

DEPARTMENT OF AGRICULTURE**Rural Housing Service****Notice of Funding Availability (NOFA) for the Section 515 Rural Rental Housing Program**

AGENCY: Rural Housing Service (RHS), USDA.

ACTION: Notice.

SUMMARY: This NOFA announces the timeframe to submit applications for Section 515 Rural Rental Housing loan funds and Section 521 Rental Assistance (RA) for new construction. This document also describes the allocation of loan funds and new construction rental assistance (RA), application process, submission requirements, and areas of special emphasis or consideration.

DATES: The closing deadline for receipt of applications in response to this NOFA is 5:00 p.m., local time for each Rural Development State Office on March 23, 1998, except as noted. The application closing deadline is firm as to date and hour. RHS will not consider any application that is received after the closing deadline. Applicants intending to mail applications must provide sufficient time to permit delivery on or before the closing deadline date and time. Acceptance by a post office or private mailer does not constitute delivery. Facsimile (FAX), COD, and postage due applications will not be accepted.

ADDRESSES: Applicants wishing to apply for assistance must contact the Rural Development State Office serving the place in which they desire to submit an application for rural rental housing to receive further information and copies of the application package. Rural Development will date and time stamp incoming applications to evidence timely receipt, and, upon request, will provide the applicant with a written acknowledgment of receipt. A listing of Rural Development State Offices, their addresses, telephone numbers, and person to contact can be found elsewhere in this Notice.

FOR FURTHER INFORMATION CONTACT: Most States will have a loan limit; therefore, applicants must contact the appropriate Rural Development State Office listed elsewhere in this Notice for funding availability. For general information, applicants may contact Linda Armour, Cynthia L. Reese-Foxworth, or Carl Wagner, Senior Loan Officers, Multi-Family Housing Processing Division, Rural Housing Service, United States Department of Agriculture, Stop 0781, 1400

Independence Avenue, SW, Washington, DC, 20250, telephone (202) 720-1604 (this is not a toll free number).

SUPPLEMENTARY INFORMATION:**Programs Affected**

The Rural Rental Housing Program is listed in the Catalog of Federal Domestic Assistance under Number 10.415, Rural Rental Housing Loans. Rental assistance is listed in the Catalog under Number 10.427, Rural Rental Assistance Payments.

Rural Development State Offices With 90-Day Application Deadlines

Note: Telephone numbers listed are not toll-free.

Arizona State Office, Phoenix Corporate Center, 3003 N. Central Ave., Suite 900, Phoenix, AZ 85012-2906, (602) 280-8755, Steve Langstaff
 California State Office, 194 West Main Street, Suite F, Woodland, CA 95695-2915, (916) 668-2090, Robert P. Anderson
 Connecticut—Served by Massachusetts State Office
 Delaware/Maryland State Office, 5201 South Dupont Highway, PO Box 400, Camden, DE 19934-9998, (302) 697-4314, W. Arthur Greenwood
 Florida and Virgin Islands State Office, 4440 N.W. 25th Place, PO Box 147010, Gainesville, FL 32614-7010, (352) 338-3465, Joseph P. Fritz
 Georgia State Office, Stephens Federal Building, 355 E. Hancock Avenue, Athens, GA 30601-2768, (706) 546-2164, Wayne Rogers
 Guam—Served by Hawaii State Office
 Hawaii, Guam, and Western Pacific Areas State Office, Room 311, Federal Building, 154 Waiuanuenue Avenue, Hilo, HI 96720, (808) 933-3005, Abraham Kubo
 Idaho State Office, 3232 Elder Street, Boise, ID 83705, (208) 378-5627, Roni Atkins
 Illinois State Office, Illini Plaza, Suite 103, 1817 South Neil Street, Champaign, IL 61820, (217) 398-5412 (ext. 256), Barry L. Ramsey
 Indiana State Office, 5975 Lakeside Boulevard, Indianapolis, IN 46278, (317) 290-3115, John Young
 Iowa State Office, 873 Federal Building, 210 Walnut Street, Des Moines, IA 50309, (515) 284-4493, Bruce McGuire
 Kansas State Office, 1200 SW Executive Drive, PO Box 4653, Topeka, KS 66604, (913) 271-2720, Gary Shumaker
 Louisiana State Office, 3727 Government Street, Alexandria, LA 71302, (318) 473-7950, Yvonne R. Emerson
 Maryland—Served by Delaware State Office
 Massachusetts, Connecticut, and Rhode Island State Office, 451 West Street, Amherst, MA 01002, (413) 253-4327, Donald Colburn
 Michigan State Office, 3001 Coolidge Road, Suite 200, East Lansing, MI 48823, (515) 337-6635 (ext. 1609), Julie Putnam
 Minnesota State Office, 410 AgriBank Building, 375 Jackson Street, St. Paul, MN 55101-1853, (612) 290-3912 Mary Ann Erickson

Missouri State Office, 601 Business Loop 70 West, Parkade Center, Suite 235, Columbia, MO 65203, (573) 876-0990, Gary Frisch
 Montana State Office, Unit 1, Suite B, 900 Technology Blvd., Bozeman, MT 59715, (406) 585-2515, Marylou Falconer
 Nebraska State Office, Federal Building, room 308, 100 Centennial Mall N, Lincoln, NE 68508, (402) 437-5557, Byron Fischer
 Nevada State Office, 1390 South Curry Street, Carson City, NV 89703-5405, (702) 887-1222, Jackie J. Goodnough
 New Hampshire—Served by Vermont State Office
 New Jersey State Office, Tarnsfield Plaza, Suite 22, 790 Woodland Road, Mt. Holly, NJ 08060, (609) 265-3630, George Hyatt, Jr.
 New Mexico State Office, 6200 Jefferson St., NE, Room 255, Albuquerque, NM 87109, (505) 761-4944, Carmen N. Lopez
 North Carolina State Office, 4405 Bland Road, Suite 260, Raleigh, NC 27609, (919) 873-2062, Eileen Nowlin
 North Dakota State Office, Federal Building, Room 208, 220 East Rosser, PO Box 1737, Bismarck, ND 58502, (701) 250-4771, Kathy David
 Oregon State Office, 101 SW Main, Suite 1410, Portland, OR 9724-2333, (503) 414-3350, Jillene Davis
 Pennsylvania State Office, One Credit Union Place, Suite 330, Harrisburg, PA 17110-2996, (717) 782-4574, Gary Rothrock
 Puerto Rico State Office, New San Juan Office Bldg., Room 501, 159 Carlos E. Chardon Street, Hato Rey, PR 00918-5481, (809) 766-5095 Ext. 256, Lourdes Colon
 Rhode Island—Served by Massachusetts State Office
 South Carolina State Office, Strom Thurmond Federal Building, 1835 Assembly Street, Room 1007, Columbia, SC 29201, (803) 765-5690, Frances S. Kelley
 Utah State Office, Wallace F. Bennett Federal Building, 125 S. State Street, Room 5438, Salt Lake City, UT 84138, (801) 524-3242, Robert L. Milianta
 Vermont and New Hampshire State Office, City Center, 3rd Floor, 89 Main Street, Montpelier, VT 05602, (802) 828-6020, Russell Higgins
 Virgin Islands—Served by Florida State Office
 Virginia State Office, Culpeper Building, Suite 238, 1606 Santa Rosa Road, Richmond, VA 23229, (804) 287-1582, Gayle Calhoun
 Washington State Office, 1835 Black Lake Blvd. SW., Suite B, Olympia, WA 98512-5717, (360) 704-7707, Deborah Davis
 Western Pacific Territories—Served by Hawaii State Office
 West Virginia State Office, Federal Building, 75 High Street, Room 320, Morgantown, WV 26505-7500, (304) 291-4793, Sue Snodgrass
 Wisconsin State Office, 4949 Kirschling Court, Stevens Point, WI 54481, (715) 345-7620, Sherry Engel
 Wyoming State Office, 100 East B, Federal Building, Room 1005, PO Box 820, Casper, WY 82602, (307) 261-6315, Charles E. Huff

Rural Development State Offices With 60-Day Deadlines

Alaska State Office, 800 West Evergreen, Suite 201, Palmer, AK 99645, (907) 745-2176, Ron Abbott

Arkansas State Office, 700 W. Capitol Ave., Rm. 5411, Little Rock, AR 72201-3225, (501) 324-6701, Cathy Jones

Colorado State Office, 655 Parfet Street, Room E100, Lakewood, CO 80215, (303) 236-2801 (ext. 122), "Sam" Mitchell

New York State Office, The Galleries of Syracuse, 441 S. Salina Street, Suite 357, Syracuse, NY 13202, (315) 477-6419, George N. Von Pless

Oklahoma State Office, 100 USDA, Suite 108, Stillwater, OK 74074-2654, (405) 742-1070, Patsy Graumann

South Dakota State Office, Federal Building, Room 308, 200 Fourth Street, SW, Huron, SD 57350, (605) 352-1132, Dwight Wullweber

Texas State Office, Federal Building, Suite 102, 101 South Main, Temple, TX 76501, (254) 742-9760, Eugene G. Pavlat

Explanation of 60-Day NOFA Application Deadline

Customers in the above listed States will benefit from having a 60-day application period so that the Agency's NOFA process will coincide with the time restraints placed upon them by participating lenders and State Housing Finance Agencies (SHFA). Participating lenders such as commercial banks leverage their funds with RHS funds. State organizations can provide Community Development Block Grants (CDBG) and HOME funds as another means of leveraging RHS funds. State Housing Finance Agencies have certain timeframes whereby applicants can apply for tax credits. Therefore, to assist our customers in obtaining leveraged funds and participate with other funding sources, a 60-day application period is provided.

Discussion of Notice**I. Authority and Allocation****A. Authority**

Section 515 of the Housing Act of 1949 (42 U.S.C. 1485) provides RHS the authority to make loans to any individual, corporation, association, trust, Indian tribe, public and private nonprofit organizations, consumer cooperative, or partnership to provide rental or cooperative housing and related facilities for elderly or handicapped persons or families of low or moderate income as well as other persons and families of low income in rural areas. Rental assistance is a tenant subsidy available to very-low and low-income families residing in rural rental housing facilities with RHS financing, and is requested with application for such facilities.

B. Allocation Methodology

Based on the allocation formula contained in 7 CFR part 1940, subpart L "Methodology and Formulas for Allocation of Loan and Grant Program Funds," RHS has allocated available funds directly to each Rural Development State Office.

The Rural Housing Service has published regulations outlining its application and review process for the Section 515 Rural Rental Housing new construction program. These regulations can be found at 7 CFR part 1944, subpart E, and provide that some prior year applicants who filed acceptable loan requests in prior years may proceed with their loan requests provided they comply with the aforementioned regulations. Additionally, in fiscal year 1998, some States have requested authorization to transfer all or a portion of their new construction allocation to their rehabilitation and repair allocation. States in this category need not wait until the NOFA deadline to obligate funds. Applicants are strongly advised to contact their State Office to ascertain its funding status. The following States have applications on hand from prior years in designated places that, if obligated, will use all of their direct allocations or may be transferring their new construction allocation to their rehabilitation and repair allocations:

Alabama, Colorado, Idaho, Illinois, Kentucky, Maine, Mississippi, North Dakota, Ohio, Tennessee, and Texas.

Other States also have applications on hand that may use part of their allocation for new construction or will use a portion of their new construction allocation for rehabilitation and repair purposes. Therefore, potential applicants are encouraged to apply in those States during the NOFA period; however, there is no guarantee that funds will be available. The Agency is not responsible for any costs associated with the applicant's decision to submit an application package. If funds are not available, those applications will not be reviewed and will be returned to the applicant.

Limited funds are available, at the National Office, to all States for eligible nonprofit organizations and to some States for the 100 most Underserved Counties and Colonias Set-asides. Accordingly, all potential applicants and interested parties must contact the appropriate Rural Development State Office to ascertain funding availability from the State's allocation and potential availability of funds from the set-asides for nonprofit organizations and underserved areas. Since funds are so

limited, every effort must be made to ensure that RHS funds are leveraged with other financing sources to reach the most underserved areas. Available funds should be utilized in communities where economic growth can be stimulated via the construction of Multi-Family Housing complexes.

II. Application Process

All applications for section 515 new construction funds must be filed with the appropriate Rural Development State Office and must meet the requirements of 7 CFR part 1944, subpart E and section IV of this NOFA. Incomplete applications will not be reviewed and will be returned to the applicant. No application will be accepted after 5:00 p.m., local time, on the application deadlines previously mentioned, unless that date and time is extended by a Notice published in the **Federal Register**.

III. Application Submission Requirements

A. Each application shall include all of the information, materials, forms and exhibits required by 7 CFR part 1944, subpart E as well as comply with the provisions of this NOFA. Applicants are encouraged, but not required, to include a checklist and to have their applications indexed and tabbed to facilitate the review process. The Rural Development State Office will base its determination of completeness of the application and the eligibility of each applicant on the information provided in the application.

B. Applicants are advised to contact the Rural Development State Office serving the place in which they desire to submit an application for the following:

1. Application information;
2. Any restrictions on funding availability (applications that do not conform to or exceed the State's limit on size of project or dollar amount will be returned to the applicant); and
3. List of designated places for funding new section 515 facilities.

IV. Areas of Special Emphasis or Consideration

A. The selection criteria contained in 7 CFR part 1944, subpart E includes two optional criteria, one set by the National Office and one by the State Office, to support special initiatives at the National and State Office level. These initiatives will not be used this fiscal year. However, States are strongly encouraged to develop special initiatives for fiscal year 1999, as this criteria will be used.

B. The Agency has published elsewhere in this **Federal Register** a Notice which provides the availability of funds set-aside for Nonprofit entities and the 100 most Underserved Counties and Colonias (Cranston-Gonzalez Act). That Notice indicates that \$9.45 million is available nationwide in a set-aside for eligible Nonprofit organizations and \$5.25 million is available in a set-aside for the 100 most Underserved Counties and Colonias. That Notice also gives a deadline of February 23, 1998 as the last day for submission of applications for participation in the Nonprofit and Underserved Counties and Colonias Set-Asides.

C. The Agency has published elsewhere in this **Federal Register**, a

Notice which provides the availability of funds set-aside for the State Rental Assistance Program. That Notice indicates that \$2.5 million is available for States with viable State Rental Assistance Programs. In order to participate, States are to submit a written request with specific information about the State RA program, i.e., memorandum of understanding, documentation from the provider, etc., to the National Office no later than March 15, 1998.

D. In accordance with the Welfare and Immigrations Reform Act, States are reminded to inform potential applicants that modest community rooms in section 515 complexes are highly encouraged to provide a place for

special activities and services that will aid residents in improving job skills, education, or their understanding of the impact of changes in Government programs as well as to provide a space for resident and community meetings.

E. Loan requests filed in response to this NOFA are subject to the regulatory provisions with respect to the Final Rule entitled "Rural Rental Housing (RRH) Assistance," which is published elsewhere in this issue of the **Federal Register**.

Dated: December 16, 1997.

Jan E. Shadburn,

Administrator, Rural Housing Service.

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