

**HOME COMMUNITY HOUSING DEVELOPMENT
ORGANIZATIONS (CHDO)
Request for Proposal (RFP)**

A. Name of grant program: HOME Community Housing Development Organization (CHDO) Program

B. Purpose of the grant/loan: The purpose of this program is to provide funding to support the creation of housing units affordable to households that are low income as defined by the United States Department of Housing and Urban Development.

C. Available funding: The SFY 2014 funding amount is \$613,145.

D. Maximum amount of award: Federal per unit subsidy limit based on bedroom size and project funding gap:

[http://www.hud.gov/offices/cpd/affordablehousing/lawsandregs/regs/finalrule.\(pdf\)](http://www.hud.gov/offices/cpd/affordablehousing/lawsandregs/regs/finalrule.(pdf))

E. Eligible entities: This RFP is limited to non-profit, community based developers that are certified as Community Housing Development Organizations by the New Jersey Department of Community Affairs.

F. Target populations: The purpose of this program is to provide funding to support the creation of housing units affordable to households that are low income as defined by the United States Department of Housing and Urban Development.

G. Eligible activities: Within the context of developing affordable housing funds can be used for project related capital costs including construction costs, professional fees, financing fees, acquisition and development contingency.

H. Ineligible activities:

- 1) Project reserve accounts
- 2) Development, operations or modernization of public housing
- 3) Previously funded HOME projects
- 4) Cannot be combined with State Balanced Housing funds or Low Income Housing Tax Credits (LIHTC) and Special Needs Housing Trust Fund
- 5) Project based rental assistance
- 6) Pay delinquent taxes, fees or charges

I. Length of use, restriction period:

- 1) Homeownership Project: Minimum of 10 years to 30 years depending on amount of subsidy and location

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- 2) Rental Project: Minimum of 10 years to 30 years depending on amount of subsidy and type of construction and location

J. Qualifications of applicants in order to be considered for funding under grant/loan program: This RFP is limited to State certified CHDO non-profit affordable housing developers. Successful applicants will have the experience and the capacity to successfully undertake the proposed activities. The applicant will have specific experience and/or capacity in:

- 1) Developing affordable housing
- 2) Managing affordable housing projects
- 3) Experience working with the target population
- 4) Successful relationship with financial institutions
- 5) Be in good standing with the Department of Community Affairs and the State of New Jersey
- 6) State of New Jersey certified CHDO

“Community Housing Development Organizations are nonprofit agencies that meet specific criteria outlined in 24 CFR Part 92, Section 92.300 of the HOME Program’s Final Rule. The State of New Jersey requires all nonprofit agencies that want to be eligible for State CHDO funds to be certified as a CHDO by the New Jersey Department of Community Affairs, Division of Housing and Community Resources, see link below:”

[HOME CHDO designation and application](#)

K. Application Process:

Program Narrative

Applicant will be required to submit a detailed narrative of the project.

Proposed Project Budget

Applicant will be required to submit a detailed budget, including a list of all leveraged resources.

Required Attachments and Document:

Applicant will be required to submit supporting documentation for all information submitted in the application.

L. Address to which proposals must be submitted: The application must be submitted via the Department of Community Affairs’ electronic application system known as SAGE. Attachments will be submitted under separate cover.

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M. The deadline by which applications must be submitted:

Applications will be accepted quarterly, beginning July 1, 2013 and ending June 30, 2014. The FY2013 schedule for submission of completed applications and the panel review dates are listed below*:

<u>SUBMIT COMPLETED APPLICATION</u> <u>BY:*</u>	<u>PANEL REVIEW (week of):*</u>
October 1, 2013	December 31, 2013
January 1, 2014	April 1, 2014
April 1, 2014	July 1, 2014

*Dates may be subject to change due to unforeseen circumstances. When feasible, any changes will be posted on the department's webpage.

N. Date by which applicants shall be notified: Within 120 days of receipt of a complete application including all required and approved submittals.

O. Grant requirements:

- 1) Executed Third-Party Contract between the Municipality and the Sponsor/Developer, if applicable
- 2) Original, executed Mortgage Note for the HOME Housing funds
- 3) Copy of the executed Mortgage for the HOME funds, along with proof of recording from the county clerk's office
- 4) Executed Housing Affordability Service Developer's Agreement
- 5) Copy of the executed HOME Deed Restriction along with proof of recording
- 6) Original Title Insurance Policy insuring the Department of Community Affairs in the amount of the mortgage
- 7) Proof from the Sponsor/Developer of all required insurances as outlined in the Grant Agreement and the Mortgage and Mortgage Note
- 8) All completed requisition AIA G702/G703 forms, with continuation sheets, with architect's signature submitted to date
- 9) Compliance with all New Jersey Department of Community Affairs Balanced Housing (see link below) and HUD Rules

<http://www.nj.gov/dca/divisions/dhcr/offices/docs/bh/bhrulesfinal121107.pdf>

P. Reporting requirements

- 1) All construction meeting minutes
- 2) Copies of the contractor's application and certificate for payment (AIA form G702, if available)
- 3) Copies of construction lender's inspection and draw-down reports

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- 4) Copy of Final Certificate of Occupancy
- 5) Copy of all leases, if applicable, and unit inventory sheets for each unit
- 6) A certification of funding sources and project costs prepared by a certified public accountant using the accrual method of accounting.

Q. Performance outcomes:

Based on the funding amount stated previously the program anticipates producing an estimated 6 units of affordable housing.

R. Rating Criteria:

A review panel will thoroughly review and evaluate the applications against the rating criteria listed below: **Maximum 100 points**

1. Capacity of the applicant to successfully undertake the proposed activities (Maximum 30 points)

- The experience of the applicant in real estate development, specifically affordable housing?
- Experience of applicant working with intended population?
- Applicant's financial ability to develop the project?
- Has the applicant demonstrated effective grant/loan management?
 - Achieved prior grant/loan objectives within the established time frame;
 - Expended previous grant awards correctly and in a timely manner; and
 - Produced and submitted prior performance and financial reports correctly and on time.
- Does the applicant have any audit, loan findings or other issues with DCA?

2. Does the proposed project meet the requirements of the program (Maximum 40 points)

- Does the project fall within the cost criteria and program guidelines?
- Is the project financially feasible?
- Are the proposed incomes and expenses or sale prices obtainable?
- Does the project meet the Uniform Housing Affordability Controls criteria?
- Does the project meet or exceed Energy Star and NJ Green requirements?
- What project amenities does the project include?
- Is the project providing extended affordability controls?
- Is there minority participation in the development of the project?
- Are any social services or homeownership workshops being provided?
- Is the project serving a population not generally served?

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- Does the proposed project fit in harmoniously with the surrounding neighborhood and buildings?
3. *Neighborhood Criteria (Maximum 15 points)*
- Is the neighborhood stable or improving?
 - Are public transportation, shopping, medical facilities, etc. easily accessible?
 - Is the neighborhood in a Smart Growth area or other designated area?
 - Is the neighborhood in the Pinelands, Highlands or other sensitive area?
 - Is/was the project site a designated Brownfields site?
 - Composition of the area rental vs. for-sale, affordable vs. market.
4. *Municipal Contribution (Maximum 10 points)*
- Will the municipality contribute funds to the project?
 - Is the municipality providing a tax abatement or PILOT?
 - Is the municipality donating land or waiving development fees?
 - Is the municipality donating in kind services?
5. *Other (Maximum 5 points)*
- Are there other DCA supported projects in the area or municipality?
 - Is the town COAH or Court compliant?
 - Is the town on the State urban distressed list?
 - Is the project in a high or low census tract?
 - Is the developer a State Certified CHDO?

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