

**HOWARD COUNTY DEPARTMENT OF HOUSING AND
COMMUNITY DEVELOPMENT**

**Requests for Proposals for FFY2017 Application for Funding
Home Investment Partnerships Program (HOME)**

**Rehabilitation/Acquisition/Down Payment Assistance/New
Construction Countywide**



Table of Contents

Program Description	2
Background	2
Community Housing Development Organization (CHDO)	3
Attachment Checklist	4
HOME Program Application.....	5
Section A.....	7
Section B.....	9
Section C.....	15
Section D.....	17
Section E	19



Program Description

HOME Investment Partnership funds provides formula grants to States and local jurisdictions that communities use often in partnership with local nonprofit groups-to fund a wide range of activities that build, acquire, and/or rehabilitate affordable housing for rent or homeownership or provide direct rental assistance to low-income persons. HOME is the largest Federal grant to State and local governments designed exclusively to create affordable housing for low-income households. The program was designed to reinforce several important values and principles of community development. The program's flexibility allows States and local governments to use HOME funds for grants, direct loans, loan guarantees or other forms of credit enhancement, or rental assistance or security deposits.

Eligible Activities for HOME Funds

Participating jurisdictions may choose among a broad range of eligible activities, using HOME funds to provide home purchase or rehabilitation financing assistance to eligible homeowners and new homebuyers; build or rehabilitate housing for rent or homeownership; or for "other reasonable and necessary expenses related to the development of non-luxury housing," including site acquisition or improvement, demolition of dilapidated housing to make way for HOME-assisted development, and payment of relocation expenses. PJs may use HOME funds to provide tenant-based rental assistance contracts of up to 2 years if such activity is consistent with the **Consolidated Plan** and justified under local market conditions.

Some special conditions apply to the use of HOME funds. PJs must match every dollar of HOME funds used (except for administrative costs) with 25 cents from nonfederal sources, which may include donated materials or labor, the value of donated property, proceeds from bond financing, and other resources. In addition, PJs must reserve at least 15 percent of their allocations to fund housing to be owned, developed, or sponsored by experienced, community-driven nonprofit groups designated as Community Housing Development Organizations (CHDOs). PJs must ensure that HOME-funded housing units remain affordable in the long term (20 years for new construction of rental housing; 5-20 years for construction of homeownership housing and housing rehabilitation, depending on the amount of HOME subsidy).



Community Housing Development Organizations (CHDOs)

A **CHDO** is a private, non-profit, community based organization whose primary purpose is to develop affordable housing for the community it serves. In order to be qualified as a CHDO, certain requirements must be met.

*If you **ARE** applying to become an eligible CHDO, please complete the entire application and refer to **Section E** of this application and submit the additional requirements.*

*If you are **NOT** applying to become an eligible CHDO, ignore Section E of this application.*

The U.S. Department of Housing and Urban Development has established standard criteria for organizations to be eligible for CHDO certification, which are codified in 24 CFR 92.2.

A CHDO acting as owner, sponsor or developer as defined by the new HOME final rule, may use the 15 percent CHDO set-aside for the following activities:

- Acquisition and/or rehabilitation of rental or homebuyer property;
- New construction of rental or homebuyer property; and
- Direct financial assistance to homebuyers of HOME-assisted property developed or sponsored by the CHDO.



ATTACHMENTS CHECKLIST

- Articles of Incorporation and Bylaws
- Federal Tax Exempt Determination Letter For 501 (c)3 or 501 (c)4 Organizations
- Current List of Board of Directors with occupation and home addresses
- Board of Directors - Authorization to request funds
- Board of Directors - Designation of authorized official
- Current Organization Chart
- Resume of key staff members
- Current Year Approved Salary Schedule
- Current Year Approved Agency Budget
- Most recent Audit or Financial Statements
- Certificate of Good Standing from the Maryland Department of Taxation

APPLICATION SUBMISSION

FORMAT

- Use the checklist to ensure that you are submitting a complete package as Howard County's Department of Housing and Community Development reserves the right to reject an incomplete application package.
- Submit completed applications with a cover memo and use a binder clip to secure all pages. Please do not use 3-ring binders, spiral binding or hole punched sheets of paper.
- Submit **FOUR (4)** copies – one (1) original with original signature and three (3) copies of the completed application.
- Submit **ONLY** one (1) set of the required attachments.
- Review of applications will be based on a 100 point scoring system; if threshold items are not met, the remainder of the application will not be scored.

DEADLINE

- Application packages must be submitted on or before **January 27, 2017, by 3:30 p.m.**

- Completed applications may be mailed or hand delivered to:
The Department of Housing and Community Development
6751 Columbia Gateway Drive, 3rd Floor
Columbia, MD 21046
Attn: Elizabeth Meadows, Grant Administrator



**HOME Investment Partnership Program
FFY2017 Application for Funding**

Name of Organization : _____

Mailing Address: _____

City: _____ Zip Code: _____

Organization DUNS: _____

Tax ID#: _____

Person Completing Application: _____

Phone: _____ Fax: _____ Email: _____

Type of Organization: Non-Profit For-Profit Governmental
 Other, please state: _____

Funding is For, (Please check all that apply):

- New Construction Acquisition of Property/Land
 Down payment and Closing Cost Assistance Rehabilitation
 Demolition Project Based Rental Assistance
 Tenant Based Rental Assistance

ProjectName/Title: _____

ProjectLocation: _____

Amount of This Request: \$ _____

Administrative Restrictions

Has the applicant organization or partner/member received an unsatisfactory rating on publicly funded project or been debarred for any period of time?



YES

NO

Has the applicant organization or partner/member been involved in any lawsuits?

YES

NO

Are there any outstanding judgments against the Applicant organization or partner/member?

YES

NO

Has the Applicant organization or partner/member been involved in mortgage default within the last 5 years on any federally or state funded project?

YES

NO

If any of the above responses was "Yes", provide a brief explanation (Attach additional sheets as necessary):

_____.

Acknowledgement and Certification

"I acknowledge that funds are to be used in such a manner as to ensure the principal benefit to low, very low and extremely-low income persons. I certify that I have reviewed this application in its entirety and that, to the best of my knowledge and belief, all of the information provided in this application is true and accurate. I further certify that I am officially authorized to sign for and represent the organization in the submission of this application."

Signature of Authorized Representative

Printed Name / Title : _____

Date: _____

Section A: Organization History/Qualifications (20 pts)

A.1 Provide a brief summary of the organization's history, mission and goals, followed by organizational strengths and recent accomplishments.

If applicant is a nonprofit or a nonprofit applying for CHDO eligibility, see **Section E** of this application and attach those items separately as Exhibit 14, otherwise attach a copy of each of the following listed below as **Exhibit 1**:

- Articles of Incorporation and Bylaws
- Federal Tax Exempt Determination Letter - For 501©(3) Organizations
- List of Board of Directors
- Board of Directors authorization to request funds
- Board of Directors designation of authorized official
- Resume of key development team members (paid staff and volunteers)
- Financial Statements and most recent audit
- Conflict of Interest documentation – Letter
- Certificate of Good Standing from the Maryland Department of Taxation

A.2 Staffing Structure and Capacity – Describe the organizations current staffing structure (identifying key staff and expertise) and provide detailed information demonstrating the organization's and staff's ability to successfully implement the proposed project. Identify all staff who maintains professional licenses, certifications or other credentials that are necessary to ensure the successful implementation of the project. Please provide a copy of key staff members' resume with the application, as part of **Exhibit 1**.

A.3 Board Involvement and Volunteers – Briefly describe the role of the Board of Directors and any volunteers in the implementation of the proposed project.

A.4 Experience - As **Exhibit 3**, describe the housing experience of the Applicant or any development partner/member within the last five (5) years. For each previous project include the name of the project, number of units, type of financing, and indicate whether financed with any public funds.

For projects that will consist of partnership interests, describe the qualifications of partners in the development process. All roles and responsibilities in the development process should be outlined and assigned to qualified development team members.



Attach a list of all individuals associated with the Applicant or the ownership entity that have a reportable financial interest in the project, and percentage and dollar amount of financial interest in the project.

If applicable, describe the support services experience of the service provider. Please include the number of individuals currently receiving project-based supportive services from this organization.



SECTION B: Project Information (20 pts)

Submit one completed copy of Section B, with all required documentation, for each activity for which you are requesting Program funds.

- New Construction
- Down payment and Closing Cost Assistance
- Demolition
- Tenant Based Rental Assistance
- Acquisition of Property/Land
- Rehabilitation
- Project Based Rental Assistance

B.1 Provide a summary project description, and include the site address (es) as applicable: Narrative should include information on any of the following that apply;

- * Project narrative and location map
- *Address and Census block group
- *Total number of proposed HOME units
- *Type of units
- *Total project costs (land/property acquisition costs and development hard/soft costs)
- *Project amenities
- *Parking
- *Laundry room facilities
- *Community room and recreational facilities
- *Photos of the property (if applicable)

B.2 Population/s to be served: Identify the exact populations that will benefit from the project (e.g. persons with physical disabilities, children, persons with mental illnesses etc.) that will benefit from the project. If relevant, please identify number or percentage of units reserved for each population type in the project and the projected number of persons/households to be served during each quarter of FFY2017.

B.3 Priority Objective: Please choose the objective that most clearly represents your project priority.

- Affordable rental unit/s for extremely low, very low and low income persons
 - Transitional & Permanent Housing with supportive services
 - Rehabilitation of the existing housing stock
 - Affordable Homeownership for Low- and Moderate-Income Families
 - Other HOME Program-eligible Community Priorities; please state below:
-

B.4 Coordination within the Community: Describe how your organization will coordinate the activities of the proposed project with existing services/programs within the community. Outline any relationships with existing community groups, and how the partnership will support this project. For housing with supportive services projects, identify how this project will be an enhancement to the exiting community members

B.5 Income Targets

- Number of units affordable to households earning less than 30% of area median income _____
- Number of units affordable to households earning 31-50% of area median income _____
- Number of units affordable to households earning 51-80% of area median income _____
- Number of units to households earning in excess of 80% of area median income _____

TOTAL number of units in this project _____

B.6 Affordability: In Exhibit 4,

Please state the organization’s intention related to the long-term affordability of this project; how does the applicant organization intend to maintain the affordability?

B.7 Housing Units - Describe the housing unit configuration by completing the chart below as Exhibit 5.

Exhibit 5- Housing Units Composition							
Number of Bedrooms	(a) Number of Units	(b) Square Feet per Unit	(c) Number of Bathrooms (note if shared)	(d) Purchase Price For Ownership	(e) Rent (Paid by resident)	(f) Rent Subsidy	(g) Utilities
Efficiency							
1 Bedroom							
2 Bedroom							
3 Bedroom							
4 Bedroom							
Total Units							

B.8 (a) Utilities Configuration

****Please outline what utilities tenants will pay for and what will be covered by the owner/manager of the rental units.**

Heat: Gas Forced Air Electric Heat Pump Electric Baseboard
 Other, please state: _____



Howard County

HOUSING

Hot Water: Gas Electric Other, please state: _____

Air Conditioning: Central Air Window Units

Utilities are not paid for by the tenant.

B.8 (b) Systems

Check the following existing systems that are adequate and available at the site:

- Storm Sewer
 Water
 Natural Gas
 Sanitary Sewer
 Electric

B.9 Access to Services

Describe proximity of following services and facilities to proposed project site. Provide a map of project location indicating proximity of each service to site and attach as **Exhibit 6**.

Service/Facility	Proximity To Site (express in mile/half-mile increments)
Support services including medical facilities	
Employment centers	
Parks and Recreation	
Schools	
Shopping Facilities	
Public Transportation	

B.10 Evidence of Zoning - Submit as **Exhibit 7**, a map from the Department of Planning and Zoning’s website, indicating that the proposed use of the site is permissible under applicable zoning ordinances or other appropriate land development regulations.

B.11 Site Control and Value - Check the box that best describes the form of site control held at time of application. Include a copy of the appropriate document as **Exhibit 8**.

- Deed or other proof of ownership**
 Long-term lease
 Executed Option to Purchase



Howard County
HOUSING

- Other, please state _____
 No site control to date

Does a direct or indirect conflict of interest exist between the applicant and the seller of the property?

- YES NO

If yes, specify the relationship: _____

****NOTE****

A copy of an appraisal of the land for new development or land and building(s) for acquisition and rehabilitation projects is required. Howard County Housing strongly recommends that the Applicant obtain an appraisal prior to securing site control to ensure a fair price.

B.12 Relocation - Attach as **Exhibit 9**, a relocation plan providing the information listed below if the proposed project requires permanent or temporary relocation of individuals, households or businesses currently occupying the site. If the project does not require relocation, no attachment is necessary.

The Relocation Plan should include the following information:

- Total number of units and the number of occupied units. Indicate whether the occupied units are owner or renter units. Also, describe any nonresidential units in need of relocation.
- The number of occupants to be permanently relocated the number to be temporarily relocated, the number that will remain and the plan for relocating all affected occupants.
- The estimated cost of any planned relocation as well as the source of relocation funding, and the agency or organization that will oversee the process.
- An explanation of any residential or nonresidential relocation from the site in the past year.

B.13 Affirmative Marketing and Support Services Plan - Attach as **Exhibit 10**, a copy of the proposed project's affirmative marketing and/or support services plan (if applicable).

Affirmative Marketing Plan must include:



- The project's referral and tenant selection policies.
- The project's typical advertising and marketing activities, with emphasis on activities taken to fill units targeted to special populations.

Support Services Plan must include:

- The project's referral and tenant selection policies. An explanation of how tenants' needs for support services are identified. A description of how individual service plans are developed and implemented.
- A description of the service needs of the special needs population to be served by the proposed project. A detailed description of support services to be provided to residents. The name(s) of the agency (ies) that will be responsible for providing support services. How, when, how often, and where support services will be provided to residents. A description of the qualifications of staff that will provide support services to project residents.

(The Applicant organization must include a statement indicating the length of the organization's commitment of time and resources to ensure the provision of supportive services to the project).

An analysis of the success rate of the services program. For example, "based on a five year follow up examination, 35% of residents of the transitional housing program for homeless persons achieve and maintain self-sufficiency for two years or more after exiting the program."

- If program fees other than rent and utilities will be charged to the residents of the proposed project, describe the costs per month, what services and other expenses are covered by the fees and any refund policy for residents exiting the program.

SECTION C: Performance and Evaluation (35 pts)

- C.1 Project Implementation-** Describe in detail how the project will be implemented, identifying specific activities in chronological sequence and the projected timeframe for completing the project. If there are other organizations that will act as partners during the implementation, describe their roles.
- C.2 - Data Collection and Performance Measurement** – Describe the method(s) that will be used to collect demographic and financial data, measure performance (both quantifiable and qualitative) and provide documentation that demonstrates that the project beneficiaries are low- and moderate-income persons.
- C.3- Performance Measurement and Project Evaluation** – Who will be responsible for measuring performance against the projected outcomes and describe their role in the overall implementation of the project?
- C.4- Project Sustainability and Design** - Discuss in detail the long-term impact that the proposed project will have on the community and outline at least two (2) specific strategies that will be used to ensure the projects future sustainability with or without HOME funding.
- As **Exhibit 10**, attach the information requested in this section for each building constructed, rehabilitated or acquired using program funds.

For new construction please provide the following;

- A copy of preliminary site plans, building elevations, floor plans, preliminary work write-ups, specifications; photos of similar projects (include address for subject photos). After project approval, final site plans elevations; floor plans, work write-ups and specifications as well as detailed cost information will be required. It is expected that the rest of the information provided in this part will generally remain the same.

Proposals which involve adaptive re-use of a structure for residential use should include a scope of planned renovation work including major systems being replaced and major alterations in building design.

Renovation proposals of residential structures should include a hazard inspection, structural inspections, and a termite report. The hazard inspection should include at a minimum, the identification of lead-based paint and asbestos in the building with a plan and budget for remediation. A physical needs assessment (PNA) should be submitted to summarize the existing condition of all major systems in the building as



Howard County

HOUSING

well as fixtures, appliances, cabinetry, floor coverings, and paint. Recommendations on replacement and repair should be provided.

- Provide a description of your procurement process for the architect, contractor, construction manager, etc., for the construction of this project. Include requirements for qualification- company statements of qualification or resumes of key personnel.
- Provide a development timetable for the project.
- **Energy Efficiency** - All new and gut rehab residential buildings up to three stories shall be designed to meet the standard for Energy Star Qualified New Homes (≤ 80 [85 for South] on the HERS Rating Scale).

All procedures used for this rating shall comply with National Home Energy Rating System (HERS) guidelines.

Provide a brief description of how the proposed project will meet the above standards and how the project will promote any innovative construction methods or technologies that increase the structure's durability, security, and/or that promote efficient construction above Code requirements.

SECTION D: Project Budget & Financial Information (25 pts)

D.1 Use of Funds- Provide a narrative description of the proposed use of HOME funds.

D.2 Sources and Uses

As **Exhibit 11**, detail your:

- Proposed development budget
- Sources and uses, including proposed uses for Howard County Housing HOME funds,
- One year operating budget,
- Pro forma (project cash flow), including rental subsidy and reserves,

Debt coverage ratio (DCR) must be 1.15 or greater for the entire loan term. Period of affordability must be covered by pro forma.

- All sources that you have contacted for funding and the results of those requests, and
- Letters of commitment for the project development funding, including construction financing.

D.3 In-kind Contributions

D.4 Funding Strategy- What is your organization's strategy for addressing potential funding shortfalls?

D.5 Supplemental Funding- Are there any other funding applications pending or anticipated to be submitted that if rejected, would prevent the proposed project from being implanted? If so, please explain.

D.6 Line Item Budget- Attach as **Exhibit 12**. See below.

D.7 Audit - Attach as **Exhibit 13**, the Applicant's three most recent annual audited financial statements with management letters, or certified statement of Revenues and Expenses, or Partners/Members statements if there are none available for the Applicant organization. For nonprofits, attach proof of financial statements from the Board of Directors.



**Exhibit 12 -Home Investment Partnership Grant
Proposed Project Budget FFY 2016**

Note: Where HOME funds are not applicable to a specific line item, enter a value of zero.

Line Item Description	HOME	All Other S o u r c e s	Total	HOME P e r c e n t a g e
(1)Salaries - (Position/Title)	0.00	0.00	0.00	%
Fringe (benefits/FICA/Unemployment/Workers Comp)	0.00	0.00	0.00	%
(2)Salaries- (Position/Title)	0.00	0.00	0.00	%
Fringe (benefits/FICA/Unemployment/Workers Comp)	0.00	0.00	0.00	%
(3)Salaries- (Position/Title)	0.00	0.00	0.00	%
Fringe (benefits/FICA/Unemployment/Workers Comp)	0.00	0.00	0.00	%
(4)Salaries- (Position/Title)	0.00	0.00	0.00	%
Fringe (benefits/FICA/Unemployment/Workers Comp)	0.00	0.00	0.00	%
Utilities	0.00	0.00	0.00	%
Equipment Lease/Purchase	0.00	0.00	0.00	%
Supplies	0.00	0.00	0.00	%
Insurance (Liability)	0.00	0.00	0.00	%
Furniture	0.00	0.00	0.00	%
Leasing	0.00	0.00	0.00	%
Training/Professional Development	0.00	0.00	0.00	%
Travel Expense	0.00	0.00	0.00	%
Professional Services (Contractors/Consultants etc)	0.00	0.00	0.00	%
Other Program Costs (Specify)	0.00	0.00	0.00	%
Other Program Costs (Specify)	0.00	0.00	0.00	%
Other Program Costs (Specify)	0.00	0.00	0.00	%
TOTAL	0.00	0.00	0.00	%

SECTION E: CHDO Proposals

Organizations applying for a Community Housing Development (CHDO) status and CHDO eligible projects must provide program/project information as applicable under the preceding application questions and other required materials necessary to obtain CHDO status. To receive the CHDO designation, please ensure that the following information is true of the applicant and provide proof. Only one copy of each document type is needed. Any attachments to qualify as a CHDO should be labelled **Exhibit 14**.

- Organized under State/Local Law: The nonprofit organization must show their articles of incorporation as evidence of being organized under state and local law.
- IRS Nonprofit Status: Organizations must have a **501(c) (3)** non-profit status of exemption letter of certification from the Internal Revenue Service (IRS).
- Organization's purpose is to provide affordable housing; providing decent and affordable housing must be the organization's primary purpose. This is evidenced by the organization's **Bylaws or Articles of Incorporation**.
- No Individual Benefit: No part of the CHDO's profits may benefit any members, founders, contributors, or individuals. This requirement must be evidenced in the **Articles of Incorporation**.
- Service Area: The organization's service area must be Howard County or a smaller area within Howard County and this must be in its Articles of Incorporation and/or By-laws and a map of the service area must be attached to the application.
- Board Representation: The board of directors must contain no more than 1/3 representation from the public sector and a minimum of 1/3 representation from the low-income community it serves.
- For-Profit Sponsorship: CHDOs may be sponsored by for-profits; however, the CHDO cannot be controlled by the for-profit and must be free to contract for goods and services. The primary purpose of the for-profit cannot be housing ownership/management as evidenced by the for-profit's **Articles of Incorporation**. For profit organizations and/or their appointees can only make up 1/3 of the board of directors.
- If sponsored by a religious organization, the CHDO is a separate secular entity from the religious organization, with membership available to all persons, regardless of religion or membership criteria, as evidenced by **by-laws, charter, or articles of incorporation**.
- Low-Income Input: A formal process that is described in the **By-laws or Resolution** has been established and implemented for low-income program



Howard County

HOUSING

beneficiaries from the organization's service area to advise the organization in all of its decisions regarding affordable housing projects.

- Capacity and Experience: The nonprofit must have paid employees with housing experience appropriate to the role the nonprofit expects to play in the project (developer, sponsor or owner). A resume for all positions will be used to evidence staff's capacity to undergo the current project. Consultants or volunteers can only fill occasional skill gaps or undertake activities that are required only on a periodic basis, but cannot be the basis of a determination that a nonprofit has the capacity to be designated as a CHDO.
- Serving the Community: A minimum of one year of relative experience serving the community where the organization intends to develop affordable housing must be demonstrated. Demonstrate via letters of community support and a narrative description of the organization's community activities.
- Accounting Standards: The organization must meet and adhere to financial accountability standards found in 24 CFR 84.21.
- Organizations having revenues in **excess** of \$300,000 **MUST** submit an audit performed by a Certified Public Accountant, along with their most recently filed IRS Form 990. Organizations having income **less** than \$300,000 **MUST** submit the organization's most recently filed IRS Form 990.

The criterion above is not all-inclusive and Howard County may require additional information prior to determining CHDO certification. Meeting the above requirements does not guarantee CHDO certification and/or CHDO funding. Howard County reserves the right to deny or revoke CHDO certification based on its evaluation of the organization's performance. **A CHDO must be certified prior to each round of funding.*