

City of Lowell
Department of Planning and Development
HOME Investment Partnerships Program
Notice of Funding Availability*

Please note that at this time, all HOME funding that the City anticipates having available through June 2013 has been committed. Applications are still being accepted in the event that any projects with current commitments encounter delays or fail to proceed, but no new funds are expected to be awarded until at least March of 2012 with funding available after July 2013.

The City of Lowell, Department of Planning and Development is soliciting proposals for the use of HOME funds. The HOME program provides grants or loans to a wide range of activities that build, buy, and/or rehabilitate affordable housing for rent or homeownership; or provide direct rental assistance to low-/moderate-income people.

Projects receiving funds must ensure that HOME-funded housing units remain affordable for a specific length of time (20 years for new construction of rental housing; 5-15 years for construction of homeownership housing and housing rehabilitation, depending on the amount of HOME subsidy).

Funds will be awarded to eligible projects that demonstrate a readiness to proceed, meet the strict minimum requirements as described in this notice, and score well on the evaluation criteria.

**The City will accept applications for the use of HOME funds on a rolling basis.
HOME funds under this notice will be available beginning July 1, 2013.**

One (1) signed original and five (5) copies of an application form and applicable attachments is required and may be mailed or hand delivered to:

City of Lowell, Department of Planning and Development
Attn: Phil Ferreira
JFK Civic Center, 50 Arcand Drive
Lowell, MA 01852

**Applicants are encouraged to discuss their proposed projects with DPD staff.
FOR FURTHER INFORMATION OR QUESTIONS PLEASE CONTACT:**

Phil Ferreira, Housing Program Manager
Phone: (978) 446-7200
Email: pferreira@lowellma.gov

* Note: The total amount of funds available may change. Please contact the City of Lowell, DPD office to find out the current amount of HOME funds available at this time.

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General Information

Eligible Activities

Eligible HOME activities are described in 24 CFR Part 92. HOME funds may be used for the development of permanent or transitional housing. The following activities are eligible for HOME assistance:

- * Real property acquisition
- * Reconstruction or Rehabilitation
- * CHDO operating expenses
- * Demolition (with respect to a project that will provide affordable housing)
- * New Construction
- * Site Improvements

Eligible project costs could include development hard costs, acquisition costs, and related soft costs.

Income Limits

Homeowner units assisted with HOME Funds must be made available to households whose annual income is less than 80% of the Area Median Income. Rental units assisted with HOME funds must be available to households whose annual income is less than 60% of the Area Median Income. The current income limits are effective May 14, 2010:

% of Median	Income Limit per Number of Persons in Household							
	1 person	2 person	3 person	4 person	5 person	6 person	7 person	8 person
0% - 30%	\$18,650	\$21,300	\$23,950	\$26,600	\$28,750	\$30,900	\$33,000	\$35,150
31% - 50%	\$31,050	\$35,450	\$39,900	\$44,300	\$47,850	\$51,400	\$54,950	\$58,500
50% - 60%	\$37,260	\$42,540	\$47,880	\$53,160	\$57,420	\$61,680	\$65,940	\$70,200
61% - 80%	\$45,100	\$51,550	\$58,000	\$64,400	\$69,600	\$74,750	\$79,900	\$85,050

Affordability Restriction

Units assisted with HOME funds will be required to meet the minimum period of affordability depending on the amount of assistance per unit as specified by the Federal HOME affordability guidelines. The affordability of units will be enforced through deed restrictions. A sample Deed Restriction/Rider is available upon request.

HOME Affordability Guidelines for Rental Housing Activity

Amount of HOME Assistance	Minimum period of affordability in years
Rehabilitation or acquisition of existing housing per units amount of HOME funds: Under \$15,000	5
\$15,000 to \$40,000	10
Over \$40,000 or rehabilitation involving refinancing	15
New Construction or acquisition of newly constructed housing	20

Lowell Housing Priorities

The City of Lowell will follow HUD's standard format for housing-related goals and specific objectives to help guide the use of federal funds. These goals are listed in the table below.

HUD Consolidated Plan Goals and Objectives

<p>GOAL: RENTAL HOUSING</p> <p>Objectives:</p> <ol style="list-style-type: none">1. Increase the supply of affordable rental housing (particularly for households earning <50% AMI)2. Improve the quality of affordable rental housing3. Improve access to affordable rental housing4. Improve access to affordable rental housing for minorities
<p>GOAL: OWNER-OCCUPIED HOUSING</p> <p>Objectives:</p> <ol style="list-style-type: none">1. Increase the availability of affordable owner housing2. Improve the quality of owner housing3. Improve access to affordable owner housing4. Improve access to affordable owner housing for minorities

In addition to meeting one of HUD's standard objectives, proposed projects should address at least one of the City's Housing Priorities described below.

City of Lowell HOME Housing Priorities

- **Support projects that are consistent with the housing goals of the City's Comprehensive Master Plan**
A copy of the Master Plan may be found on the City's website:
http://www.lowellma.gov/depts/dpd/master_plan
- **Expand housing opportunities in Lowell's Downtown**
- **Redevelop vacant and abandoned properties for affordable housing**
- **Support the Julian D. Steele Replication and Reinvention Plans**
Contact the City's Housing Office for more information.
- **Implement the goals of the City's 10 Year Plan to End Homelessness**

Proposal Submission Process

Eligible Applicants

Funds are available to for-profit and non-profit corporations and organizations, including Community Housing Development Organizations (CHDOs) and Community Development Corporations.

Eligible applicants should complete the HOME Application and supply all required attachments.

* *Important notice regarding new mandatory federal reporting requirements:* The Federal Funding Accountability and Transparency Act of 2006 requires sub-recipients receiving federal funds to register with Dunn and Bradstreet to obtain a DUNS number and complete or renew their registration in the Central Contractor Registration. To find information on how to obtain a DUNS number and register in CCR please visit the following websites: http://www.grants.gov/applicants/request_duns_number.jsp and www.ccr.gov/startregistration.aspx . Completing these registration processes is free, but may take up to 10 days to complete. A DUNS number and confirmation that your agency is active in CCR is required as part of this year's application. No awards will be made without this information.

Submittal Requirements:

One (1) signed original and five (5) copies of each proposal are required. Complete applications must be received (via mail or hand-delivered) and time-stamped at the DPD offices and addressed to:

City of Lowell, Department of Planning and Development
Attn: Phil Ferreira
JFK Civic Center, 50 Arcand Drive
Lowell, MA 01852

A separate proposal should be submitted for each project address. There is no limit on the number of projects receiving assistance through this notice.

Timeline:

Each grant awarded is subject to the execution of a final agreement between the City and the applicant. The grant amount and the project description are subject to modification by the City. No expenditure of funds can be incurred until an agreement has been fully executed and the City has issued an approved purchase order. Selected developers will draw down funds based on documented expenses.

Applicants should keep in mind that other federal regulations will apply that may impact the schedule and cost of projects receiving HOME funds including the federal environmental review process, Davis Bacon Wage requirements, Section 3 requirements and lead-based paint rules. (This list is not inclusive.)

Please Note – HOME Applicants must agree to meet with the staff of the Department of Planning and Development (DPD) for review and approval of all proposed site work, exterior elevations of any proposed buildings, and approval of all final plans. The DPD will review the site development plans for their compatibility with the existing neighborhood character as well as conformance with applicable zoning regulations and must grant approval prior to the commence of any construction. The City will not issue a building permit until the Department of Planning and Development has signed off on the final plans.

Proposal Evaluation

Requirements for Consideration

Funds available through this notice will be allowed for project soft costs and/or hard costs.

Homeownership units assisted with HOME funds must be reserved for households whose incomes fall below 80% of the area median income. Rental units assisted with HOME funds must be reserved for households whose incomes fall below 60% of the area median income. Rental projects located in Opportunity Areas must be rented to households earning less than 50% AMI.

The affordability period of these units will be determined by Federal HOME rules.

Please also note that applicants are highly encouraged to speak with staff in the City's planning department to review neighborhood design guidelines when developing their plans.

Minimum Evaluation Criteria

The City of Lowell will be evaluating all Proposals to qualify them as being responsible and responsive to the requirements of the RFP. All Proposals must include the following elements to be considered valid for HOME funds.

1. Complete Proposal – A complete HOME Application along with required attachments. Note applicants may submit a current DHCD One-Stop Application in lieu of the City's HOME Application.
2. HOME Eligible – Proposed projects must be eligible under the HUD HOME Investment Partnerships Program Final Rule as described in 24 CFR Part 92.
3. Site Control – Evidence of site control in the form of recorded deeds, purchase or option agreements, or other acceptable documentation.
4. Evidence of Financial Ability – The proposal must include information that will demonstrate to the city that the proposed developer has the financial ability to purchase and/or develop, and manage the proposed development. All potential sources of funds to complete the project must be identified and explained in detail. (See comparative criteria for additional information.)

Comparative Criteria

Only proposals that meet the minimum criteria will be reviewed for eligibility under the comparative criteria. Applicants who meet all minimum criteria and score highly advantageous on all comparative criteria will be considered eligible for HOME funds and are likely to be awarded funding on a rolling basis in amounts consistent with requests supported by reasonable budgets that accompany applications. Awards will be made to highly advantageous proposals subject to the availability of HOME funds. Proposals that meet the minimum criteria but fail to meet the highly advantageous criteria may be considered in the absence of eligible highly advantageous applications. These applicants may be asked to revise their applications in a manner which would make them highly advantageous. At its discretion, the City may also choose to delay action in anticipation of more highly advantageous applications. The City will not consider applications that fall into the Unacceptable criteria.

	<i>Highly Advantageous</i>	<i>Advantageous</i>	<i>Not Advantageous</i>	<i>Unacceptable</i>
1. Proposed Use (rental housing)	Proposed development is a compatible use in terms of zoning and neighborhood character.	N/A	Insufficient information with respect to use.	Use is incompatible with current zoning and neighborhood character.
2. Proposed Development Location	The proposed development is located in a City-designated Opportunity Area	The proposed development is not located in a City-designated Opportunity Area	N/A	The proposed development is located in a Census Tract and Block Group that has a high concentration of minority or high concentration of poverty.
3. Site Development Proposal The proposer must supply a site plan with drawings that clearly illustrate the intended development scheme of the property.	Site development proposal includes detailed conceptual site plan information showing building location, floor plans, building elevations, landscaping and parking accommodations, landscape design plan, and will make all units Energy Start Certified Proposed development is compatible with existing neighborhood character and the proposed buildings and site improvements would be of benefit to the surrounding properties. A list of all proposed improvements including structural and functional interior and exterior improvements	Site development proposal includes detailed conceptual site plan information showing building location, floor plans, building elevations, landscaping and parking accommodations, landscape design plan, and will make all units Energy Start Certified A list of all proposed improvements including structural and functional interior and exterior improvements	Incomplete development proposal, which does not clearly depict building location, floor plans, building elevations, landscape design plan. OR Proposed development is incompatible with existing neighborhood character and the architectural character of the proposed buildings would be detrimental to surrounding properties	No site development proposal included.

4. Housing Priorities (See page 4)	Proposed project addresses two or more of the City's housing priorities	Proposed project addresses one of the City's housing priorities	Application provides no evidence that any of the City's housing priorities will be addressed	Proposed project will not address any of the City's housing priorities
5. Site Development Schedule	Estimated completion schedule for improvements less than 12 months. Schedule includes a realistic and detailed timetable for all phases of construction	Estimated completion schedule for improvements less than 18 months. Limited detail provided regarding construction schedule and phasing	Estimated completion schedule for improvements greater than 18 months	No estimated completion schedule provided
6. Site Development Budget	Site development budget includes a complete list of improvements with realistic and accurate cost estimates for all line items and phases of construction as well as an operating budget	Site development budget provides realistic but general cost information for the proposed project	Incomplete development budget and/or cost estimates. Includes questionable and/or unrealistic cost estimates for improvements	No estimated site development budget provided
7. Energy Efficiency	Proposed development complies with energy star standards, as well as applicable local and state housing code. Proposed development employs green building techniques for construction or rehabilitation (Cost reasonableness will be determined in light of cost of green building methods.)	Proposed development complies with energy star standards, as well as applicable local and state housing code.	Proposed development will comply with applicable local and state housing code.	No evidence to demonstrate that proposed development will comply with applicable local and state housing code.
8. Financial Status/ Evidence of Financial Ability	Evidence includes binding bank pre-qualification letters, and lender references showing the source of all funds for acquisition, construction, and site development. Proposer clearly identifies all sources of funds to complete the project and has identified all funds including the amount of HOME and other state/federal funds or tax credits needed to make the project financially feasible.	Evidence includes bank pre-qualification letters, and lender references showing the source of funds for acquisition, construction, and site development. Proposer clearly identifies all sources of funds including the amount of HOME and other state/federal funds or tax credits needed to make the project financially feasible.	No letters of interest from lenders, lender references showing the source of funds for acquisition, construction, site development.	Meets requirements of minimum criteria only.

9. Experience of Development Team with Similar Projects	The team clearly identifies three or more projects that it has completed that are similar in size and scope to the project being proposed	The team clearly identifies two or more projects that it has completed that are similar in size and scope to the project being proposed	The team clearly identifies two or more projects that is has completed that are of a smaller size and scope to the project being proposed	Not enough information on past experience to determine eligibility
10. Prior Experience Managing and Maintaining Affordable Housing Projects	Proposal describes in detail how the Proposer will manage and maintain affordable units and explain how the Proposer will use its resources to insure that the units remain affordable for a period of time not less than the minimum affordability restriction as outlined in the funding notice and in compliance with the example affordable housing deed rider/restriction and grant agreement attached to this notice or as otherwise required by the City of Lowell. Explain in full how you're past experiences with affordable housing projects, including a complete list of rental properties owned and managed.	The proposal includes some minor details on how the proposed development will be managed. Include a complete list of rental properties owned and managed.	Proposal includes little or no information on how the Proposer will use its resources to insure that the units remain affordable for a period of time not less than the minimum affordability restriction outlined in this funding notice and in compliance with the example affordable housing deed rider/restriction and grant agreement as attached to this notice or as otherwise required by the City of Lowell. No information on experience with affordable housing or no experience with affordable housing. Does not include a complete list of rental properties owned and managed.	No information on experience dealing with affordable housing and enforcement of affordable housing restrictions.

**COMPLETE THE MULTI-FAMILY RENTAL HOUSING OR
HOMEBUYER HOUSING APPLICATION AS APPLICABLE AND
ATTACH THE FOLLOWING INFORMATION:**

- 1.** Attach an **Executive Summary** that provides a **detailed scope of work**. Include name of current owner and terms of sale. Include square footage of project site, number of buildings and detail the present use and proposed use of the project site. Describe whether the project consists of new construction or acquisition/additions and/or renovations to existing building(s). Describe in detail the plan for construction or renovation, including projected number of units. Detail the project's benefit to the neighboring community and the city as a whole.
- 2.** Provide the name of any related organization(s) (more than 20% common ownership or control) and describe the relationship with the proposed project owner and/or applicant whether it is as a subsidiary, or direct or indirect affiliation(s). List all owners, managing members, and partners of applicant. List all stockholders/members having 20% or more interest in applicant. If the applicant is a publicly held corporation, please provide the latest proxy statement indicating stock ownership.
- 3.** Describe applicant's development experience including type and number of units developed, years in business, and any prior experience with the City of Lowell. List three (3) most recent projects completed by name, location and number of units, and a reference name and phone number for each project.
- 4.** Describe the property manager's experience and number of units currently managed.
- 5.** Provide letters from financial institutions and other funders indicating conditional commitment of funds.
- 6.** Provide an Affirmative Fair Housing Marketing plan, HUD form 935.2 is acceptable.
- 7.** Provide the last three (3) years of audited financial statements of the "Owner".

Projects are reviewed on a case-by-case basis. Additional documentation may be required.

