



Rural Development

September 6, 2018

Joel C. Baxley  
Administrator

TO: State Directors  
Rural Development

Rural Housing Service  
1400 Independence Ave, SW  
Room 5014-S  
Washington, D.C. 20250

ATTN: Program Directors and Coordinators  
Multi-Family Housing

Telephone: (202) 692-0268

FROM: Joel C. Baxley /s/ *Joel C. Baxley*  
Administrator  
Rural Housing Service

SUBJECT: Processing Section 514/516  
New Construction Loan and/or Grant Requests  
Fiscal Year 2018

**PURPOSE**

The purpose of this Unnumbered Letter (UL) is to provide guidance for processing applications for Section 514/516 Farm Labor Housing (FLH) loans and grants in response to the fiscal year (FY) 2018 FLH Notice of Solicitation of Applications (NOSA).

**BACKGROUND**

The “Notice of Solicitation of Applications for the Section 514 Farm Labor Housing Loans, Section 516 Farm Labor Housing Grants for Farm Housing for Fiscal Year 2018” was published on June 27, 2018, in the Federal Register.

States Offices that need assistance with the review or the processing of FLH pre-applications should contact Mirna Reyes-Bible of the Preservation and Direct Loan Division’s Farm Labor Housing program, at (202)-720-1753 or [mirna.reyesbible@wdc.usda.gov](mailto:mirna.reyesbible@wdc.usda.gov).

**PROCESSING TIMEFRAMES:**

**August 27, 2018 – 5:00 P.M. local time:** Application closing deadline. Applications received by this deadline will be reviewed for completeness and scored against the factors listed in the NOSA. To pay for credit reports, collect a

EXPIRATION DATE:  
September 30, 2019

FILING INSTRUCTIONS:  
Housing Programs

check for \$24 from the applicant made payable to the U.S. Department of Agriculture.

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**September 10, 2018:** State Offices fax or e-mail a final list of their scored and ranked pre-applications with Attachments 1 and 2 and a copy of the **preliminary market study** submitted by the borrower to the National Office to the attention of Mirna Reyes-Bible at (202) 720-1753. **The State's list will include every pre-application, including those determined incomplete or ineligible, with the reason for that determination.** The National Office ranks all pre-applications received from the State Offices.

**September 17, 2018:** The National Office notifies State Offices which pre-applications were selected for further processing. Upon this notification, States Offices immediately will notify the selected applicants to submit a formal application that includes a **cost overrun statement**. The State Offices must advise applicants to submit organizational documents immediately after receiving notification in order to allow time for review by the Office of General Counsel. State Offices also conducts site visits and begin the environmental reviews, appraisals, market studies, and civil rights impact analysis.

**September 19, 2018:** State Offices submit, Form RD 1940-L Exhibit A "*Request for Obligation of Funds*"; refer to assistance codes "322" for loans and "323" for grants to the National Office.

**September 20, 2018:** The National Office returns approved 1940-L's to the State Offices and allocates funds to the states' accounts.

**September 24, 2018 - 5:00 P.M. local time:** State Offices are responsible for obligating FLH funds. When obligating funds, the estimated development costs must be entered into the Automated Multi-Family Housing Accounting System (AMAS) using the M5V screen. Once construction is completed, the actual development costs must be entered into AMAS using the M5VA screen. Guidance can be found in Chapter 2 of the AMAS manual.

Please direct questions regarding this UL to Mirna Reyes-Bible of the Preservation and Direct Loan Division, at (202) 720-1753.

**RURAL HOUSING SERVICE  
FARM LABOR HOUSING OFF-FARM PRE-APPLICATIONS  
FISCAL YEAR 2018**

STATE \_\_\_\_\_

RANK	SCORE	APPLICANT NAME/ LOCATION	# OF MIG UNITS	CONG DIST	DEVELOP- MENT COST*	LOAN	GRANT	LEVRAGED	% OF LEV.	# OF UNITS	# OF RA'S	PPA	Faith- Based (Y/N)
					\$	\$	\$	\$	%				
					\$	\$	\$	\$	%				
					\$	\$	\$	\$	%				
					\$	\$	\$	\$	%				
					\$	\$	\$	\$	%				
					\$	\$	\$	\$	%				
					\$	\$	\$	\$	%				
					\$	\$	\$	\$	%				
					\$	\$	\$	\$	%				
					\$	\$	\$	\$	%				

\*If the proposal includes non-RHS eligible costs, please indicate the items and costs on a separate line or as an attachment.

PPA=Persistent Poverty Area

**FARM LABOR HOUSING LEVERAGED ASSISTANCE  
CALCULATION OF CONSTRUCTION COST SAVINGS WORKSHEET  
FISCAL YEAR 2018**

Applicant Name: \_\_\_\_\_

Project Name: \_\_\_\_\_

1. RHS total development cost (excludes non-RHS eligible costs): \$ \_\_\_\_\_
2. Leveraged Assistance (Include all eligible leveraging meeting the provisions of the Notice of Solicitation Applications such as loans, grants, land, tax abatements, etc.)

*Source:**Amount:*

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

3. Total leveraged assistance \$ \_\_\_\_\_
4. Percent of Leveraged Assistance (line 3 divided by line 1) \_\_\_\_\_%
5. Points for leveraging \_\_\_\_\_  
(Round up for .50 and above; round down for .49 and below)