Pro Forma, and Tenant Eligibility

12. How many applications will be selected for PBV awards in this submission cycle?

- OCHA will award projects based on funding and Project Based Voucher availability.

13. How many units per project are eligible to receive Project Based Voucher Assistance?

- The maximum number of PBV units in a project is the greater of 25 units or 25% of all units in the project. Additional units may be requested if they qualify as “excepted units.” Excepted units are designated to serve households where at least one resident is elderly (defined as aged 62 and older), families with child welfare system involvement for whom housing instability impacts family reunification or places them at risk for foster care, youth aging out of the foster care system, or projects in which optional supportive services are made available (as defined in 24 CFR 983.54). Projects in areas where vouchers are difficult to use, as defined below, may be approved for the greater of 25 units or 40% of the total units in the project:
 - Census tract with a poverty rate of 20% or less, as determined by the U.S. Department of Housing and Urban Development (HUD);
 - ZIP code area where the rental vacancy rate is less than four percent, as determined by HUD; or
 - ZIP code area where 90% of the Small Area Fair Market Rent (SAFMR) is more than 110% of the metropolitan area or county Fair Market Rent (FMR).

14. What kind of supportive services are required if a development applies for “excepted” PBV units due to the provision of supportive services?

- Project plans for supportive services must include at least one of the following options, which may be offered directly or through direct referral to a partner agency:
 - i. Case management;
 - ii. Employment skills development and job training;
 - iii. Family support services;
 - iv. Parenting skills, childcare skills, family budgeting and similar related services;

v. Housekeeping and homemaking activities; and

vi. Other services designed to help the recipient live in the community as independently as possible.

Please note that if a family in an excepted unit does not initially agree to participate in the supportive services program, the services *must* remain available to the family for the duration of their tenancy should they choose to receive services at later date.

15. What is the effect of the Housing Opportunity through Modernization Act of 2016 (HOTMA) on the PBV RFP?

- The U.S. Department of Housing and Urban Development (HUD) issued implementation guidance on Housing Opportunity through Modernization Act of 2016 (HOTMA) which affects the following:
 - i. Allows the maximum term of the initial PBV Housing Assistance Payment contract up to 20 years;
 - ii. Eliminates exception category related to disability (note: exception category for elderly households remains unchanged);
 - iii. Modifies supportive services provision so that supportive services must be made available to all assisted households, regardless of whether household members accept these services;
 - iv. Makes projects in census tracts with a poverty rate of 20% or below eligible for up to 40% of PBV units instead of 25%. Any unit above the 40% cap at these projects must be designated as excepted units;
 - v. Does not allow substantial improvement for Existing projects during the first two years of the HAP contract;
 - vi. Requires that 100% of all proposed units and common areas in Existing projects must pass Housing Quality Standards (HQS) inspection in order for a HAP contract to be executed;
 - vii. Adds Family Unification Program (FUP) category to "excepted" units
 - viii. Defines areas where vouchers are difficult to use (see Question 15)

16. What size does the proposed project need to be to be awarded PBV?

- The PBV RFP application must be for at least five (5) PBV-assisted units. There is no size requirement for projects applying for PBVs under this RFP. Please note that for projects with existing tenants, PBV assistance cannot be requested for units that:
 - i. Are occupied by tenants with household incomes greater than 50% of the Area Median Income (AMI), as this is the current income limit for OCHA's PBV program (unless residing in a development with enhanced vouchers, in which case they can earn as much as 80% AMI);
 - ii. Are already assisted under a project-based subsidy contract.

17. Can an applicant be awarded PBV assistance for multiple scattered buildings in a development? Are there a minimum number of units per building?

- HUD regulations, as written in 24 CFR § 983.3, require PBV projects to be “a single building, multiple contiguous buildings, or multiple buildings on contiguous parcels of land. *Contiguous* in this definition includes ‘adjacent to’, as well as touching along a boundary or a point.”¹ Therefore, a single project may not be scattered across noncontiguous parcels; a development on multiple sites may be split into multiple applications and treated as separate projects. There is no minimum number of units per building in development, but at least five (5) PBV units must be requested in each application.

18. Will OCHA approve fewer units than requested on the RFP application (for example, proposed 15 units and awarded 10)?

- OCHA will select projects based on funding and voucher availability. Some projects may be selected for fewer than the number of units they requested.

19. What are Special Purpose Vouchers?

- For the purposes of OCHA's PBV program, Special Purpose Vouchers require social services. They include Veterans Affairs Supportive Housing (VASH), which is

¹ To test if buildings across the street from one another contiguous: “if you were to draw a line across the street, perpendicular to the centerline of the street, and the line touches both properties, then they may be considered as contiguous.”

designated for homeless veterans with case management and clinical services provided by the Department of Veterans Affairs; Mainstream vouchers, designated for households including at least one disabled adult aged 18-61; and Foster Youth to Independence (FYI) vouchers, designated for youth and young adults aged 18-24 who are aging out of, or have recently aged out of, foster care. FYI tenants are referred in coordination with the Orange County Department of Social Services (DSS) or the Continuum of Care. If your projects commit to serving any of these populations in the RFP application, OCHA may designate applicable Special Purpose Vouchers for your project.

20. What is required to enter into an Agreement to Enter into a Housing Assistant Payment (AHAP)?

- Newly Constructed and Rehabilitated project owners must execute an Agreement to Enter into a Housing Assistant Payment (AHAP) contract. AHAPs are signed after selection, once the project has met subsidy layering requirements. These projects may not begin development activity until **after** an AHAP has been executed.

“Development activity is defined” as new construction or rehabilitation work done after the project selection date in order for a newly constructed or rehabilitated housing project to be covered by a PBV HAP contract.

21. If commitments stated in the RFP change after PBV award has been issued, will this affect the award?

- The commitments made in this RFP application must remain unchanged until the Housing Assistance Payment (HAP) contract execution. OCHA reserves the right to rescind any PBV award if significant changes from the information provided in the RFP application are made.

22. When will projects be able to execute a Housing Assistance Payment (HAP) contract?

- For Newly Constructed projects:
 - a) OCHA will enter into an Agreement to Enter into a Housing Assistance Payment (AHAP) contract with the developer after PBV selection, completion of an environmental review in accordance with the National Environmental Policy Act (NEPA), a subsidy layering review, and submission of an Architect's Certificate

affirming compliance with the Fair Housing Act, the Americans with Disabilities Act Accessibility Guidelines, and Section 504 of the Rehabilitation Act of 1973.

b) The AHAP will cover the period of construction.

c) OCHA can begin accepting tenant applications for units up to six months prior to construction completion to screen for eligibility (see question 30).

d) When construction is completed, Housing Quality Standards (HQS) inspections will be completed. If all proposed PBV-assisted units meet HQS requirements, a HAP contract will be executed.

- For Rehabilitated projects:

a) OCHA will enter into an Agreement to Enter into a Housing Assistance Payment (AHAP) contract with the developer after PBV selection, completion of an environmental review in accordance with the National Environmental Policy Act (NEPA), a subsidy layering review, and submission of an Architect's Certificate affirming compliance with the Fair Housing Act, the Americans with Disabilities Act Accessibility Guidelines, and Section 504 of the Rehabilitation Act of 1973.

b) The AHAP will cover the period of construction/rehab.

c) During the construction period, developers must comply with Uniform Relocation Assistance (URA) and other tenant relocation plans as submitted to OCHA.

d) OCHA can begin accepting tenant applications for units up to six months prior to construction completion to screen for eligibility (see question 30).

e) When construction is completed, Housing Quality Standards (HQS) inspections will be completed. If all proposed PBV-assisted units meet HQS requirements, a HAP contract may be executed.

- For Existing Projects:

a) In order to be selected, 100% of proposed PBV-assisted units must pass Housing Quality Standards (HQS) inspection and meet HQS requirements before a Housing Assistance Payment (HAP) contract can be executed.

b) OCHA will schedule a meeting with selected projects to coordinate the tenant application submission process.

c) OCHA will enter into a Housing Assistance Payment (HAP) contract with the developer after selection and submission of an Architect's Certificate affirming compliance with the Fair Housing Act, the Americans with Disabilities Act Accessibility Guidelines, and Section 504 of the Rehabilitation Act of 1973.

- For any unit to be included on the HAP contract, it must have passed HQS.
- A tenant application must have been submitted and determined eligible by OCHA (see question 30).
- All applicants must be briefed before the subsidy begins.

23. What is the minimum number of PBV units for the Housing Assistance Payment (HAP) contract to be executed?

- The minimum number of PBVs for the HAP contract to be executed is five (5) units.

24. Which tenants are eligible for PBV assistance?

- In order to be eligible for PBV assistance, *all residents of proposed PBV units*, including existing and future tenants, must meet the requirements below. For future tenants, OCHA will screen applicants for eligibility before referring them to lease-up.
 - Total household income must be **at or below** 50% of Area Median Income (AMI) (located on [HUD's website](#)).
 - Total household income may be up to 80% of AMI if the household resides in developments which are eligible for the receipt of enhanced vouchers according to a applicable law.
 - Households must pay at least 30% of their adjusted household income toward the OCHA-approved contract rent plus utility allowance (known as the gross rent). For existing tenants, this includes the amount they would pay with any proposed rent increases. If 30% of their household income covers unit rent, the household will not be eligible for assistance.
 - If residents of a proposed PBV unit are currently receiving any rental assistance, they must consent in writing to give up their current assistance and switch to PBV.
 - Residents must be in units that are consistent with OCHA's subsidy standards and not overhoused (defined as a unit with more bedrooms than the household is entitled to according to the allocated number of

bedrooms) or overcrowded (defined as more than two people per room including the living room):

Number of Household Members	Number of Bedrooms (no household members are partnered)	Number of Bedrooms (household members are partnered)
1	1	1
2	2	1
3	3	2
4	4	2-3
5	5	3-4

25. Who will conduct the environmental review?

- A responsible entity will conduct the environmental review for Newly Constructed and Rehabilitated selected projects. An Environmental review is a pre-requisite to execution of the Agreement to Enter into a Housing Assistance Payment (AHAP). Timely submission of all required documentation to the OCHA environmental review team is critical for completion of review in time for construction closing, where applicable. To ensure compliance with HUD Part 58 OCHA recommends that the Phase 1 review be conducted as a part of a PBV proposal.

26. What are the assumptions that should be made for the Sources and Uses of funds to develop the project and the Operating Pro Forma?

- For Newly Constructed projects:
 - a) Most recent Statement of Sources and Uses to develop the project and operating pro forma that assumes PBV assistance, including development budget, sources and uses, mortgage terms/rates, income, and operating expenses, and 30-year cash flow projection.
 - b) Most recent Statement of Sources and Uses to develop the project and operating pro forma that does not assume PBV assistance • This version of

the budget should reflect the same affordability tiers and population as the budget in item a) above. If the lack of PBV results in a financing gap or the need for more capital subsidy, please show this in the budget

- Rehabilitated and Existing projects:
 - a) Most Recent Statement of Sources and Uses to develop the Project and Operating Pro forma – that assumes PBV Rental Assistance Income and projected rent increase or restructuring (only required for projects with a projected increase or restructuring), including construction budget, sources and uses, mortgage terms/rates, income and operating expenses, and the 30- year cash flow projection including existing/expected debt service.
 - b) Most Recent Statement of Sources and Uses to develop the Project and Operating Pro forma – does not assume PBV Rental Assistance Income but assumes projected rent increase or restructuring (only required for projects with a projected increase or restructuring)
 - This version should reflect the same affordability tiers as the budget in item a) above.
 - c) Most Recent Statement of Sources and Uses to develop the Project and Operating Pro forma – assumes PBV Rental Assistance Income but does not assume any projected rent increase or restructuring, including construction budget, sources and uses, mortgage terms/rates, income and operating expenses, and the 30-year cash flow projection including existing/expected debt service.
 - d) Most Recent Statement of Sources and Uses to develop the Project and Operating Pro forma – assumes PBV Rental Assistance Income and does not assume any projected rent increase or restructuring.
 - This version should reflect the same affordability tiers as the budget in item c) above.

27. What maximum rents should be used to underwrite projects when completing the Pro-Forma or other financing documents?

- Applicants should use HUD Fair Market Rents (FMRs) to develop maximum rent amounts, basing rents on 110% of the FMR. OCHA will conduct rent reasonableness tests using comparable properties in the neighborhood of the proposed project. Rents deemed unreasonable will not be approved. The proposed rent should not include utility allowances

28. What justification is OCHA seeking for projects that will be located in areas of minority concentration?

- Please see U.S. Department of Housing and Urban Development (HUD) regulatory reference 24 CFR § 983.55. Space has been provided in Section 5, question 4 of the RFP application to respond with a narrative that can address HUD-approved exceptions for projects in areas with minority concentration.

III. Housing Quality Standards (HQS), Rent Roll, and Financing

29. Which units in a development should be included in the Rent Roll?

- All units in the development should be included in the rent roll if they are anticipated to receive PBV assistance, receive other types of subsidy, or are rented to the general market. The units proposed as PBV must be labeled on the rent roll.

30. What projects are subject to Subsidy Layering Review?

- Subsidy Layering Review is required for all selected Newly Constructed and Rehabilitated projects unless PBV is the only public assistance received. If the project's funding information changes at any time after the application is submitted, either by losing or gaining government assistance, the owner must notify OCHA and provide updated information.

31. Is the broadband infrastructure a requirement?

- As per 24 CFR § 983.153 (f) all newly constructed and rehabilitated buildings with more than four rental units must include installation of broadband infrastructure as this term is defined in 24 CFR § 5.100. Some exceptions may apply. If broadband infrastructure is not installed, an explanation and additional documentation must be provided.

32. When do prevailing wage rules apply?

Davis-Bacon prevailing wage rules apply to projects that will have nine (9) or more PBV-assisted units. More information on these requirements is available here:

- <https://www.dol.gov/agencies/whd/government-contracts/construction>
- <https://www.dol.gov/agencies/whd/fact-sheets/66-dbra>
- <https://webapps.dol.gov/elaws/elg/dbra.htm>

33. What are Housing Quality Standards (HQS) inspection requirements?

- The U.S. Department of Housing and Urban Development's HQS checklist can be found here::

<https://www.hud.gov/sites/dfiles/PIH/documents/InspectionChecklist52580.PDF>

- As a requirement of OCHA's PBV RFP for Existing projects, all proposed units listed on the rent roll and the project's common areas must comply with Housing Quality Standards by the application submission due date.
 - a. OCHA will request HQS inspections for all proposed PBV units listed on the rent roll as part of your Existing project's PBV RFP application. One hundred percent of all proposed units and all common areas in an Existing project must be inspected and must fully (100%) comply with HQS requirements in order to be selected. Any violations noted at the time of inspection must be corrected within 30 days,
 - b. As soon as the inspection is scheduled the system will generate and send out a notification to both the tenant and the owner.
 - c. It is the owner's responsibility to provide access to the units for OCHA's HQS inspectors.
 - d. OCHA will schedule only one re-inspection to ensure the corrections of violations have been made. If a unit(s) is not ready to be inspected or if a tenant/owner fails to provide access , the unit will fail inspection.
 - e. If less than 100% of proposed PBV units pass inspection, the HAP contract will not be executed.
 - f. All PBV-assisted units must meet HQS requirements before a HAP contract can be executed, for all project types.