

**2009 FREQUENTLY ASKED QUESTIONS  
CENTRE CITY DEVELOPMENT CORPORATION  
HEALTH AND HUMAN SERVICES CAPITAL FUNDING ASSISTANCE PROGRAM**

**Q1** The Program Description says that agencies must offer services to the general public. Many organizations provide services to a target audience, e.g. the homeless, battered women, etc. Does this make them ineligible?

**A1** No, the purpose of this criterion was to ensure that an agency offers services to anyone downtown who meets the demographics of the target audience. For example, if an agency offers housing to single women, it must extend the service to all single women in the downtown. If the target population is homeless, then the agency must extend services to all homeless in the downtown. Please make sure to completely identify your target clientele in the Pre-Application Determination of Eligibility.

**Q2** Is the maximum loan amount \$1 million per agency or \$1 million per project?

**A2** In general, the maximum loan is per project. An eligible agency could submit more than one application so long as each application was for a separate project. However, this is a competitive process so it is unlikely that more than one application would be funded for an agency within the same funding cycle.

**Q3** Can two or more agencies joint venture on a large project and receive a loan greater than \$1million?

**A3** Since the Program Description is silent on this issue, CCDC will accept such an application. There should be one application for the project. One of the agencies will need to be designated as the lead agency. The application will need to discuss service enhancements for all agencies in the joint venture and any information required from an agency, e.g. list of Board of Directors, will be required from all agencies in the joint venture. Staff anticipates that only an extraordinary proposal will be considered for funding in excess of \$1 million.

**Q4** I sublease space from another nonprofit agency. That agency plans to apply for a project in our building and I would like to apply for a different project for my subleased space. Is that allowed?

**A4** Yes. This is two separate agencies with two separate projects.

**Q5** Does the lien to secure loan repayment need to be placed on the property improved with the funds or can other property/assets be used as collateral?

**A5** The lien should be placed on the property improved with the funds. Since the funds will result in the removal of blight, the project should result in a higher value for the improved real property. If a property owner is hesitant to permit the lien, CCDC staff is willing to work with the agency to find a solution, for example, we will also accept a third-party guarantee secured by real estate owned or controlled by the third party.

**Q6** Will a funded agency need to hire an independent auditor to monitor compliance with the prevailing wage requirement?

**A6** No, but records should be maintained to document payment of prevailing wages in case a question or challenge is raised. Remember that the funded agency, not CCDC, is liable for compliance with this requirement.

**Q7** How does this program intersect with the Conditional Use Permit (CUP) process and all of the strictures that process imposes?

**A7** A project may or may not trigger a new CUP or a modification to an existing CUP. If it does, all existing legal requirements will need to be met. We cannot make exceptions for participants in this program. The Pre-Application process should help expose any issues before an applicant has invested in preparing the full Application for Funds.

**Q8** What happens if my CUP expires before the loan repayment period ends and the CUP is not extended? Will the loan need to be repaid in full?

**A8** Each project's individual loan documents will deal with this possibility. However, if a CUP's expiration was within the control of the agency, some or all of the loan will probably need to be repaid. If the CUP was not renewed despite the agency's best efforts to do so, at least part of the loan will probably be forgiven.

**Q9** Will CCDC only fund projects that require a CUP?

**A9** No, this is not a condition of eligibility.

**Q10** Why doesn't CCDC have rolling submission dates so that providers and CCDC can flex the project timelines? In other capital funding projects, money is set aside and held until the project is ready.

**A10** The times allotted for submission of the Pre-Application Determination of Eligibility and for the Application for Funds have been extended from the 2008 schedule

and staff believes they are now sufficient for their completion. The same is true of time allowed for starting projects after they are approved. CCDC will continue to evaluate the process and its results and consider future modifications.

**Q11** If an agency has had a long history of operating downtown but does not currently have a physical location because it lost its lease, is it eligible for the program?

**A11** CCDC would accept an application under these circumstances. Factors that will weigh into its evaluation will include how long it operated downtown, how long it has been “out of business” downtown, and what efforts have been made to find a downtown location. However, its project must be in the downtown redevelopment area to be eligible for funding. The downtown redevelopment area is generally bordered by Laurel Street, I-5, Commercial Street, and the harbor. There is a very small area south of Commercial Street that is also in the redevelopment area. Please contact CCDC if you do not know whether your proposed project site is eligible for funding.

**Q12** Is blight only physical deterioration or would something like a concentration of homeless in one location also be considered blight?

**A12** Blight relates to a fixed physical condition. However, a condition of blight might result in the concentration of homeless. For example, perhaps a shelter lacks an indoor in-take area, which would be an example of inadequate building design. Correcting that physical deficiency would result in disbursement of the concentration of homeless at that location.

**Q13** Do improvements need to be started within eighteen months of project approval or completed within eighteen months of project approval?

**A13** A project must start within 18 months of approval of the loan agreement by the Redevelopment Agency. The loan agreement will include a mutually-agreeable schedule for completion.

**Q14** If a building is so deteriorated or otherwise blighted that it is not practical to rehabilitate the structure, and the only solution is to demolish the structure and rebuild, would this be an eligible project?

**A14** No. This is still new construction, which is an ineligible project activity.