

Shallow Rent Pilot Program – FAQ

1. **Can responses include multiple properties? What if they have differing ownership structures?**
 - a. Yes, Respondents may apply on behalf of tenants renting units across multiple properties for which Respondent serves as the owner, operator, and/or property manager. These properties may have differing ownership structures.
2. **If a company provides property management services to multiple buildings, which are owned by various non-profits with differing ownership structures, can they apply on behalf of tenants living in different properties? Can one of the non-profit property owners also apply?**
 - a. Respondents may respond on behalf of tenants living in different affordable housing properties with income restricted rental units that were built or substantially renovated with federal, state or local subsidies with differing ownership structures. PHDC will not accept proposals submitted by more than one respondent on behalf of cost-burdened tenants living in the same property. Property managers and non-profit owners, therefore, must coordinate and submit one application should they both have an interest in the same project/property.
3. **Is this program open to owners and operators of affordable units on the private market?**
 - a. This specific opportunity is only open to managers, operators, and owners of subsidized income restricted affordable housing projects. PHDC will be piloting a second program later this year that will provide shallow rent vouchers for tenants in unsubsidized affordable units on the private market.
4. **Can landlords apply for both this opportunity and the second program?**
 - a. Yes, but the second program will only be for unsubsidized units.
5. **Is this program available for already existing properties?**
 - a. Yes.
6. **Are owners of properties currently in development or under construction eligible to apply? Is it mandatory that projects are already closed on their loans?**
 - a. Because respondents are applying on behalf of specific cost-burdened tenants, projects must be far enough along that tenants have already been identified. Tenants must also have an active, enforceable lease, prior to the date that PHDC issues the first voucher.
7. **When does PHDC anticipate issuing the first voucher?**
 - a. In July of 2020.
8. **Is there a requirement in terms of when the property was constructed or most recently renovated?**
 - a. No.
9. **How many units are considered a building?**
 - a. There is no minimum or maximum number of cost-burdened tenants or units necessary to apply for this program.
10. **Is there a restriction on unit type? Are SROs eligible?**
 - a. No restriction. SROs are eligible.

11. **Will PHDC ask any questions regarding immigration/legal status in the country questions during its tenant certification/inspection process?**
 - a. No. However, there may be independent requirements from governmental entities or funding sources, separate from PHDC's program over which PHDC has no involvement.

12. **Can tenants apply directly to PHDC for vouchers?**
 - a. No. Tenants interested in this program must work with their landlords who can apply on their behalf.

13. **Are the vouchers issued to the tenant or to the unit?**
 - a. Shallow Rent Vouchers are for a specific tenant in a specific unit. They are not project-based (i.e., they do not run with the unit after the tenant leaves) and are not portable (i.e., they do not run with the tenant after they leave the unit).

14. **Is there going to be an avenue for direct service providers to refer families to the shallow rent subsidy program?**
 - a. Service providers may speak with the tenant's landlord and encourage them to apply on behalf of a cost-burdened tenant.

15. **If some units in a project receive subsidies through the Office of Homeless Services, is there any conflict with adding in this subsidy for 60% units?**
 - a. No, this voucher may be layered with other subsidies.

16. **If a tenant receiving subsidy moves out of the Property, how long does the Owner have to lease the unit before the subsidy is revoked?**
 - a. Respondents must notify PHDC thirty (30) days prior to changing or modifying a lease agreement with a Cost Burdened Tenant who is participating in the program.

17. **If a tenant receiving subsidy moves out of a property, can the subsidy be applied to another cost-burdened tenant occupying a different unit? In other words, can the subsidy float between units? Are there rules regarding which tenants get priority for receiving subsidy in case it becomes available upon a tenant moving out?**
 - a. PHDC will work with Respondents, on a case by case basis, to determine how best to proceed. If funding is available to extend voucher payments to a new Cost Burdened Tenant for a least the term of a one (1) year lease agreement, PHDC will work with Respondents to prioritize tenants who are at risk of being evicted, extremely cost burdened, extremely low-income, or low-income.

18. **How will PHDC identify tenants who were eligible for the program when the subsidy was awarded, but become ineligible during their lease?**
 - a. Tenants will sign an agreement, which will include stipulations that they must inform Respondents of all income, occupancy, or family size changes relating to the Income Certification Process as they arise. Respondents will then notify PHDC of such changes.

19. **Will PHDC carry out monthly income certifications?**
 - a. No, these will be carried out annually, unless PHDC is notified of a change in occupancy, household size, or income that impacts the eligibility of the tenant.

- 20. Will PHDC be enforcing rules related to household and unit size requirements?**
- a. If PHDC identifies a unit that may not be in compliance, we will notify the property management office that units may not have been leased according to the tenant selection plan.
- 21. Can you elaborate on the selection criteria?**
- a. No. Priority will be provided to severely cost-burdened tenants. No further guidance can be provided at this time.
- 22. Is it possible that Respondents may be awarded a lesser amount than they apply for?**
- a. Yes.
- 23. Will this program be expanded? How many years will the program be available?**
- a. PHDC anticipates that the program will be implemented as a 5-year pilot, but this commitment is conditioned on the ongoing availability of funds.
- 24. The spreadsheet named "Attachment A" has "Attachment Q" written in the spreadsheet. Was this a typo?**
- a. Yes. Please note this Attachment has been corrected and the file can be downloaded on the following page of the PHDC website: <https://phdcphila.org/community-investment/development-project-finance/funding-opportunities/>
- 25. Can we add organization description or management team experience that can support application?**
- a. Respondents may include additional information about their organization or management team in the cover letter portion of the proposal.
- 26. What is the definition of substantially renovated?**
- a. A renovation that necessitated at least \$250,000 in construction costs.
- 27. Is Affordable Housing Program (AHP) funding considered a public subsidy?**
- a. Yes.