



AFFORDABLE SINGLE FAMILY HOUSING DEVELOPMENT

Program Guidelines



Community Development Department
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Adopted by Ordinance #131-2020 and #9-2021
Updated September 30, 2021

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Developer's Acknowledgement of Receipt _____
Signature and Date

Preface:

The City of Alexandria's (COA) *Affordable Single-Family Housing Development Program* will be a function of the Community Development Department (CmDv) and funded through the HOME Investment Partnerships Program (HOME) funds, authorized by the Department of Housing and Urban Development (HUD). The intent of this program is "to improve the condition and availability of affordable housing for low/mod-income Owners." All programs are subject to funding availability and may be suspended during any funding year.

The City of Alexandria, as authorized by the rules and regulations governing the proper administration of the HOME programs, must adopt policies and procedures as outlined in this document, to the degree practical, for adequate implementation guidelines that conform to local, state and federal law. This program was originally created in April 2011. Since then, the plan has morphed into a larger scope of work and approved by City Council. Revisions to the plan may be made as clarifications are needed or to comply with statutory or regulatory amendments, without adoption by City Council, as long as the overall premise of the program guidelines remains consistent. These revisions may include annual funding limits set by the Department as long as they are within the maximum subsidy limits allowed by HUD per year. The most current program guideline version shall be implemented for each program cycle, from application taking through project completion.

Homebuyer Assistance Programs (HAP) may be available to support the Affordable Single-Family Housing Development Program through Community Development Block Grant (CDBG) or other funding sources available. Eligible buyers may receive up to 50% of down payment assistance, mortgage principal buy down and/or closing cost assistance that may overlap into the Developer's Financial Proforma. See current HAP Guidelines for additional information.

The City may also have outside funding sources that may be accessed for project completion. The funds may have other terms that may be applied in addition to or in lieu of some terms listed in this booklet. If other funding source regulations align with the HOME, CmDv will utilize all known sources to benefit this program.

Article I – HUD Overview:

The City of Alexandria is a participating jurisdiction (PJ) of HUD, and therefore is a recipient of the HOME and CDBG grants.

- A. The HOME Program was created under Title 11 of the Cranston-Gonzalez National Affordable Housing Act of 1990 with implementing regulations at 24 CFR Part 92 and became available in 1992. The HOME Program is intended to achieve several goals, including:
 - To expand the supply of decent, safe, sanitary, and affordable housing with the primary focus on housing for extremely low, very low, and low income families.
 - To strengthen the ability of local governments to design and implement strategies for achieving adequate supplies of decent, affordable housing.
 - To encourage public, private, and non-profit partnerships to address affordable housing needs.

- B. The CDBG Program was enacted in 1974 to provide block grant funding for community development programs with regulations at 24 CFR Part 570. The program assists communities to improve housing and living conditions and expand economic opportunities for low and moderate income persons. The CDBG Program is intended to meet one of three national objectives:
 - Benefitting low and moderate income persons;
 - Preventing or eliminating slum or blight;
 - Meeting urgent need.

Article II – Program Overview:

HOME regulations allow CmDv to provide development financing to qualified Developer(s) for the acquisition, construction, marketing and sales. Property can be vacant land or with a structure in place. Construction can include new construction, reconstruction, or substantial renovation to bring the home into full current code compliance. The qualified Developer can be provided up to a maximum subsidy loan for a two (2) year term at zero percent (0%) interest. After construction is complete, all properties must be sold as affordable housing to qualified low to moderate income Homebuyers.

The City acknowledges pockets of blight and abandonment throughout the Target Neighborhoods within the City. See the *2020 Target Neighborhood Revitalization Map**, adopted by City Council Resolution #56-2000, attached as Appendix A. This area is the focus of the City's master *Revitalization Plan of 2009 by J-Quad**. This plan was adopted by City Council Resolution #8577-2009. The City, therefore, maintains a significant inventory of abandoned, blighted, foreclosed and tax adjudicated lots, costing tax payers across the board for owner neglect. The existing housing stock within the Target Neighborhoods are generally fifty (50) plus years old and are in need of significant repairs and maintenance. Through this program, CmDv is working to stimulate revitalization projects to assist in improving the quality of life for our residents by providing much needed affordable housing options. (NOTE: All plans and maps identified in italics with an asterisk (*) symbol cited in this document can be found at www.cityofalexandria.com/Community-Development.)

This program's goal is in effort to:

- A. improve the quality of life for our residents by providing much needed affordable housing options with regards to safety, quality, health and habitability;
- B. return existing abandoned properties into tax generating revenue sources;
- C. stimulate revitalization of the areas as proposed in the City's master *Revitalization Plan of 2009*;
- D. reduce the ongoing economic and social costs to the area residents and the City for abandoned nuisance properties; and
- E. build relationships and employment opportunities with for-profit and non-profit Developers.

The City of Alexandria certifies that it will comply with the Fair Housing Act (42 USC 3601-3620) which prohibits discrimination in the sale or rental of housing, the financing of housing or the provisions of housing services for any person on the basis of race, color, religion, sex, national origin, handicap or other familiar status. See Article XXV for more information.

Article III – Project Considerations:

This program is designed to:

- A. Submittals from private, for-profit and non-profit entities with construction experience will be considered.
 - 1. If an interested party wishes to also qualify as a Community Development Housing Organization (CHDO) in the City of Alexandria, a separate additional application packet must be submitted for review and approval prior to each and every award in accordance with 24 CFR Part 92.300, Changes to the 2013 HOME Final Rule and in CPD-15-09. The application can be found on the City's Community Development webpage at www.cityofalexandria.com/Community-Development. The incentive to qualify as a CHDO affords the Developer with the potential to be awarded additional HUD specific CHDO set-aside funds of 15% of the City's HOME fund allocation annually. These funds can be used for Developer operating costs and/or project costs.

regulated by HUD, which are updated each year. Qualified homebuyer applicants must be below 80% median income of 2021 Adjusted HOME Income Limits for Alexandria, Louisiana.

- F. Developer will be required to assure that all single family homes sold to individuals using HOME and/or CDBG funds are transferred subject to written agreement between the City and the Homebuyer and secured by a mortgage loan. The lien shall provide for the recapture of direct assistance provided by COA, in the event that the property is transferred within the required affordability period.
- G. All acquisitions shall require an appraisal performed by a State Licenses Real Estate Appraiser. At the City's discretion, sites obtained for nominal consideration will not require an appraisal.
- H. Modern green building and energy efficiency improvement for long-term affordability and increased sustainability and attractiveness is encouraged.
- I. If the current lot size is too small to meet Zoning minimum requirements for setbacks and multiple contiguous lots are purchased, the lots may be replatted to create larger, compliant lot sizes. Call 318-473-1371 for property Zoning verifications and questions.
- J. CmDv will not consider costs of boarding up, lawn mowing, maintaining the property in a static condition, unpaid back taxes, tax liens for demolition, mowing, etc, foreclosure prevention activities and/or refinancing mortgages.
- K. All awarded projects will be required to submit final construction drawings for plan review, zoning approval, address assignment / confirmation, environmental review, Building Permit and Permit Fee.
- L. If the proposal is for an existing house to be substantially renovated, the work shall include replacement of all building components (roof, water heaters, HVAC systems, electrical, etc) that have exceeded their life expectancy or, due to condition, is expected to fail within a 10-year period from the date of issuance for the Certificate of Occupancy.

Article IV – Development Financing Award Considerations / Maximum Subsidy:

HUD imposes separate per unit subsidies that are updated annually in Section 221(d)(4), however, CmDv shall set its HOME maximum subsidy financing afforded to a qualified Developer at a lower level in an effort to provide for more housing opportunities. Only Developers proposing projects with firm commitments for all other sources of funding may receive binding commitments. CmDv's HOME Maximum Project Subsidy limit is based on the availability of funding, Five (5) Year Consolidated Plan programs, other CmDv priorities and project proposal type.

- A. For PY2021-2022, the development financing maximum subsidy will be up to \$150,000 for any stand-alone single family 3 bedroom / 2 bath home. (See Article XIV, Structure of the Transaction, below for more information on how the HOME investment works in the project).
 - 1. The \$150,000 maximum subsidy shall be made up of both the Development Subsidy and the qualified applicant's Homebuyer subsidy from down payment, mortgage principal buy down and/or closing cost assistance; not "in addition to".
- B. Developer must include an investment of not less than \$1,000 in HOME funds per HOME units. In no case will CmDv's investment exceed the maximum HOME investment allowed under 24 CFR 92.250.c.

1. For projects involving both City and State HOME funds, the combined HOME funding investments shall not exceed the total maximum HOME investment allowed under 24 CFR 92.250.
 2. In addition, per 24 CFR 92.254.b, the estimated value of the property, after construction shall not exceed 95% of the median purchase price for the area. This information is verified by a State licensed appraisal completed after the construction is complete.
- C. CmDv must contribute or match 25 cents for each dollar of HOME funds spent on affordable housing. To assist CmDv in meeting this requirement, proposals that include eligible matching funds in their projects will receive points under the scoring criteria. Except for funding donated to a nonprofit Developer specifically for an affordable housing project, Developers should note that owner equity does not count as match and will not result in the award of match points. Examples of eligible match include City commitments for infrastructure needed for the site and/or donations of property for development. For more information on eligible match, see HUD CPD Notice 97-03 which is available at the HUD Exchange website.

Article V – Request for Proposal (RFP) Procedure:

Solicitation for proposal and award of contracts will be conducted by CmDv according to the following procedure:

An advertisement will be placed in the local newspaper and on the City's webpage as a Request for Proposal (RFP) requesting Developers to submit proposals for single family homes to be sold to low to moderate income buyers. Proposals shall be advertised for a minimum of twenty-one (21) calendar days. Proposals may also be solicited by emailing notice of the RFP to all Developers, Contractors and non-profits who are registered to participate in the CmDv's Program. The RFP may be downloaded from the City's CmDv webpage by all interested parties. Additional outreach will be conducted to comply with the City of Alexandria's AFEAT initiatives, including providing a list of minority and women owned businesses.

CmDv reserves the right and may elect to advertise the RFP and award contracts in any of the following methods, for the most economic and efficient way for the spending of funds and meeting strategic goals in the Five (5) Year Consolidated Plan:

- A. For a single property within one (1) proposal.
- B. For multiple properties within one (1) proposal.
 1. For example: if there is a total of five (5) structures proposed by one Developer that meets the criteria for award, CmDv may elect to award as many of those projects as available funding allows. The Developer must still provide a completed Proforma and other required documentation for each property. The incentive here is to entice Developers to participate in the Affordable Single-Family Housing Development program. If the Contractor thinks they could be awarded five (5) projects instead of just one (1), they may be more interested in submitting a proposal.

Proposals will be opened on the date and time specified in the RFP advertisement. If some other extenuating circumstance presents itself, an Addendum will be issued to reschedule the submittal deadline. Developers are responsible for completing and signing all requested documentation at the time of submittal. Proposals will be reviewed and evaluated. See Article XII for more information.

Neither the RFP publication nor the acceptance of any proposal shall imply a funding obligation to any applicant. Funding of proposals will be contingent upon receipt of federal HOME funds from HUD. Should COA's HOME and/or CDBG allocation be reduced or eliminated, no claim may be made against the City's General Fund or other resources

regardless of the status of the proposal(s) or issuance by CmDv of a Letter of Intent for HOME and/or CDBG funding. CmDv reserves the sole right to approve or reject any and all applications on such basis as it deems to be in its best interest.

CmDv is responsible for the administration of the HOME and/or CDBG Programs under federal regulations and HUD requirements. It is the intent that the RFP issued and proposals underwritten are in compliance with said regulations and requirements. Should the regulations and requirements change at any time, CmDv reserves the right to alter its Program to ensure compliance up to and including terminating any Commitment issued if the project does not meet new HOME and/or CDBG regulations and/or HUD requirements.

The City of Alexandria, its elected official, employees and agents shall not be held responsible or liable for any losses incurred from claims, suits, damages, and costs and expenses of any kind or of any nature that any proposing firm may suffer, incur or pay arising out of decisions by CmDv concerning any proposal, application, loan decision(s) or action(s) associated with the administration of the HOME and/or CDBG Programs.

Article VI – Developer’s Proposal:

Response proposals for the *Affordable Single-Family Housing Development Program* will be accepted by CmDv. Completed proposals shall be processed in the order received on a first come, first serve basis. The acceptance of any application shall not imply a funding obligation to any applicant. CmDv reserves the sole right to approve or reject any and all applications on such basis as it deems to be in its best interest and to waive any irregularities or informalities in the proposal. CmDv does not discriminate on the basis of race, age, sex, national origin, religion, or disability and is an equal opportunity employer. By the act of submission, the Developer is agreeing to provide:

A. Documentation Required

Developer must submit the required material described in Appendix A through Appendix E attached at the end of this document. Exhibit A will also be required for submittal in the event that a Letter of Intent is authorized. Developer shall submit two (2) complete packets, which shall include:

1. Appendix A – 2020 Target Neighborhood Revitalization Map
2. Appendix B – Application Cover Sheet and Required Materials Checklist
3. Appendix C – Developer / Applicant Certifications
4. Appendix D – Uniform Relocation Act Forms
5. Appendix E – Project Characteristics Summary
6. Appendix F - Development Proforma for Development Budget, Buyer Analysis and Development Sources
7. Exhibit A – Application Requirements and Due Diligence Exhibits
8. Submittal format:
 - i. two (2) paper hard copies of the response - one (1) marked original and one (1) copy; and
 - ii. one (1) flash drive with the electronic format. The electronic copy does not substitute for the hard copies.

B. Eligible Costs

Costs funded with CmDv HOME funds must be eligible according to HOME Final Rule 24 CFR 92.206. The following additional limitations also apply:

1. HOME funds shall not be used for luxury improvements according to 24 CFR 92.205.
2. Acquisition costs shall be supported by an independent appraisal of the property. Acquisition costs exceeding the appraised value of the property will be ineligible for HOME funding reimbursement.
3. HOME funds may be used for attached garages or carports. However, HOME funds shall not be used for detached, non-residential accessory structures such as free-standing garages, carports, or storage

structures. Developers must delineate project costs in a manner that allows detached, free-standing structures to be clearly paid for using other project funds.

C. Eligible Project Soft Costs

The HOME program allows CmDv to include, as project costs, its internal soft costs specifically attributable to a HOME project. These may include consulting, legal, inspection, and staff costs associated with reviewing, processing, and overseeing the award of funds to the project. Projects must provide budget allowances for "City Due Diligence & Legal Costs" in the project's sources and uses.

D. Cost Reasonableness

Per the requirements of 92.250(b) and 2 CFR 200, all project costs must be reasonable, whether paid directly with HOME and/or CDBG funds or not. CmDv will review project costs, including hard and soft costs, to evaluate their reasonableness and may, at its option, require Developers to obtain additional quotes, bids, estimates of costs and/or material quantity take-offs.

E. Identity of Interest

Developers must disclose any identity of interest situations that may occur when contracting with related companies during either the development or ongoing operation of the project. CmDv staff must be allowed the opportunity to conduct a cost analysis to determine costs reasonableness. Proposals may be determined ineligible if access is not granted or costs are determined to be unreasonable.

F. Jurisdiction Developer Certifications

1. The Developer certifies that all information furnished in support of the proposal is given for the purpose of obtaining funds from the Affordable Single-Family Housing Development Program under the HOME Program at 24 CFR Part 92, and is true and complete to the best of the Developer's knowledge and belief.
2. The Developer further authorizes CmDv to obtain verification of any information contained in the proposal from any source named therein. It is understood that this information is for the confidential use of CmDv.
3. The Developer certifies that he/she will be the legal Owner of the property, after award, where construction will occur and that the subsidy provided will be used for the labor, equipment and materials necessary to complete construction for occupancy of the home.
4. The Developer understands that if the cost to construct the home and bring the structure into compliance with the current International Residential Code exceeds the program's maximum subsidy limit as noted in Article IV, the Developer is responsible for additional funding to complete the project. The City's Inspector will be responsible for verifying the code compliance throughout construction.
5. The Developer certifies that he/she has received a copy of the *Affordable Single-Family Housing Development Program Policy Guidelines* and agrees to abide by those requirements in connection with any funding that may be approved by CmDv pursuant to their proposal.
6. The Developer further agrees that the City of Alexandria is not the agent of the Owner, or the Contractor; the City of Alexandria does not warranty the work of the Developer or the quality of construction; nor is the City responsible for warranty repairs. The Contractor will warranty the work. The Developer agrees to hold the City of Alexandria and CmDv harmless for any act or omission on the part of the Contractor.

G. Indemnification

The Developer shall be fully liable for the actions of its agents, employees, partners or subcontractors and shall fully indemnify and hold harmless the City and the Homebuyer from suits, actions, damages and costs of every name and description relating to personal injury and damage to real or personal tangible property caused by the

Developer, its agents, employees, partners or subcontractors, without limitation. Provided, however, that the Developer shall not indemnify for that portion of any claim, loss or damage arising hereunder due to the negligent act or failure to act of the City or the Homebuyer.

H. State Contractor Licensing

Developer / Contractor must hold a current, active Contractors license issued by Louisiana State Licensing Board of Contractors (LSLBC). The license / certification type shall be specific to cover the scope of work being performed. Regardless of the dollar amount of the scope of work, a State registration / certificate / license shall be required. Some examples are:

1. Residential Contractor's license - Home Improvement Certification is not acceptable
2. Master Electrician's license (electrical work only)
3. Master Plumber's license (plumbing and gas work only)

I. Local Contractor Registration / Pre-Qualifications

Once letter of intent to funding is provided, the Developer / Contractor shall complete an active Contractor's Jurisdiction Registration with City of Alexandria's Construction Development Department and with Community Development Department. These are two (2) separate processes with different criteria for registration.

1. Status: Developer must hold a status of "*in good standing*" with CmDv, Construction Development and other Divisions of the City of Alexandria if they have ever worked on City projects in the past.
 - i. In addition, CmDv reserves the right to request information on Developer's legal history to date. This is intended to verify any litigation that the Developer has been involved in to provide reasonableness to work through issues and the potential risk of performance if selected to perform work on behalf of CmDv and the City.
2. Insurances: The Developer / Contractor shall provide verification of current insurance policies and maintain insurance in the types and amounts required by RFP document from the time of bid award through the final sale of the property. Some of these insurance limits may exceed the normal requirements of the CmDv Contractor Registration, however, these minimums will be required:
 - i. Workers' Compensation Insurance. The Contractor shall procure and maintain during the life of this contract, Workers' Compensation Insurance, including Employers Liability Coverage, in accordance with all applicable statutes of the State of Louisiana with a minimum limit of \$1,000,000 each accident for any employee.
 - ii. Commercial General Liability Insurance. The Contractor shall procure and maintain during the life of this contract, Commercial General Liability Insurance on an "Occurrence Basis" with limits of liability not less than \$1,000,000 per occurrence and aggregate for Personal Injury, Bodily Injury and Property Damage, coverage shall include the following extensions: (A) Contractual Liability; (B) Products and Completed Operations; (C) Independent Contractors Coverage; (D) Broad Form General Liability Extensions or equivalent; (E) Deletion of all Explosion, Collapse and Underground (XCU) Exclusions, if applicable; (F) Per Project Aggregate.
 - iii. Motor Vehicle Liability. The Contractor shall procure and maintain during the life of this contract, Motor Vehicle Liability Insurance, including Louisiana No-Fault Coverage, with limits of liability of not less than \$1,000,000 per occurrence combined single limit for Bodily Injury and Property Damage. Coverage shall include all owned vehicles, all non-owned vehicle and all hired vehicles.

- iv. Additional Insured. Commercial General Liability and Motor Vehicle Liability Insurance, as described above, shall include an endorsement stating the following shall be additionally insured: *The City of Alexandria, all elected and appointed officials, all employees and volunteers, all boards, commissions, and/or authorities and board members, including employees and volunteers.* It is understood and agreed by naming The City of Alexandria as additional insured, coverage afforded is considered to be primary and any other insurance the City may have in effect shall be considered secondary and/or excess.
 - vi. Cancellation Notice. All policies, as described above, shall include an endorsement stating that it is understood and agreed that thirty (30) days, ten (10) days for non-payment premium, Advance Written Notice of Cancellation, Non-Renewal, Reduction and/or Material Change shall be sent to the City's Community Development Department.
 - vii. Proof of Insurance Coverage. The Contractor shall provide the City at the time that the contracts are returned for execution to the City, a Certificate of Insurance, as well as the required endorsements shall be provided. In lieu of required endorsements, if applicable, a copy of the policy sections where coverage is provided for, additional insured and cancellation notice would be acceptable. Copies or certified copies of all policies mentioned above shall be furnished.
 - viii. Expiration of Policies: If any of the above coverage expires during the term on this contract, the Contractor shall deliver renewal certificates and/or policies to the City at least ten (10) days prior to the expiration date.
- 3. Excluded Parties: see Article XXV for more information.
 - 4. Federal Crimes: see Article XXV for more information.
 - 5. Code of Ethics: see Article XXV for more information.
 - 6. Code of Conduct / Conflict of Interest: see Article XXV for more information.
 - 7. Non-discrimination: see Article XXV for more information.
 - 8. AFEAT Compliance: see Article XXV for more information.

J. Ineligible Contractors

Failure to comply with any of the requirements in this program is reason to prevent a Developer / Contractor from becoming eligible to participate in the HOME Affordable Single-Family Housing Development Program. Developer / Contractor approved to participate in the program may be disqualified at any time for some of the following reasons:

- 1. Too many past litigation cases filed, therefore, considered high risk;
- 2. Lapse of insurance coverage or reduction in coverage amounts;
- 3. Items in the work description were not completed according to specifications and/or poor workmanship was apparent throughout;
- 4. The Contractor had outstanding complaint(s) more than thirty (30) calendar days old;
- 5. The Contractor did not complete all work within the required time frame;
- 6. Contractor failed to honor the warranty and perform necessary warranty work.

The Developer / Contractor will be notified, in writing, that his/her name has been removed from the certified Contractor list until CmDv is provided with the necessary documentation clearing the deficiencies. The Developer / Contractor shall be considered "*Not in Good Standing*". If poor work performance is stated as cause for removal, the Developer / Contractor must demonstrate added ability (i.e. a new carpenter, or more qualified workers) prior to reinstatement.

Article VII – Underwriting & Subsidy Layering Reviews:

A. Market Demand

Developers must, as part of their application, provide evidence of sufficient demand for the proposed units. Developers shall provide information from the multiple listing service pertaining to recent sales in the neighborhood, average time on the market for recent sales, availability of other product and average "months of supply" currently available, and any known or planned projects.

Additionally, Developers must complete the HOME Sales and Marketing Plan, identifying among other items the profile of typical buyers, relationships with HUD and CmDv approved homeownership counseling agencies or other sources of buyer referrals, and plans for marketing the homes.

In some cases, CmDv may only commit to a specific project (or may limit the number of projects under construction by a given Developer) upon demonstration that a home has been pre-sold to an identified low-income buyer who has, at least, executed a reservation or initial purchase agreement with the Developer.

B. Project Underwriting

All proposals must include financial statement from all underlying owners and guarantors. Developers must have a net worth equal to 25% of the total development cost of all projects underway with net liquid assets equal to 10% of the total development cost of all projects underway.

Developer must provide the amount and terms for any other financing being provided to the project.

C. Proforma Requirements (Appendix F)

The proforma must explicitly show:

1. An itemized breakdown of development hard and soft costs by unit including any allowances for soft costs such as architectural fees, carrying costs, etc;
2. The hard cost of any stand-alone accessory buildings, including free-standing garages, carports, or storage structures should be specifically itemized in the Development Sources and Uses so that CmDv can complete preliminary HOME and/or CDBG cost allocation calculations. (Stand-alone accessory structures like a detached garage may be included in the project but are not HOME-eligible and must be paid for with another funding source).
3. Costs and fees to be paid to CmDv as permitted by the HOME and/or CDBG program. The programs allow CmDv to include, as project costs, its internal soft costs specifically attributed to the project. These may include consulting, legal, inspection, and staff costs associated with reviewing, processing, and monitoring award of funds to a project.
4. CmDv will notify Developers of the amounts to include in their Development Sources and Uses for "City Due Diligence & Legal Costs."

5. Estimates of the sales transaction to an eligible homebuyer, including a calculation of the proposed buyer's ability to qualify for a mortgage meeting CmDv requirements, the anticipated need to provide direct HOME and/or CDBG assistance (e.g. down payment and closing cost assistance) to the buyer, projected sales costs (e.g. realtor's commissions), and the distribution of sales proceeds (including toward repayment of private construction financing).

D. Cost Limitations

All project costs must be reasonable and customary. CmDv reserves the right to review any line-item cost to ensure that total project costs are not excessive. Additionally, HOME and/or CDBG projects will be subject to the following specific cost limitations:

1. The maximum allowable Developer fee is 15% total development costs.
2. Acquisition costs are limited for fair market value as determined by a third party appraisal. In its discretion, CmDv may waive the appraisal requirement for acquisitions for nominal consideration.
3. Unless prior approval has been obtained from CmDv, all project hard costs and all project professional fees should be the result of a competitive bidding process. While Developers are not subject to Federal procurement rules and may use less formal bid processes, CmDv generally expects Developers to seek multiple bids and identify the most advantageous bidder based on cost, track record, and other pertinent factors. Supporting documentation will be required to be submitted to CmDv.

E. Other Funding Sources

Developers must disclose all other sources of applications for funding with initial HOME *Affordable Single-Family Housing Development* application to CmDv at the time of application and upon receiving any additional commitments of funding. CmDv will conduct a subsidy layering review as part of the underwriting process for any project. Using its underwriting criteria, CmDv will assess the project and may require changes to the transaction to ensure that return to the owner/developer are not excessive. Changes may include a reduction in HOME and/or CDBG funds awarded.

CmDv will consider adjusting its underwriting in consultation with other public funders, if applicable to the project. CmDv retains, at its sole discretion, the power to decide whether to accept alternative standards.

Article VIII – City as Developer:

In the event that no proposals are received from private Developers, the City may elect to act as the Developer in effort to accomplish the affordable housing goals defined by the City's *2020-2024 Five (5) Year Consolidated Plan**. This process could be handled in any of the following methods:

- A. City could select the lot to be developed. The site could be procured through various means:
 1. The lot could already be on the open market for sale and the sales price be supported by a current appraisal by a State Licensed Appraiser.
 2. The property owner may be approached to sell a specific site for fair market value. Again, the sales price be in line and supported by a current appraisal by a State Licensed Appraiser.
 3. The property could be acquired through a Sheriff's Tax Sale or Adjudicated Land Sale, then transfer of clear, insurable title would be required.
 4. The property could be donated to City, then transfer of clear, insurable title would be required.
- B. City could publish a RFP for construction drawings from a licensed Architect or Engineer or accredited architectural college, that could be replicated on various lots.

1. Alternatively, City to purchase stock floor plans meeting the specified criteria that could be adapted to any generic lot.
- C. City to publish a RFP for a State Licensed Residential Contractor, Electrician, Plumber, HVAC and other related Sub-contractors.
1. Alternatively, the City could publish a RFP to solicit floor plans and pricing from stock modular housing manufacturer's. This solution would include turn-key pricing for the assembly onsite as well as all other site specific connections of utilities, attached carports, driveways, steps, etc.
 - Any modular housing unit would be required to be constructed to the same International Residential Codes as stick built construction.
- D. City to publish a RFP for building materials, appliances, and required fixtures to ensure competitive pricing throughout the construction process.

The City acknowledges that all procurement regulations must be adhered to for compliance. While this method is not the most advantageous method, it may be of necessity due to lack of participation and interest by the private sector. In the event the City does act as the Developer, the full maximum subsidy allowed by HUD annually will be available to the project to prevent the City from having to borrow money to complete the project. The locally defined annual cap will not apply.

The City also acknowledges that in the event the units do not sell within nine (9) months of construction completion, the units will still have to convert to rental as defined in 24 CFR 92.254(a)(3) and Article XI.A.3 below. All other rules and regulations shall apply as required by a private Developer. See Article XXIV for more information.

Article IX – Housing Unit Specifications:

A. Property Standards

To meet both HOME and/or CDBG regulations and CmDv goals, all projects must meet certain physical standards intended to provide quality, affordable housing that is durable and energy efficient.

1. Construction must meet all current, adopted local building codes and ordinances. This list shall be understood to automatically update with the codes adopted at the time of program implementation. The City of Alexandria has adopted and enforces the following codes with any and all amendments added by Louisiana State Uniform Construction Code Council (LSUCCC):
 - 2015 International Residential Code (as amended by LSUCCC)
 - 2014 National Electric Code
 - 2015 International Property Maintenance Code
 - 2015 International Mechanical Code
 - 2015 International Energy Conservation Code (as amended by the LSUCCC)
 - 2015 International Building Code
 - 2015 International Existing Building Code
 - 2021 City of Alexandria Ordinances
2. All Contractors and Subcontractors for construction must hold active State licenses through Louisiana State Licensing Board Corporation (LSLBC).
3. All HOME projects must meet applicable Section 504/UFAS requirements. Pursuant to 24 CFR 8.29, single-family housing developed with Federal funds must be made accessible upon the request of the prospective

buyer based on the nature of the prospective occupant's disability that may be required. Developers must ensure that projects are designed in a way that can accommodate such a request. Should a prospective buyer request a modification to make a unit accessible, Developer must work with the Homebuyer to provide the specific features that meet the need(s) of the prospective homebuyer or occupant. If the design features that are needed for the buyer are design features that are covered in UFAS, those features must comply with the UFAS standard. Developers may be permitted to depart from the standard in order to have the homebuyer/occupant's needs met.

4. Site shall be readily available to be served by city sewer, city water, city gas (if applicable), city electricity (or Cleco) and public road. Sites should have access to recreational opportunities such as parks, playgrounds, etc., nearby shopping and services including grocery, banking, and medical facilities, and otherwise be located in neighborhoods that provide amenities that support residential development. CmDv also generally prefers that sites have safe, walkable connections including sidewalks to the surrounding neighborhood.

B. Housing Unit Requirements

1. Development of stand-alone single family homes on various scattered or contiguous sites will be considered. Home shall be a minimum of 1,100 square feet of heated & cooled area with three (3) bedrooms and two (2) full bathrooms.
2. Acquired property can be vacant land or with a structure in place. Any construction shall be required to bring the home into full current code compliance.
 - i. *Construction* can apply to demolition, clearance, substantial renovation, reconstruction, and/or new construction. (24 CFR 570.201(a-d) & 570.202)
 - a) Modular housing units (MHU's) may be considered as long as the construction standards meet or exceed the current version of the International Residential Code (IRC) adopted by Louisiana State Uniform Construction Code Council (LSUCCC) and the City.
 - b) Relocation of an existing structure to an existing vacant lot for substantial renovation may be considered.
 - c) Reconstruction may also be considered as long as the Developer is responsible for the relocation of the occupants of the existing structure, through the demolition process and until the structure is completed. Any relocation efforts must be in compliance with HUD's Relocation Assistance policy and guidance.
3. Units must be equipped with the following appliances: Refrigerator, range/oven, dishwasher, microwave/vent fan combination units, garbage disposal, in-unit clothes washers and dryers (combination stack units are allowed) and water heater. Energy Star rated appliances shall be provided, with the exception of specific appliances which are not rated by the Energy Star program.
4. Units must be equipped with central air conditioning and heat, including all associated duct work, condensers, air registers, return air grills, thermostat, etc.
5. Units must be finished with non-porous flooring in the kitchen and bathrooms (tile, stained concrete, etc). Countertops in the kitchen and bathroom shall also be non-porous surfaces and solid pieced surfaces (cultured marble, granite, polystone, etc.) for prolonged durability for wear and tear.
6. Units must have low E, double pane, energy efficient windows.

7. The foundation elevation of the lowest floor and/or the bottom of the lowest horizontal structural member shall be shown and must be in compliance with IRC, Chapter 4.
 - i. Development of any property that is identified for acquisition in the 100-year floodplain, shall be prohibited due to ongoing, lifelong insurance requirements that would be imposed on the new Homebuyer.
 - ii. Contact the City's Floodplain Manager at 318-473-1184 with floodplain questions.
8. Unit shall include a minimum of an attached two (2) vehicle carport.
 - i. If an existing structure is proposed to be substantially renovated, an existing garage will be acceptable but accommodations must be provided for a minimum of two (2).
 - ii. HOME funds may be used for attached garages or carports. However, HOME funds shall not be used for detached, non-residential accessory structures such as free-standing garages, carports, or storage structures. Developers must delineate project costs in a manner that allows detached, free-standing structures to be clearly paid for using other project funds.
9. Projects involving rehabilitation of existing housing may be subject to additional requirements, including but not limited to:
 - i. Any home constructed prior to 1978 must be tested for the presence of Lead Based Paint. All lead based paint hazards identified must be addressed in conformity with 24 CFR Part 35, and require the permanent removal of all lead from a property.
 - ii. Any home 50 or more years old is subject to review by the Louisiana Historical Commission as part of the Environmental Review process outlined below. Units determined to be historically significant may be required to undertake historic rehabilitation.
 - iii. Any existing home will be subject to inspection by CmDv prior to commitment using the International Residential Code. The scope of work proposed must address any deficiencies necessary to bring the structure up to current code, and all work items must, at a minimum, meet the requirements of the current International Residential Code as adopted and enforced by the City of Alexandria.
10. For proposal submittal, only a front elevation, floor plan and site plan are required with submittal.
 - i. Once project award is authorized, construction drawings shall be required and shall become the property of the City of Alexandria. The City would prefer to have the right to reuse all or part of the construction drawings, at no additional fee to the Draftsman, Architect and/or Developer so that houses may be replicated at other sites in the future, by other Developers, if deemed necessary, however, it is not required. This right to reuse or not must be disclosed. Final construction drawings, at a minimum, shall be two (2) dimensional drawings and include (in any order):
 - a. A site plan showing property boundaries, utility easements, house footprint and parking.
 - b. A floor plan showing the arrangement of rooms, room labels and sizes, dimensioned and to scale, overall square footages, door schedule and window schedule, electrical and hvac plan.
 - c. All four (4) exterior elevations reflective of exterior wall and roof products to be used and a roof plan.
 - d. Detail wall sections, which shall include a building cross section, specifications schedule, exterior wall sections, kitchen cabinet elevation details and bathroom cabinet elevation details.

11. Improvements shall be of similar architectural character of neighboring properties and reflective of the existing features and feel for that street. A plain, cookie-cutter box look is not the aesthetic objective but rather to blend into the streetscape with features, color palettes and landscaping.

C. Sales Price

1. Housing developed with HOME and/or CDBG funds must be modest, and the sales/purchase prices for homes developed under this program cannot exceed the HOME Homeownership Value Limits published by HUD in effect at the time of project commitment. Developers should note that HUD imposes separate per unit subsidies that are updated annually.

- i. For 2021, the Maximum Value / Sales Price limits, after completion, are:

Construction Type:	Single Family Stand-Alone Unit (1 home)
New Construction:	\$243,000
Substantial Renovation of Existing:	\$180,000

- ii. Please call CmDv Rehab Program Manager (318-449-5074) annually to confirm subsidy available.
2. Units produced under the CmDv *Affordable Single-Family Housing Development Program* must be sold at the fair market value as determined by and “as-completed” or “subject to completion” appraisal completed by an independent State Licensed Appraiser. Developers shall submit such an appraisal prior to project commitments, and CmDv may require an updated appraisal prior to construction completion if the appraisal is more than 9 months old at that point. Any reductions in list or sales price below the CmDv approved appraisal value must be approved in writing by CmDv Administrator and will generally require updated market information.

D. Environmental Review Requirements.

Federally-assisted projects are subject to a variety of environmental requirements. Developers should be familiar with these requirements and are strongly encouraged to discuss any questions they have with CmDv Rehab Program Manager (318-449-5074) prior to entering into a purchase agreement or submitting an application.

1. All projects shall be implemented in accordance with environmental review regulations as defined 24 CFR Part 58.
2. CmDv shall be responsible for conducting the environmental review and completing all necessary public notifications, and the request for release of funds (RROF) from HUD. The Developer is responsible for cooperating with CmDv in the environmental review process and providing information necessary for CmDv to fulfill its responsibilities under Part 58 and other applicable regulations.
3. Submitting an application for HOME and/or CDBG funds triggers environmental review requirements under 24 CFR 58, including the National Environmental Policy Act (NEPA). Once an application for federal funds is submitted, a development proposal is now subject to the environmental review requirements and requires an environmental clearance and issuance of a Release of Funds (ROF) by the US Department of Housing and Urban Development.

4. Developers are prohibited from undertaking or committing or expanding any funds to (including non-federal funds) any physical or choice-limiting actions on the site prior to an environmental clearance as required by Part 58. Physical and choice limiting actions include, but are not limited to, property acquisition, demolition, movement, rehabilitation, conversion, repair or construction. The prohibition applies regardless of whether federal or non-federal funds are used, and taking a choice limiting action prior to completion of the required environmental clearance process will result in the denial of any HOME and/or CDBG funds from CmDv.
- E. Compliance with all Federal, State and Local regulations, requirements, codes, ordinances. See Article XXIV for more information.

Article X – Developer’s Target Sales Market / Homebuyer Considerations:

In exchange for development financing, Developer will agree to comply with the requirements set forth herein with respect to construction, marketing, and sales.

- A. Homebuyers for units produced under the CmDv *Affordable Single-Family Housing Development Program* must meet the eligibility criteria set forth in CmDv’s *Homebuyer Assistance Program (HAP)* guidelines.
- B. This program will target housing in eligible areas that shall be marketed and sold to people who are at or below 80% of Alexandria’s area median family income (AMI).
 1. The 2021 Adjusted HOME Income Limits for Alexandria, Louisiana, (or most current version) which as of June 1, 2021 are:

# of people per household:	1 person	2 person	3 person	4 person	5 person	6 person	7 person	8 person
80 % Median Income:	\$33,900	\$38,750	\$43,600	\$48,400	\$52,300	\$56,150	\$60,050	\$63,900

- C. Qualified Homebuyers may be awarded HOME and/or CDBG mortgage principal buy down, down payment and closing cost assistance, as needed. Income verification shall be required.
 1. Development subsidies for direct assistance to qualified Homebuyers may be offered to Developers when the cost of redevelopment is such that the home produced will not appraise for the cost to acquire and redevelop. The development subsidy is not charged to the Homebuyer at purchase.
 2. CmDv may provide direct financing assistance (for example: mortgage principal buy down, down payment and closing cost assistance) to cover the difference between the purchase price of the home and the standard first mortgage the Homebuyer can qualify for from a mortgage lender. Such assistance will be in the form of a soft second mortgage.
 3. CmDv shall require that no more than 20% of the appraised property value may be utilized for soft seconds, closing costs, mortgage principal buy down and/or down payment assistance. Repayment of the loan will be deferred until refinanced or transfer of title.

4. Homebuyers must participate in a HUD approved First Time Home Buyers Education Course provided by a HUD-certified housing counselor employed by a HUD-approved housing counseling agency.

D. Developer shall be required to provide an Affirmative Marketing Plan. See Article XXV for more information.

Article XI – Ongoing Project Requirements:

A. Deadlines

1. Construction Start - If construction is not started within 3 months of the date CmDv commits funds to a project, the commitment will be subject to cancellation. If the project is cancelled as a result of failure to meet this deadline, the Developer must repay to CmDv any HOME and/or CDBG funds disbursed for the project and/or any other funding sources where CmDv acted as a subrecipient of another funder.
2. Completions Deadline - Project completion occurs when construction is complete, all HOME and/or CDBG funds have been disbursed by CmDv and drawn from the US Treasury, title to the property has transferred to an eligible buyer, and required completion data has been entered in HUD's IDIS system.
 - i. Development of stand-alone single family homes on various scattered or contiguous sites will have a construction timeline of not greater than six (6) months for the construction and/or rehabilitation of a single housing unit.

NOTE: HUD regulations require that a Project completion must occur within no more than four (4) years of the date of commitment of HOME funds to the project. CmDv has elected to establish a stricter timeline because CDBG funds may also be used and CDBG has annual timeliness tests on March 1st. If the Developer fails to meet the HOME four (4) year deadline, it must repay to CmDv any HOME and/or CDBG funds disbursed for the project and/or any other funding sources where CmDv acted as a subrecipient of another funder.

3. Sales Deadline - Pursuant to 24 CFR 92.254(a)(3), Developers must have a ratified sales contract with an eligible buyer for each HOME-funded unit within nine (9) months of completion of construction or the unsold units must be converted to rental housing or the project will be deemed ineligible and all HOME and/or CDBG funds drawn must be repaid to HUD.
 - i. If a unit is unsold after six (6) months, the Developer must present an updated sales and marketing plan to CmDv outlining steps being taken to identify buyers. At CmDv's option, the Developer may be required to:
 - a. take further steps, such as listing a home with a licensed Realtor, adjusting the sales price, etc. as CmDv may require to facilitate the sale of the home or
 - b. transfer title to CmDv or the another entity selected by CmDv that can otherwise identify buyers prior to the regulatory deadline.
 - ii. At CmDv's option, if a unit remains unsold after nine (9) months, the Developer shall be required to:
 - a. pay the entire HOME and/or CDBG investment, including any CmDv project soft costs;
 - b. convert the project to rental housing in accordance with 24 CFR 92.252; or
 - c. transfer title to CmDv or to another entity selected by CmDv for conversion to rental housing.

- iii. Units converted to rental housing must be rented to eligible tenant in accordance with 24 CFR 92.252, which include tenant income eligibility and rent limit requirements. Further, any units converted to rental properties shall be operated in compliance with CmDv's Rental Housing Program guidelines.
- iv. See Article XXIV for more information.

B. Reporting and Record Keeping

To allow effective oversight of funded projects and document compliance with applicable HOME and/or CDBG requirements, all projects must submit periodic reports to CmDv. While this section outlines standard reporting requirements, CmDv reserves the right to require additional reporting or to alter the reporting format or frequency based on future changes to HOME and/or CDBG requirements or CmDv policy. Additionally, CmDv reserves the right to require additional or more frequent reporting for projects with compliance deficiencies. See Article XXV for more information.

1. Developers are required to report quarterly during the development phase and sales phase. Quarterly reports will be due on the 15th of the month following the end of the prior quarter (e.g. by April 15th reports on the first quarter are due);
 - i. During the construction phase, Developers must provide material quantity take-offs, monthly reports detailing construction progress and barriers to progress, copies of invoices being paid, material delivery tickets, evidence of competitive bids for goods and services, and evidence of appropriate lien waivers.
 - ii. During the sales phase, Developers are required to provide monthly reports detailing the number of additional sales, total sales, and marketing activity. These reports are required until all units are sold.
2. CmDv may require more frequent reporting due to concerns identified during the development and sales phases.
3. At CmDv's option, Developers may be required to obtain and submit an audit of project costs (i.e. cost certification) prepared by an independent Certified Public Accountant. Developer acknowledges that CmDv consultants may be utilized to review data and provide comment and/or correct action, if applicable.
4. Developers shall allow CmDv, the City of Alexandria, HUD, State of Louisiana, the Comptroller General of the United States (aka the GAO), and all other pertinent Federal or State agencies or their designated representative the right to inspect records and property.

C. Conflict of Interest

To comply with HOME requirements and to maintain a high standard of accountability to the public, conflicts of interest and perceived conflicts of interest must be avoided. Developers shall maintain compliance with all HUD conflict of interest provisions as stated in 92.356(f). See Article XXV for more information.

Developers with officers, employees, family members, consultants, or agents that are otherwise eligible to purchase HOME funded-units must receive waiver/approval from CmDv staff before entering into a sales agreement with HOME eligible employees. 92.356(f) provisions apply to all HOME projects.

Article XII – Developer Proposal Selection Criteria:

CmDv will use the following selection criteria to select from among competing proposals. CmDv will select an evaluation committee who will review and score proposals to be considered for award. The preliminary funding commitments resulting from the evaluation shall be determined by a scoring system including, but not limited to, the factors shown below. Regardless of strict numerical ranking, the scoring does not operate to vest-in a Developer or project any right to a reservation or commitment of HOME funds. CmDv will, in all instances, commit HOME and/or CDBG funds consistent with sound and reasonable judgement, prudent business practices, and the exercise of its inherent discretion to ensure that:

- A. Developers awarded development financing subsidies are both capable and fiscally sound;
- B. The neighborhood market will support the proposed housing; and
- C. The project’s financial assumptions have been reviewed (or underwritten) to balance their adequacy and subsidy layering considerations.
 - 1. Only projects with firm commitments for all other sources of funding may receive binding commitments.
 - 2. CmDv reserves the right to require the submission of additional information as needed to complete project underwriting.

#	Ranking Description	Maximum points available
1	<i>Developer experience</i> Scope of past portfolio including, but not limited to, leveraging of other sources of funds, experience developing and managing projects of similar type and scope, staff qualifications, input from other funders as well as the overall quality of the application.	30
2	<i>Financial Proposal</i> Strength of the overall financial proposal including the combination and availability of other non-HOME funds. Applicant’s current financial statement and independent audit will be reviewed for financial capacity and soundness.	25
3	<i>Market Understanding & Approach</i> Demonstrated understanding of neighborhood market dynamics and data, plan for marketing of proposed unit(s), outreach to low-income buyers, and established relationships with lenders, realtors, and other sources of sales leads.	20
4	<i>Design and Amenities</i> Projected sales price, architectural character, design, and location amenity proximity considerations will be reviewed closely for compliance with defined requirements. Each proposal will be compared to CmDv’s minimum requirements and to each other to determine which proposal(s) is the strongest and provide the greatest public benefit.	15
5	<i>Matching Contributions</i> Proposals that include eligible matching funds for up to 25 percent.	5
6	<i>Reuse of defined property types in the Revitalization Target Neighborhoods</i> Reuse of vacant, blighted, abandoned lots and/or structures; foreclosed and/or tax adjudicated properties that have existing established infrastructure and located within Target Neighborhood Revitalization boundary.	5
Points will be designated for each factor above for a maximum score TOTAL:		100

Article XIII – Developer Award

Successful Developer(s) will receive a letter of intent, which will state that CmDv's commitment of HOME and/or CDBG funds is contingent upon:

1. approval of CmDv's 2020-2024 Five Year Consolidated Plan approved by HUD (or subsequent terms);
2. approval of CmDv's 2021-2022 Annual Action Plan approved by HUD (or subsequent term);
3. availability of HOME and/or CDBG funds;
4. final commitment of all funding sources;
5. an environmental review clearance and release of funds from HUD; and
6. execution of an agreement between the COA and the Developer/Applicant within 3 months from the date of letter of intent. Construction of the project must start within 6 month of the aforementioned agreement.

All proposals submitted in accordance to the following guidelines:

1. CmDv reserves the right to reject all proposals and advertise the project again in effort to solicit more proposals.
2. A Developer receiving an award from CmDv for the first time may be required to satisfactorily complete the first unit prior to the award of additional contracts to ensure work performance. A Developer with a poor performance record will be disqualified.
3. If a Developer is awarded multiple contracts, all awards must be completed within the specified time frame per the contract and Building Permit expiration date.
4. No contracts will be awarded to a Developer without evidence of the required insurance coverage or other criteria listed in Article VI.
5. Developers with outstanding complaints over thirty (30) calendar days old will not be awarded a new contract until all complaints are corrected. See Article XX for more information.

Once CmDv announces award, the Letter of Intent will be issued. Additional documentation may be required for review. After all evaluations and award approval is granted, a "Contract Signing Notice" form will be emailed/mailed to the Developer indicating the date and time they must appear for the contract signing at the CmDv office. This shall serve as official award notice.

Article XIV – Structure of Transaction:

A. Loan Types and Terms

CmDv will provide HOME funds in the form of a development financing loan to the Developer that owns the property to be improved. No grants will be awarded, and funding commitments are not transferable without prior written CmDv approval.

CmDv's HOME loan may be used for acquisition and construction financing. Proceeds of the HOME loan will only be released following satisfaction of all requirements outlined below. In all cases, the HOME loan will:

1. Have a maximum term of 2 years;

2. Be secured with a promissory note, mortgage, and appropriate liens. Mortgages will be recorded with the Rapides Parish Clerk of Court Office and generally may be subordinate only to an approved amortizing first mortgage; and
3. Be repayable in full upon sale, refinancing, or transfer of the property or upon maturity, except that repayment will be limited to the net proceeds of a CmDv approved sale to a low-income buyer. Net sales proceeds will exclude any portion of the sale proceeds used to repay senior construction debt, return of CmDv recognized Developer equity, approved sales costs, and any HOME and/or CDBG assistance transferred to the buyer(s) at closing as direct homebuyer assistance.

Simplified Example of Transaction Structure

ACME Building & Construction (ABC) is participating in the program. The total development cost for the house, inclusive of acquisition, hard costs, soft costs, and developer fee is \$150,000. ABC used a \$50,000 construction loan from First Bank and received \$100,000 in a HOME loan from the City to fund the construction.

Upon completion, the home is appraised at \$100,000. The identified buyers, the John and Anita Brown, are determined to be eligible. The Browns, however, can only afford an \$80,000 mortgage from their credit union and will require \$20,000 of buyer assistance.

At the closing, there is only \$80,000 in "cash" actually available, from the Brown's credit union first mortgage. The Brown's also sign a \$20,000 second mortgage to the City, covering the HOME assistance they needed to complete the purchase at the \$100,000 market value.

On the seller's side of the transaction, because the house was sold for \$50,000 less than its total development cost, that "development subsidy" will be forgiven by the City. Similarly, the \$20,000 HOME assistance to the Browns is credit against ABC's construction loan payoff as well. So of the \$100,000 loan to the City, \$70,000 has been written off or "forgiven" leaving a balance of only \$30,000 due the City.

Of the \$80,000 in "real cash" at the closing, \$50,000 is used to repay ABC's construction loan from First Bank, and the remaining \$30,000 is accepted by the City as full and final payment on the City's HOME loan to ABC.

On a simplified basis, the settlement statement would look something like this:

Buyer Transaction		Seller Transaction	
<i>Amounts Due From Buyer</i>		<i>Amounts Due to Seller</i>	
Sales Price	\$100,000	Sales Price	\$100,000
<i>Paid By/On Behalf of Buyer</i>		<i>Reductions in Amount Due Seller</i>	
Credit Union Mortgage	\$ (80,000)	Payoff Construction Loan	\$ (50,000)
City HOME 2nd Mortgage	\$ (20,000)	City HOME 2nd Mortgage	\$ (20,000)
		Payoff of City HOME loan	\$ (30,000)
<i>Cash to/from buyer</i>	\$0.00	<i>Cash to/from seller</i>	\$0.00

B. Guarantees

Unless otherwise determined by CmDv, all underlying individuals, corporate entities, partnerships, or limited liability companies with an interest in the project will be required to provide a completion guarantee including provisions guaranteeing construction completion of the project. For nonprofit organizations, a guarantee shall not

be required, but in all cases CmDv may require a performance bond or irrevocable letter of credit acceptable to CmDv to ensure project completion.

C. Contract / Agreement between City and Developer

In addition to any financing documents, Developers of HOME-financed projects must sign a contract / agreement with CmDv. The contract / agreement will identify requirements for compliance with the HOME and/or CDBG regulations and CmDv's *Affordable Single-Family Housing Developments Program* requirements and will remain in effect in the event of any prepayment of the HOME loan.

Article XV – Developer Contract and Building Permit / Notice to Proceed

The CmDv staff will meet in the CmDv office at a scheduled time with the awarded Developer. This scheduled time will act as the Preconstruction Conference for the Developer. The CmDv staff will review the scope of work to be performed, the contracts for signature and the process for construction. CmDv shall remind the Developer that no changes will be allowed to approved construction drawings / scope of work. Should the Developer refute, CmDv staff shall have the right to consider the award ineligible. This is to ensure conformance with the Program Guidelines and approved submittal documents.

All contracts will be signed in the CmDv Office. The Developer will execute the Home Construction Contract for *HOME Affordable Single-Family Housing Development Program*. The contract will then be sent to the Mayor for signature. Both signatures must be legally notarized. The contract will not be considered valid until the contract is fully executed. A copy of the fully executed document will be sent to the Developer for their files and provided to the Developer.

The signing of the HOME Construction Contract shall replace the need for the Developer to complete a CDA Building Permit application. The Developer will pay the Building Permit fee at the time of Contract signing or no later than five (5) business days of their execution of the HOME Construction Contract. The issuance of the Building Permit shall act as the Notice to Proceed.

Under approved circumstances and as applicable, multiple Building Permits may be issued to a Developer at any given time. If the Developer chooses, Building Permits may be issued one at a time, however no more than thirty (30) calendar days will be allowed to lapse between the issuance of any subsequent Building Permits. The Developer is also reminded that all construction work must be completed within six (6) calendar months from the issuance of the Building Permit, regardless of how many were issued at one time.

Should the Developer need an extension, a written request must be submitted to the CmDv Administrator to explain why and how much additional time is needed. All extension requests will be considered on a case by case basis. In no instance will more than two (2) thirty (30) calendar day extensions will be granted. No rain days or holidays will be allowed to extend the contract completion date, unless there are noted disasters or other Acts of God (i.e. hurricane, flooding, tornado, etc.) that have caused detriment to the City of Alexandria or part of the City. All extensions will have to be approved by the CmDv Administrator.

Depending on critical dates for CmDv, extensions requested past February 10th may be denied if allocated CDBG funds must be spent in order to meet annual timeliness tests on March 1st.

No swaps or change orders will be allowed unless approved by the CmDv staff. The Contractor is advised that no construction will begin prior to the receipt of fully executed contract and the issuance of the Building Permit.

In no instance should any outside agreement exist between the Developer, Contractor or any Subcontractor or other agency during the construction period of the home. Failure to comply with this provision may result in the termination of the contract and require immediate payback of the funds expended by the City of Alexandria.

Article XVI – Housing Construction

The Developer will ensure, through sufficient supervision that tradesmen are skilled and licensed in their profession and that quality workmanship is apparent. The Developer is responsible for completing all work required in the approved construction drawings and written specifications.

The Developer is required to guarantee all materials and workmanship performed (except damages due to abuse, misuse or Acts of God) for a period of five (5) calendar years from the date of issuance for the Certificate of Completion with Occupancy. All new work shall be installed to satisfy code compliance of the current International Residential Code. The Contractor will be required to provide all warranties, certificates, guarantees, etc. of materials and workmanship associated with the repairs to the Homebuyer. The Homebuyer and Developer will acknowledge by execution of the "Owner and Contractor Acceptance, Warranty and Release of Work" form.

The Homebuyer shall not request the Developer / Contractor to perform other work on the premises while the Developer is under contract with the City for the *HOME Affordable Single-Family Housing Development Program*. The Developer must perform work within reasonable working days and hours so that the work can be completed timely.

In the event that the Developer secures a Homebuyer prior to the completion of the home, some cosmetic changes may be submitted for approval, if initially approved by the Developer. Cosmetic changes could be, but not limited to, interior colors for paint, flooring, appliances, etc. Developer will have to consider materials already purchased for installation, cost impact for the change and the ability to sell the house to another Homebuyer if the initial Homebuyer defaults. Exterior modifications that conflict with similar architectural character of neighboring properties are discouraged. All Homebuyer alterations must be submitted in writing to CmDv Administrator for approval. This may or may not be considered a change order.

Pursuant to 24 CFR 8.29, single-family housing developed with Federal funds must be made accessible upon the request of the prospective buyer if the nature of the prospective occupant's disability so requires. Developers must ensure that projects are designed in a way that can accommodate such a request. Should a prospective buyer request a modification to make a unit accessible, Developer must work with the Homebuyer to provide the specific features that meet the need(s) of the prospective homebuyer or occupant. If the design features that are needed for the buyer are design features that are covered in UFAS, those features must comply with the UFAS standard. Developers may be permitted to depart from the standard in order to have the Homebuyer/occupant's needs met. All Homebuyer alterations must be submitted in writing to CmDv Administrator for approval. This may or may not be considered a change order.

Article XVII – Change Orders

The Developer shall be reminded that no swaps or changes are to be made to the approved scope of work. Generally, no change orders are allowed.

If the awarded proposal is a substantial renovation project, the Developer / Contractor must assume all factors, even those unforeseen, in the proposal price. Oversight shall not relieve the Developer of the responsibility of complete compliance with the requirements of the City's adopted codes and ordinance.

Any change order requests must be in writing and contain a sufficient explanation documenting the necessity for issuing the change order and the amount requested for the same. CmDv shall review change orders for:

- a. Work that is beyond the initial scope of work defined and published for bid, due to "latent defeat" or unforeseen circumstances.
- b. The dollar amount of the change order must be reasonable and substantiated by the Developer / Contractor with an itemization of all work hours, equipment, materials and associated expenses.
- c. The dollar amount may also be accepted, negotiated, or rejected by the CmDv Administrator. If rejected, any additional expense incurred shall be the responsibility of the Developer.

The change order must be approved by the CmDv Administrator and signed by the City Inspector and Developer prior to performing the work. Any change order work performed without written approval first will not be paid and will be at the expense of the Developer.

Notwithstanding the plans and/or specifications contained within the Affordable Single-Family Housing Development proposal, or any conflicts or discrepancies therein, no change orders will be allowed for additional, unanticipated, or unplanned work required to meet applicable building (including but not limited to electrical, mechanical, or plumbing codes). Developer warrants that they are fully responsible for complying with all codes and that any discrepancies or conflicts with applicable codes must be disclosed to the CmDv Inspector.

Article XVIII – Inspections

All inspections will be the responsibility of the Developer / Contractor to call the City's Permit Tech at 318-441-6333 to schedule the inspections 24 hours in advance of work being completed. A list of required inspections will be provided on the second page of the Building Permit that will be issued to the Developer / Contractor.

Progress inspections will be made during the construction to assure that all items are being addressed and completed according to work description and general specifications and in compliance with all local, state and federal codes and local ordinances. Random inspections may also be at the discretion of the City Inspector. Any discrepancies will be brought to the attention of the Developer / Contractor for explanation and/or correction.

For the final inspection, when all work is satisfactorily completed, the Developer shall be present to perform a walk-thru with the City Inspector.

Article XIX – Contractor Payment

All payments shall be made through funds held by the City and shall only be released upon the CmDv's Administrators approval of work and determination that the Developer / Contractor has met all applicable federal, state and local requirements applicable.

A. Progress Draws

CmDv staff will review all invoices for draw requests to confirm validity and funding source (HOME and/or CDBG or other project funds), conduct inspections to ensure that the project is progressing and that work completed is consistent with all HOME and/or CDBG requirements for the invoice amount being requested. Developer shall be authorized to invoice for work completed, labor and materials installed based on milestone inspections defined as follows:

1. Site acquisition – title transfer to Developer for the full purchase price;
2. Foundation inspection, passed – maximum of 20% draw from total construction costs allowed;

3. Discipline specific rough-in inspections, passed – maximum of 20% draw from total construction costs allowed;
4. Discipline specific final inspections, passed – maximum of 20% draw from total construction costs allowed;
5. Building final inspection for Certificate of Occupancy, passed – maximum of 20% draw from total construction costs allowed;
6. A 20% retainer for total construction costs will be held until the house is sold to a qualified buyer and title is legally transferred and recorded. At that time, the Homebuyer & Developer must execute the Acceptance and Warranty Release of Work form. Developer must also provide CmDv with a fully executed Release of Lien Affidavit.

The Developer may request for percentage of draw to be modified based on material orders necessary to have products onsite for timely installation, however, the percentage for the subsequent draw will be adjusted accordingly. Documentation or receipts must confirm the amount requested. In no case will the 20% retainer be adjusted.

In the event Davis Bacon federal prevailing wage requirements apply, the Developer will be required to provide weekly payroll forms to CmDv and allow access to the site and workers for the purpose of completing worker interviews. Davis Bacon applies to projects consisting of 12 or more units assisted with HOME funds. Developer agrees that he will pay wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act. See Article XXIV for more information.

B. Source documentation

Approved invoices for draw requests will be paid 100% of the invoiced amount in the form of a one (1) time payment after all required documentation is submitted. An invoice for payment will be accepted only after all of the following documentation has been received:

1. Passed milestone inspection report as defined by the Building Permit;
2. copies of invoices being paid for the specific draw;
3. copies of material delivery tickets;
4. evidence of competitive bids for goods and services;
5. verification of Davis Bacon compliance, as applicable.

The City shall generate a check made payable to the Developer and will be issued within thirty (30) working days from the receipt of all requisite documentation listed here. CmDv reserves the right to disburse through a title company, directly to the vendor, or with two-party checks.

C. Project Closeout

Developers are also required to submit demographic data for all Homebuyers of HOME and/or CDBG funded units. Data shall include elderly status, race, gender, female head of household, number of household members, and percent of area median income.

CmDv requires a copy of the final project Sources and Uses Statement and, at CmDv's option, may require the submission of the project cost certification prepared by an independent Certified Public Accountant following completion of construction and payment of all development costs. Other required final close-out documents are:

1. evidence of appropriate lien waivers, as applicable;
2. evidence of title endorsement, as applicable.
3. determination by CmDv that all HOME and/or CDBG requirements pertaining to the development of the Project have been met;

4. Homebuyer demographic data of elderly status, race, gender, female head of household, number of household members, and percent of area median income;
5. final project Sources and Uses Statement

The final 20% retainer of total construction costs will be paid after the house is sold to a qualified buyer and title is legally transferred and recorded. At that time, the Homebuyer & Developer must execute the Acceptance and Warranty Release of Work form. Developer must also provide CmDv with a fully executed Release of Lien Affidavit.

In the event there is a Dispute Resolution request, see Article XXI below, a partial payment may be made to the Developer for work completed to date. Regardless of the amount of partial payment requested by the Developer, an estimated amount prepared by CmDv to complete the repairs for material and labor will be withheld, with an additional 25% retainage. Once the Dispute Resolution is resolved and the "Receipt and Release Settlement Agreement" is signed by both parties, the remaining withheld balance will be paid in full.

Article XX – Warranty Claim Procedure

The Developer is responsible for all work performed for five (5) calendar years following the date of the Certificate of Occupancy. The Homeowner is responsible for notifying the Developer regarding any warranty claim during the warranty period. Upon receipt of the claim the Developer will have fifteen (15) working days to assess the claim and determine if it is covered under the warranty. If the claim is covered, the Developer shall have a maximum of thirty (30) working days after the assessment to complete the repairs necessary.

The Homeowner may elect to notify CmDv of the warranty repair request made to the Developer, however, CmDv is not responsible to coordinate or assume responsibility for the work performed or to be performed.

If the Developer fails to respond to the Homeowner's claim or if there is a dispute between the Homeowner and the Developer as to whether the claim is covered under warranty, either party may file a grievance under the procedures set forth in Article XXI and/or Article XXII.

If the Developer does not complete the necessary corrections within a maximum of forty-five (45) calendar days from the date the complaint was received, the Homeowner shall notify the CmDv Administrator in writing and provide evidence of notification to the Developer of the claim for warranty work. CmDv will notify the Developer of the Homeowner's claim by certified mail and advise the Developer that all corrections must be completed within ten (10) working days from the receipt of the letter. The letter will also state that if corrections are not completed within the specified time, the Developer may be debarred from further participation in any CmDv Programs for a period of two (2) years. The Homeowner may also bring legal action against the Developer to honor the warranty.

Article XXI – Dispute Resolution Request between Homeowner and Contractor

The Homeowner, Developer and City shall agree that should any dispute arise concerning the work performed under the Home Improvement Contract, payment, or warranty, the parties agree to submit the dispute in writing within ten (10) calendar days to the CmDv Administrator. A dispute resolution, in which the determination will be final and without recourse, will be provided in writing within thirty (30) working days of receipt of the dispute notice.

Complaints related to "quality of work" are subjective. CmDv Administrator's decision shall be considered final, as related to acceptance of "quality of work" issues. General points to consider shall be:

1. Has the work performed extended the useful life of the structure and/or removed a previous hazard?
2. Has the work performed satisfied code compliance?

3. Is the work aesthetically an improvement to the previous existing condition of the area of work performed? (For example: the existing ceiling had multiple visible water stains and was causing mold. The damaged sheetrock was removed in those areas, patched, floated, textured and painted. However, with closer observation, you can tell where the joints in the sheetrock are located, even though standard installation instructions were followed. It may be decided by the CmDv Administrator that the completed work is an improvement to the previous circumstance and therefore, consider the complaint resolved).

“Quality of work” subjective nature does not, however, provide the Developer with authority to hire workers that are not skilled in the specific trade of work to be performed nor does it allow worker to not achieve the best quality of work product possible. Continued blatant abuse of “quality of work” issues by a Developer / Contractor may result in debarment.

As a general rule, if the complaint is easily identified visibly and there is a simple resolution, the Developer shall be obligated to remedy the complaint immediately. If it is deemed that the Developer does not have skilled persons available to correct the work and/or if a current Subcontractor has a conflict with the Homeowner, both parties may be required to provide bids from other local, reputable sources (such as a paint store for a list of painters, flooring store for a list of installers, the yellow pages and/or published media links) skilled in a specific trade, to select a new subcontractor to perform the work under the existing Developers contract. Any amount due will be held out of the total cost of construction submitted by the Developer. A “Owner / Contractor Warranty Complaint Release” may be required to be signed by both parties once work is complete. Time to collect bids and/or complete work shall be defined in the written Dispute Resolution letter, however, both parties are encouraged to resolve these issues prior to filing the Dispute Resolution request.

In the event that the Homeowner continues to complain of “quality of work” that is deemed acceptable by the CmDv Administrator, the complaint shall be considered resolved and may not be allowed to withhold final payment to the Developer.

Article XXII – Grievances Procedure

All grievances must be made in writing and submitted to City of Alexandria Community Development Department, Attn: Rehab Program Manager, 625 Murray Street, Suite 7, Alexandria, LA 71301 or by emailing cda@cityofalex.com. Grievances must contain at a minimum: the name and address of the complainant, date of the complaint, and the nature of the grievance. A letter or email will be sent to the opposing party concerning the grievance for disclosure notification.

The following action will be taken by the CmDv staff in an attempt to resolve the grievance:

1. If a Homeowner or Developer does not agree with the CmDv determination of eligibility or feasibility of repairs, the applicant/participant must make written notice as provided herein above and must submit documentation that will clearly support their reasons for disagreement. CmDv staff will perform a second review of all documentation and a final decision will be rendered by the CmDv Administrator and will be considered the City’s final decision. The applicant/participant will be notified of the decision in writing within fifteen (15) working days of the filing of the grievance.
2. If a Developer disagrees with the CmDv staff’s determination of eligibility, the Developer must make written notice as provide herein and must submit documentation that clearly supports their reasons for disagreement. There are several reasons a Developer can be considered ineligible to participate in this Program per Article VI. CmDv staff will perform a second review of all documentation submitted to determine eligibility and will provide the results of their second review, along with all related documentation to the CmDv Administrator for a final determination. The CmDv Administrator will notify

the applicant of the results of this review within thirty (30) working days from the date of the written grievance notice. The decision of the CmDv Administrator will be considered the City's final determination.

3. The CmDv staff will arbitrate any disputes arising between the Homeowner and Developer concerning work performance, payment or warranty. The complaining party must submit the complaint in writing to the Rehab Program Manager at the address provided herein above. CmDv staff will investigate and review the complaint and a final decision will be rendered by the CmDv Administrator. The decision of CmDv Administrator is agreed by both parties to be final. Both parties will be notified in writing concerning the final decision within thirty (30) working days from the written complaint.

Article XXIII – Variances from Policy

Variances from these policies and procedures shall only be granted by CmDv, under extraordinary and extenuating circumstances and by recommendation of the City's Inspector and approval of the CmDv Administrator. CmDv will consider a variance to the existing policies that document specific hardship on the part of the Homeowner and/or Developer or other parties involved in the project, and that granting a variance will further the goals, purposes and effectiveness of the HOME Affordable Single-Family Housing Development Program and will conform to all applicable HUD guidelines.

The City of Alexandria, at its discretion, can refer a case involving fraud and/or program abuse to HUD for review and possible criminal prosecution to HUD or any governing agency responsible for ensuring public trust. All decisions made by the City of Alexandria Community Development Department regarding this program are subject to review by the Department of Housing and Urban Development (HUD).

All decisions made by the City of Alexandria Community Development Department regarding this program are confirmed by:

Community Development Administrator

Email address: cda@cityofalex.com

Phone: (318) 449-5070

Physical address: 625 Murray Street, Third Floor Room 310, Alexandria, LA 71301

Mailing address: 625 Murray Street, Suite 7, Alexandria, LA 71301

Article XXIV - Policy on Conversion of Rental Units to Homeownership

In the event that a unit is not sold within the nine (9) month timeline and converted to rental, the following policy will be used for a consistent methodology to convert rental back to homeownership, should that opportunity arise. The HOME Rule, at §92.255, allows HOME-assisted rental units to be sold to existing tenants and thus converted from rental to homeownership.

Rental Conversion versus Lease-Purchase

Because there has been substantial confusion on this issue in the past, it is first important to note that selling to a HOME tenant is not the same thing as a lease-purchase project which HOME also allows as a homebuyer activity. Whether the rental unit was originally intended as a rental or was the result of being converted because it did not sell, there are several critical considerations that PJs and owners must take into account. The key starting point is that a HOME-assisted rental unit is subject to the rules at §92.252 and §92.253.

Rental units are rental units; tenants cannot be required to purchase the unit or treated differently based on their interest or ability to purchase the property.

- Rental property owners must have tenant selection plans consistent with the requirements of §92.253(d). In general, unless certain preferences were approved by the City (for example to target homeless applicants) tenants must be selected on a first-come, first-served basis taking into account eligibility criteria related to the applicant's ability to perform the obligations of the lease. It is not permissible to provide a waiting list preference to prospective tenants who express an interest in eventually purchasing the unit.
- HOME rental units are intended as permanent housing. Once they move into a HOME unit, tenants must be allowed to remain and renew their lease indefinitely (though the rent may increase if their income increases beyond applicable HOME limits). An owner may only terminate (i.e. evict) or refuse to renew a tenant's lease for good cause, and §92.253(c) specifically indicates that "good cause does not include... refusal of the tenant to purchase the housing."

Any conversion to homeownership under §92.255 must be a sale to an actual HOME tenant.

- The buyer must be a tenant first. It is not permissible to hold the unit off the market following natural turnover in order to attempt to sell the unit to a low-income buyer. The next eligible applicant on the waiting list should be offered the unit at the applicable HOME rent and subject to a lease meeting the requirements of §92.253(a)-(b).
- However, there is no minimum "waiting" period during which a household must be a tenant before it can be offered the opportunity to purchase the unit.

The length of affordability period may be based on the rental rules.

- If a HOME rental unit is converted to homeownership by sale or transfer to a tenant and no direct assistance (e.g. down payment assistance) is provided, the unit will be subject to the City's resale requirements under 92.254(a)(5)(i) for the duration of the affordability period that had been imposed under the rental rules. In the case of newly constructed homes, rental requires a 20-year affordability period, so the affordability period for the buyer could be longer than it would have been in a "normal" homebuyer unit.
- However, in most cases the City anticipates that tenant-buyers will receive direct homeownership assistance and therefore be subject to the City's recapture policy. In such cases, the affordability period will be "reset" or "restarted" as of the buyer's purchase with the length based on the amount of direct assistance to the buyer. That direct assistance may be provided by "passing through" the existing HOME assistance in the project to the tenant-buyer (i.e. by allowing the tenant to assume the HOME loan to the owner in the form of down payment, closing cost, or mortgage principal buy down assistance). In other cases, notwithstanding the general prohibition against providing additional HOME funds to a project during its affordability period, when a unit is converted to homeownership under §92.255 the City may award additional funds to the low-income buyer from its Homebuyer Assistance Program (HAP) if needed to assist in the purchase of the property.

City Policy for Conversion of Rental Units to Homeownership

For projects that are suitable for conversion to homeownership, including those comprised of detached single-family homes or condominium units that can be otherwise removed from an existing HOME-assisted rental project and sold individually, the City will either include provisions pertaining to the conversion to homeownership in its HOME written agreement with the owner/developer of the project or, in the case of prior projects, execute a *Conversion to Homeownership Addendum* to its existing agreement(s) with the project owner.

Following the inclusion of appropriate provisions in the written agreement(s), an owner may request and the City may approve a *Homeownership Conversion Plan & Memorandum of Understanding* that will outline both general and project-specific conditions under which units may be offered for sale to existing tenants.

Approval of such a Homeownership Conversion Plan will be in the sole and exclusive discretion of the City. Among other factors, the City decision will be based on whether the plan adequately:

- Addresses HOME requirements that only existing tenants may be offered the ability to purchase HOME-assisted rentals (e.g. units cannot be held off the rental market following turnover in an effort to list and sell them);
- Ensures that existing and potential tenants are clearly informed that participation in a tenant purchase program is entirely voluntary and that no tenant's lease will be terminated or not renewed based on a decision not to participate or their inability to exercise any purchase option. (A template Notice of Purchase Opportunity will be provided by the City);
- Can be supported with either the "pass through" of existing HOME-funds invested in the project or the provision of additional City HOME funds to provide direct homebuyer assistance (e.g. down payment assistance) to participating tenant-buyers allowing the use of HOME's "recapture" provisions; and
- Ensures that all tenants purchasing units meet all applicable HOME eligibility criteria at the time of their purchase, including i) requirements that the tenant-buyer be income qualified at or below 80% of the Area Median Income (AMI) and ii) requirements associated with buyer underwriting and responsible lending policies adopted by the City pursuant to §92.254(f).

The City requires that the unit be sold at the fair market value as determined by an appraisal. The project owner must order an appraisal from a City-approved state-licensed appraiser after receiving notice from a tenant seeking to purchase the unit.

The City will require that any sales proceeds from the conversion of units to homeownership be used first to fully fund the replacement reserve for the remaining HOME-rental project, second to establish or replenish an operating reserve for the remaining HOME-rental project, and third as repayment of the City's original HOME-investment in the project. Following the sale of all units in the project, remaining funds in the reserve accounts will be distributed first to repay any outstanding HOME loan and then any remaining reserve balances or sales proceeds may be retained by the owner.

Requirements for Tenant-Purchasers

To be eligible to purchase their HOME-assisted rental unit, households must meet all of the following criteria:

1. They must be an existing tenant of the unit. Prior to executing any option to purchase, a household must have been selected by the owner, subject to the City-approved tenant selection plan, to rent the unit and have entered into a lease complying with the requirements of §92.253;
2. They must not be in material default of their lease with the owner;
3. They must be currently income-eligible with an income at or below 80% of the Area Median Income (AMI) for the Alexandria, Louisiana area;
4. They must participate in pre-purchase housing counseling provided by a HUD-approved housing counselor working for a HUD-approved housing counseling agency;
5. They must meet the requirements pertaining to buyer underwriting, the quality of their first mortgage, etc. applicable to the HAP Program in place at the time of their purchase; and

6. They must enter into a HOME written agreement (including an associated note, deed of trust, and other such documents) imposing the City's recapture or resale provisions adopted pursuant to §92.254.

Article XXV – Federal, State and Local Regulations Apply

- A. Access. The Developer agrees that he/she will allow access to the City, State of Louisiana, HUD, the Comptroller General of the United States, or any of their duly authorized representatives to any books, documents, papers, and records of the Developer which are directly pertinent to this Contract for the purpose of making audit, examination, excerpts, and transcriptions, including right to inspect records and property.
- B. AFEAT. During the performance of this Contract, Developer will agree by document signature to show a good faith effort to comply with the City's AFEAT (Alexandria Fairness, Equality, Accessibility, and Teamwork) Program. Participation by minority and/or disadvantaged working enterprise firms is encouraged. For more information on AFEAT and, and to explore a local and statewide directory of minority workers, please visit www.diversityinaction.org. Inquiries concerning the City of Alexandria's Diversity in Action Initiative and AFEAT Program should be directed to the City's Legal Division (318-449-5015).
- C. Affirmative Marketing Plan. Methods used to affirmatively market the properties developed under this program include, but are not limited to:
 1. Ad advertisement will be placed in the local newspaper describing the available housing units including a statement regarding equal housing opportunity
 2. The Equal Housing Opportunity logo will be used on all correspondence that provides notice of housing availability and any press release or media advertisement.
 3. Equal Housing Opportunity posters with the logo will be displayed at the location where applications are taken.
 4. At the time the application is taken, all applicants will be provided with an Equal Housing Opportunity brochure.
 5. Written selection policies and procedures will be available to all applicants, with a non-discrimination policy statement included at the beginning of the written document.
 6. Written communication (flyers) with non-discrimination statement will be sent to Alexandria Housing Authority with request that information be distributed to tenants.
 7. Transitional housing providers will be given flyers with a request that they be distributed to persons living in transitional housing shelters.
 8. Key churches and other communities of faith serving the population being sought will be informed in writing of the housing available.
 9. Neighborhood organizations will be provided with flyers describing the available housing unit.
- D. Anti-Kickback Clause. Developer agrees to adhere to the mandate dictated by the Copeland "Anti-Kickback" Act which provides that each Developer, Contractor or sub-grantee shall be prohibited from inducing, by any means, any person employed in the completion of work, to give up any part of the compensation to which he is otherwise entitled.
- E. Applicable Law. This Agreement shall be construed and interpreted in accordance with Louisiana law. In the event of legal action resulting from a dispute hereunder, the Parties agree that the state and federal courts of the State of Louisiana shall have jurisdiction and that the proper forum for such action shall be Rapides Parish, Louisiana.

- F. Assignment. This Agreement is binding on the Developer and Homebuyer, and their respective successors and assigns. The Developer nor the Homebuyer shall not assign or transfer its interest in this Agreement without the written consent of the City.
- G. Code of Conduct / Conflict of Interest. The Developer must disclose any potential conflict of interest, including if any owner, manager, employee or agent of the Developer is an employee, agent, consultant, officer or elected official or appointed official of the City, an immediate family member to any such person or has business ties with any such person. In such a case, CmDv will review the potential conflict to determine if it involves any person who presently or in the past year exercises any functions or responsibilities in connection with CmDv's HOME and/or CDBG programs. If so, the City may seek an exception from HUD under the requirements of 92.356.

The Developer acknowledges that under the HUD Conflict of Interest regulations at 24 CFR 570.611(b) for CDBG and 24 CFR 92.356 for HOME, in general, any person who is an employee of the City of Alexandria is a covered person under the rules and serving that person (or an immediate family member) shall require HUD to issue a waiver in order to be qualified to obtain financial interest of benefit from these activities either for themselves or for those with whom they have immediate family ties. CmDv will be responsible to collect and process the necessary information to apply to HUD for the approval waiver. The HUD waiver process could take as long as one year or more, therefore, a Developer may not receive funding that particular year, however, the waiver would still be valid for re-submittal the subsequent year.

- H. Code of Ethics. It is a violation of the Louisiana Code of Governmental Ethics for a public servant, specifically CmDv staff personnel, to do work with an immediate family member. The Code defines "immediate family" relating to public servant as children, spouses of children, brothers, sisters, spouses of public servants' brothers and sisters, parents, spouse and the parents of public servants' spouse. For more definitions and a review of the Code of Ethics, please visit the Louisiana Ethics Administration Program website at www.ethics.la.gov.
- I. Counterparts. This Agreement shall be executed in two or more counterparts, each of which shall be considered an original, and shall be binding when fully executed by both parties.
- J. Davis Bacon Wages. Developer shall comply with Davis Bacon wages when applicable. Developer agrees that he will comply with the provisions of the Davis-Bacon Act as amended (40 U.S.C. 276a-7) as supplemented by Department of Labor regulations (29 CFR part 5) where applicable. Developer agrees that all laborers and mechanics employed by Contractor or any Subcontractors, on work assisted under this contract, and subject to the provisions of the federal acts and regulations listed in this paragraph, shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act.

Davis Bacon federal prevailing wage requirements shall apply to all projects with 12 or more units assisted with HOME funds. When Davis Bacon applies to a project, CmDv must be provided with compliance documentation throughout the construction period. Prior to commencing construction, CmDv must approve current wage determinations applicable to the project. The Developer will be required to provide weekly payroll forms to the CmDv and allow access to the site and workers for the purpose of completing worker interviews.

- K. Energy Policy and Conservation Act. Contractor recognizes the mandatory standards and policies relating to energy efficiency with are contained in the State energy conservation plan issued in compliance with the Energy Policy and Conservation Act (P.L. 94-163).

- L. Entire Agreement. This Agreement, together with the exhibits hereto and the related Program Policy Guidelines, the RFP and Developer's response submittal, the fully executed Grant Agreement, and any Homeowner application for participation in the program, which are specifically incorporated herein, represent the entire agreement between the parties and supersede all prior representations, negotiations or agreements whether written or oral.
- M. Excluded Parties. Developer hereby certifies that he is not suspended, debarred, or otherwise prohibited from participating in federally-assisted contracts and further certifies that no such parties will be employed as Contractor, Subcontractors and/or vendors on the project. Developer must provide written proof that they are not listed as an EPLS (Excluded Parties List System) on the Federal Government's SAM's (System for Award Management) website at www.sam.gov/portal/sam. Placement on the SAMS federal excluded parties list of the Developer and/or use of an excluded party shall be automatically be rejected from submittal privileges, *CmDv Contractor Registration* and/or award, by Category and/or in its entirety and immediate termination of this Contract. The Developer or General Contractor shall be required to determine that Subcontractors are also not so precluded.

No proposal or loan application will be processed for any borrower or related entity which is not in good standing with the, City of Alexandria, the Louisiana Housing Commission, Louisiana Secretary of State, or any other state housing finance authority, HUD and/or the Federal SAMS ELPS list. A proposal can be denied consideration for funding if the Applicant or its related parties have a history of default or non-performance under any agreement, payment delinquencies, bankruptcy, foreclosure, or activities determined to be unsound or unlawful. CmDv will not fund projects owned, developed, or otherwise sponsored by any individual, corporation, or other entity that is suspended, debarred, or otherwise precluded from receiving federal awards.

- N. Fair Housing. HUD provides funding to state and local government agencies to enforce local fair housing laws that are substantially equivalent to the Fair Housing Act. The State of Louisiana has a fair housing law that meets substantial equivalency requirements of the federal government. The state law contains all the protected classes found in the federal law and meets the enforcement and penalty standards set forth in the federal Fair Housing Act. The City of Alexandria is committed to following compliance and enforcement of the Fair Housing Act, and all Federal, State and local mandated assurances.
- O. Federal Crimes. Developer is acknowledging that they have not been convicted of, nor has he/she entered into a plea of guilty or nolo contendere to any of the crimes or equivalent federal crimes listed below.
1. No individual partner, incorporator, director, manager, officer, organizer or member, who has a minimum of ten (10%) ownership in the Bidding Entity, has been convicted of, or nor has he/she entered into a plea of guilty or nolo contendere to any of the crimes or equivalent federal crimes listed below. A conviction of or plea of guilty or nolo contendere to the following state crimes or equivalent federal crimes shall permanently bar any person or bidding entity from consideration as a Qualified Registered Contractor and/or bidding privileges by CmDv, who is funded by Federal and/or local funds: Public bribery (RS 14:118); Corrupt influencing (RS 14:120); Extortion (RS 14:66); Money laundering (RS 14:230).
 2. A conviction of or plea of guilty or nolo contendere to any of the crimes or equivalent federal crimes shall bar any person or the bidding entity from consideration as a Qualified Registered Contractor and/or bidding privileges by CmDv for a period five (5) years from the date of conviction or from the date of the entrance of the plea of guilty or nolo contendere: Theft (RS 14:67) Identity Theft (RS 14:67, 16); Theft of a working record (RS 14:67.20); False accounting (RS 14:70); Issuing worthless checks (RS 14:71); Bank fraud (RS 14:71.1); Forgery (RS 14:72); Contractors - misapplication of payments (RS 14:202); Malfeasance in office (RS 14:134).

3. The five (5) year prohibition provided for in this section shall apply only if the crime was committed during the solicitation or execution of a contract or bid awarded pursuant to these provisions. If evidence is submitted substantiating that a false attestation has been made and the project must be re-advertised or the contract cancelled, the awarded entity making the false attestation shall be responsible to the public entity for the costs of rebidding, additional costs due to increased costs of bids and any and all delay costs due to the rebid or cancellation of this project.
- P. Federally Funded. Work performed under this contract may be Federally Funded, therefore, the Developer, Contractor and Subcontractors under the awarded contract must comply with HUD contract provisions 24 CFR Part 85.36(i), Nondiscrimination, Equal Employment Opportunity, Affirmative Action, Section 3 requirements, Anti-Kickback Act, Federal Occupational Safety and Health Act and Department of Labor Standards and Regulations as set forth in the Contract Documents. This municipality is an Equal Opportunity Employer, businesses owned by women or minorities are encouraged to bid.
 - Q. Headings and Pronouns. The headings of the paragraphs in this Agreement are for convenience only and do not affect the meanings or interpretation of the contents. Any pronouns used within this Agreement shall be applicable without regard to gender. Additionally, any construction of terms, parties, or pronouns shall be construed in either the singular or plural as may be appropriate regardless of the actual term used herein.
 - R. Lead Based Paint Hazards. Contractor agrees to adhere to all EPA and HUD regulations for the use of Lead Safe Work Practices during the course of construction in structures built prior to 1978. Contractor also acknowledges that Lead Clearance testing may also be required by an approved State Licensed Hazard Testing Contractor.
 - S. Minority Business Enterprise and Women Business Enterprise (MBE/WBE) Plan. Developers must maintain a MBE/WBE plan that demonstrates marketing and solicitation of MBE/WBE businesses and contractors for the construction of the project.
 - T. Non-Discrimination. During the performance of this contract, Developer agrees that he/she will comply with Executive Order 11246 of September 24, 1965, entitled "Equal Employment Opportunity," as amended by Executive Order 11375 of October 13, 1967, and as supplemented in Department of Labor regulations (41 CFR Article 60). Compliance shall also be required with Title VI of the Federal Civil Rights Act of 1964 as amended; the Federal Civil Rights Act of 1991 as amended; the Americans with Disabilities Act of 1990 as amended; the Public Act of 1976 as amended, and all other applicable Federal, State and Local laws and regulations. Specifically, Contractor agrees not to discriminate in its employment practices, and will render services under this contract without regard to race, color, religion, age, sex (including sexual orientation and gender identity), national origin, ancestry, veteran status, political affiliation, familial status or disabilities as defined by law. Any act of discrimination committed by Developer or failure to comply with these obligations when applicable shall be grounds for termination of this contract.

Developer also agrees to comply with these non-discrimination regulations as it relates to the occupancy of the property receiving funding through the Affordable Single-Family Housing Development Program or the Homebuyer Assistance Program (HAP) from the City of Alexandria. Additionally, pursuant to the requirements of 24 CFR 5.105(a)(2), participation in this program is open to all Developers without regard to actual or perceived sexual orientation, gender identity, or marital status.

The Developer, under the PENALTY FOR FALSE OR FRAUDULENT STATEMENT: U.S.C., Title 18, Section 1001, provides: "Whoever, in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies...or makes any false, fictitious or fraudulent statements or representation, or

makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement of entry, shall be fined no more than \$10,000 or imprisoned not more than five (5) years, or both."

The following federal non-discrimination and equal opportunity guidelines apply to all projects and affect both development and sales of assisted housing:

1. The Fair Housing Act (42 U.S.C. 3601-19) and implementing regulations at 24 CFR part 100 et seq.;
2. Executive Order 11063, as amended by Executive Order 12259 (3 CFR, 1959-1963 Comp., p. 652 and 3 CFR, 1980 Comp., p. 307) (Equal Opportunity in Housing Programs) and implementing regulations at 24 CFR part 107;
3. Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d-2000d-4) (Nondiscrimination in Federally Assisted Programs) and implementing regulations at 24 CFR part 1;
4. The Age Discrimination Act of 1975 (42 U.S.C. 6101-6107) and implementing regulations at 24 CFR Part 146;
5. Section 504 of the Rehabilitation Act of 1973 (29 U.S.C 794) and implementing regulations at part 8 of this title;
6. Title II of the Americans with Disabilities Act, 42 U.S.C 12101 et seq.; 24 CFR part 8; Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) and implementing regulations at 24 CFR part 135;
7. Executive Order 11246, as amended by Executive Orders 11375, [[Page 41]] 11478, 12086, and 12107 (3 CFR, 1964-1965 Comp., p. 339; 3 CFR, 1966-1970 Comp., p. 684; 3 CFR, 1966-1970 Comp., p. 803; 3 CFR, 1978 Comp., p. 230; and 3 CFR, 1978 Comp., p. 264, respectively) (Equal Employment Opportunity Programs) and implementing regulations at 41 CFR Article 60;
8. Executive Order 11625, as amended by Executive Order 12007 (3 CFR, 1971-1975 Comp., p. 616 and 3 CFR, 1977 Comp., p. 139) (Minority Business Enterprises); Executive Order 12432 (3 CFR, 1983 Comp., p. 198) (Minority Business Enterprise Development).
9. Executive Order 12138, as amended by Executive Order 12608 (3 CFR, 1977 Comp., p. 393 and 3 CFR, 1987 Comp., p. 245) (Women's Business Enterprise). The nondiscrimination provisions of Section 282 of the National Affordable Housing Act of 1982.

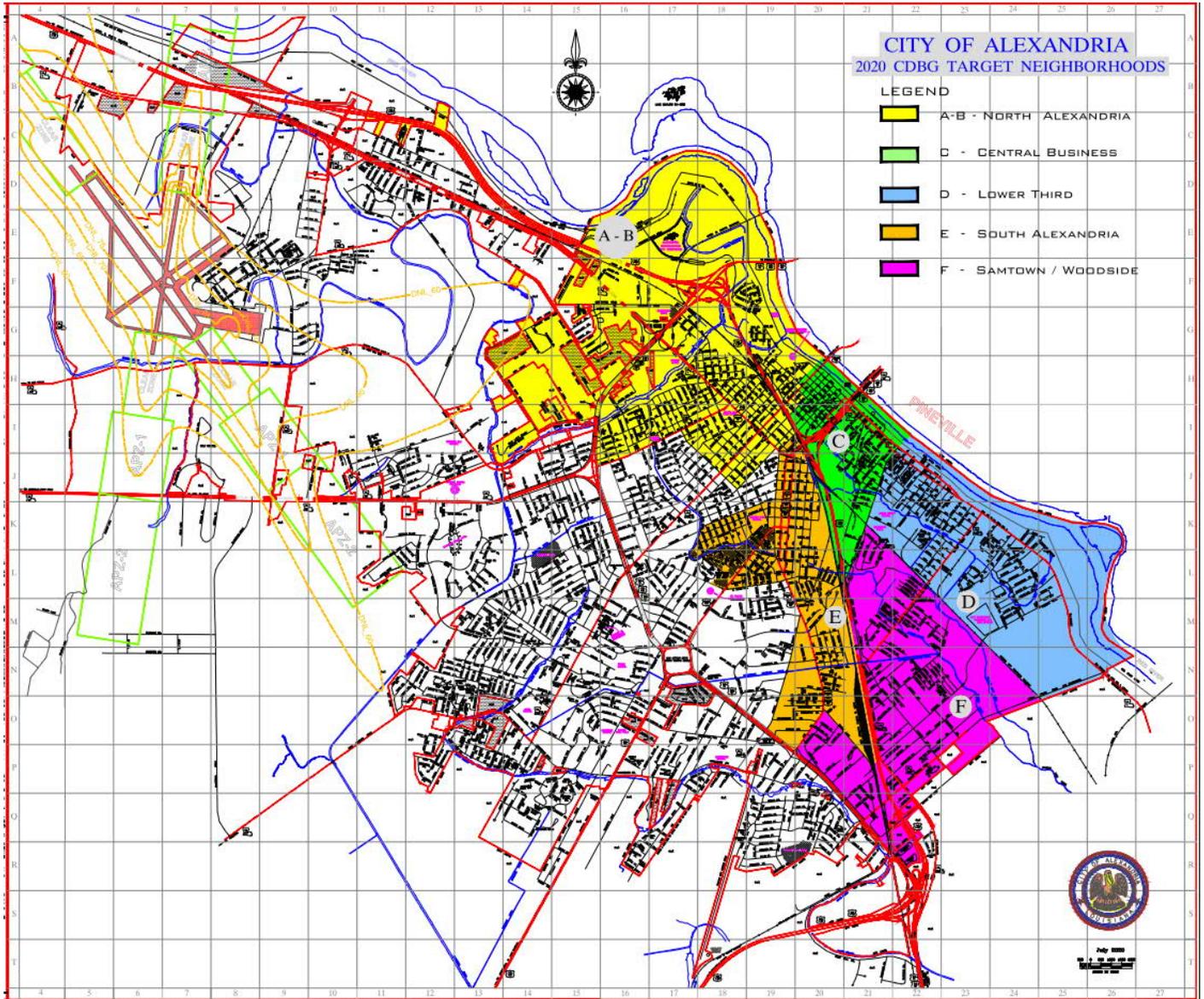
Developer shall agree by document signature to show a good faith effort to comply with the City's Non-Discrimination Statement. The Non-Discrimination Program should be inquired about through the City's Legal Division (318-449-5015). In order to be eligible to participate in work under the direction of City of Alexandria Community Development Department, the Contractor certifies that:

1. No person shall be excluded from participation in, denied the benefit of, or otherwise discriminated against on the basis of race, color, national origin, religion or gender in connection with any bid submitted to the City of Alexandria or the performance of any contract resulting from this project or any other City of Alexandria project;
2. That it is and shall be the policy of Contractor to provide equal opportunity to all working persons seeking to contract or otherwise interested in contracting with Contractor, including those companies owned or controlled by racial minorities, cultural minorities, and women;
3. In connection therewith, we acknowledge and warrant that we have been made aware of and understand and agree to take affirmative action to provide such companies/subcontractors with the maximum opportunities to do working with us;
4. That this promise of non-discrimination as made and set forth herein shall be continuing in nature and shall remain in effect continuously;
5. That the promises of non-discrimination as made and set forth herein, shall be deemed to be made part of, and incorporated by reference, into any contract or portion thereof which Contractor may hereafter

obtain from the City of Alexandria;

6. That the failure of Contractor to satisfactorily discharge any of the promises of non-discrimination as made and set forth herein shall constitute a material breach of contract entitling the City of Alexandria to declare the contract in default and to exercise any and all applicable rights and remedies including but not limited to termination of the contract, suspension, debarment from future contracting opportunities, or the withholding or forfeiture of compensation due and owing on a contract.
- U. Non-Waiver by the Owner. No waiver of any breach or default hereunder shall constitute or be construed as a waiver by the Owner of any subsequent breach or default or of any breach or default of any other provision.
- V. Records. Developer shall maintain books of accounts, the Contract, and other such records as shall properly and completely reflect this transaction for a period of three (3) calendar years after issuance of the Certificate of Occupancy / Completion and final payment.
- W. Section 3. Developers must maintain a Section 3 plan that demonstrates a marketing plan to include Section 3 Contractors in the construction of the project.
- X. Severability. If any provision of this Contract shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof, and this Contract shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.
- Y. Uniform Relocation Act (URA). All projects fall under requirements of the URA. Any project in permanent relocation/displacement of households will not be funded by CmDv. Developers must further document that any purchase of property meets the requirements of URA, including provisions of notices to the seller identifying the transaction as a voluntary sale not under the threat of eminent domain. To ensure compliance with URA, Developers should consult CmDv to understand the requirements of URA and reference the URA forms included in the proposal prior to submission related to an occupied property.

2020 Target Neighborhood Revitalization Map:



END.

APPENDIX A

APPLICATION COVER SHEET AND REQUIRED MATERIALS CHECKLIST

Applicant Name:	
Applicant Mailing Address:	
Applicant Phone #:	
Applicant Email:	
Name of Authorized Representative:	
Authorized Representative Phone #:	
Authorized Representative Email:	

CERTIFICATION OF AUTHORIZED REPRESENTATIVE:

I, _____, as Authorized Representative for _____, hereby certify that all materials submitted in this proposal as noted on the checklist below are true and correct to the best of my knowledge and belief. I understand that any attempt to falsify information in this application shall result in disqualification. Further, I hereby consent to request that Community Development may make of third-parties for information to substantiate information provided in this proposal, and I authorize third parties to release such information to Community Development.

Signed: _____

Printed Name: _____

Date: _____

APPENDIX A (continued), APPLICATION CHECKLIST:

The materials listed below must be submitted with this application. Materials must be organized according to the tab numbers below. If appropriate, provide an explanation for why any item is not applicable. Applicants should note that additional due diligence items will be required as set forth in CmDv's Single Family Housing Development Program prior to the City's final commitment of funds.

Application:		
	Tab 1:	Complete Response to Request for proposals including all required certifications and attachments
	Tab 2:	Executive Summary containing a brief synopsis of the proposed development and number of units, location, project costs and the proposed financing. The Summary should also have a rendering and/or sketch of the proposed homes (schematic front elevation and schematic floor plan only-detailed drawings are not required with RFP), including a list of amenities and accessibility/adaptability provisions.
Developer Capacity & Fiscal Soundness:		
	Tab 3:	Developer statement of qualifications that identifies: <ul style="list-style-type: none"> o Recently completed comparable projects o All projects underway and/or pending o Staff assigned to this project and their roles and experience o Disclosure of any identity of interest purchases/contracting relationships
	Tab 4:	Individual resumes, copies of appropriate licenses and/or professional certifications
	Tab 5:	Current balance sheet
	Tab 6:	Current year budget with comparison of actual performance YTD vs. projections
	Tab 7:	Most recent corporate audit or reviewed financial statements
	Tab 8:	Most recent tax returns (990s for nonprofit developers)
Site and Product:		
	Tab 9:	Evidence of site control (e.g. option, purchase agreement, or deed)
	Tab 10:	Uniform Relocation Act document <ul style="list-style-type: none"> o URA Notice to Seller of Voluntary Sale o Seller certification regarding vacancy (as applicable)
Underwriting/Financial Projections:		
	Tab 11:	Proforma showing all project costs, construction sources, and estimated sales proceeds, to include estimates/documentation of professional services and soft costs (e.g. architectural fees, construction period taxes/insurance, marketing expenses, realtor listing agreement, etc.)
	Tab 12:	Commitments for other financing, both permanent and construction loan sources (if available)
Market Data, Sales Effort, and Buyer Information		
	Tab 13:	Recent sale data for neighborhood-assess sales for comparison to planned units, pricing, time on market, etc.
	Tab 14:	Sales & Marketing plan outlining <ul style="list-style-type: none"> o Description of primary market and outreach strategies o Availability of homebuyer counseling services and appropriate referral plan o Availability of appropriate first mortgage products

APPENDIX B

DEVELOPER / APPLICANT CERTIFICATIONS

CERTIFICATION REGARDING CONFLICT OF INTEREST

The undersigned certifies to Community Development that the Developer / Applicant has no known potential conflicts of interest or it has disclosed such relationships with a supplemental attachment to this certification. In all cases not governed by these rules, conflicts of interest are not permitted. The following applies:

If a person is:

An employee, agent, consultant, officer, elected official or appointed official of the City or is an immediate family member of or has business ties with such a person;

AND have project-related responsibilities or access to inside information.

That person may NOT:

Obtain a financial benefit or interest from any HOME and/or CDBG activity for themselves or those with whom they have family or business ties during their tenure or for one year thereafter.

CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS

1. The undersigned certifies to Community Development that it and its principals:
 - a. Are not presently debarred, suspended, proposed for debarment or suspension, declared ineligible, or voluntarily excluded from any transactions or construction projects involving the use of Federal Funds;
 - b. Have not within a three-year period preceding this certification been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract, violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
 - c. Are not presently for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (1) (b) of this certification; and
 - d. Have not within a three-year period preceding this certification had one or more public project (Federal, State or local) terminated for cause of default.
2. Where the undersigned is unable to certify to any of the statements in this certification, the undersigned shall attach an explanation to this certification.

CERTIFICATION REGARDING DISPLACEMENT, RELOCATION AND ACQUISITION

The undersigned hereby certifies to Community Development that if its application is selected for funding, the project will not result in the displacement of person (families, individuals, businesses, nonprofit organizations, and farms).

CERTIFICATION REGARDING PROHIBITION OF THE USE OF FEDERAL FUNDS FOR LOBBYING AND BRIBES

The undersigned hereby certifies to Community Development, for itself and its principals that:

1. No Federal appropriated funds have been paid or will be paid by or on behalf of the Owner, to any person for influencing or attempting to influence an office or employee of any agency, a Member of Congress, and officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan or cooperative agreement;
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, and officer or employee of a member of Congress in connection with this Federal contract, grant loan, or cooperative agreement, the Owner will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and
3. The Owner shall require that this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub grants, and contract under grants, loans, and cooperative agreements) and that all sub recipients shall certify and disclose accordingly.

CERTIFICATION REGARDING AFFIRMATIVE MARKETING PROCEDURES AND EQUAL OPPORTUNITY

The undersigned applicant certifies to Community Development, that it will continue to further Equal Opportunity and Fair Housing by:

1. Establishing affirmative marketing procedures to be utilized so that no person shall, on the grounds of race, color, national origin, religion, or sex be excluded from participation in, be denied benefits of, or be subject to discrimination under any program or activity funded in whole or part with funds made available under the City of Alexandria's HOME and/or CDBG Program.
2. Complying with the requirements of the Fair Housing Act and the Age Discrimination Act of 1975
3. Displaying the Fair Housing logo on its advertisement for those units and at the leasing or sales office. At a minimum, a Fair Housing poster will be displayed at the leasing or sales office.
4. Submitting in writing to Community Development its plan to solicit applications from persons in the community who are unlikely to apply without special outreach.
5. Maintaining a list of the characteristics of the applicants interested in owning HOME and/or CDBG assisted units and will assess and report annually the results of these efforts to Community Development.

Signature of Authorized Certifying Official:

Title:

Applicant Organization:

Date:

Notary Public
State of Louisiana at large
My Commission Expires: _____

APPENDIX C

UNIFORM RELOCATION ACT FORMS
DISCLOSURES TO SELLER WITH VOLUNTARY, ARM'S LENGTH PURCHASE OFFER

Dear _____:

This is to inform you that _____ would like to purchase the property located at _____, if a satisfactory agreement can be reached. The above is prepared to pay \$_____ for clear title to the property under the conditions described in the attached proposed contract of sale.

Because Federal funds may be used in the purchase, Community Development is required to disclose to you the following information:

- A. The sale is voluntary. If you do not wish to sell, _____ will not acquire your property. _____ does not have the power to acquire your property by condemnation (i.e. eminent domain).
- B. The estimated fair market value of the property is \$_____.

Since the purchase would be a voluntary, arm's length transaction, you would not be eligible for relocation payments or other relocation assistance under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA), or any other law or regulation. Also, as indicated in the contract of sale, this offer is made on the condition that no tenant will be permitted to occupy the property before the sale is completed.

Again, please understand that if you do not wish to sell your property, no further action will be taken. If you are willing to sell the property under the conditions described in the attached contract of sale, please sign the contract and return it to us.

Seller _____ Buyer _____

Date _____ Date _____

This form must be signed and dated by the SELLER at the beginning of any negotiations to purchase the seller's property and such date must be no later than the date of purchase offer; a copy shall be given to the SELLER and the original retained in the applicant's individual file at Community Development.

[ON DEVELOPER / APPLICANT LETTERHEAD]

OCCUPANCY / VACANCY CERTIFICATION

This is to certify that I/we _____
are the owners and sellers of the property located at _____.

On or about the date of _____ 20____, I/we entered in to a Purchase Agreement with
_____ for the purchase of the property described above.

At the time of the Purchase Agreement, I/we certify that the property located at _____
_____:

Complete and check one of the following:

- ___ Was/is vacant of residential or non-residential tenants. I/we further certify that this property was vacant prior to any verbal and/or written agreement with the buyer.
- ___ Has been occupied by ourselves (the sellers) for the previous _____ months.
- ___ Has been occupied by the prospective purchasers, _____, for the previous _____ months.
- ___ Was occupied by the individuals listed on Attachment A during the three (3) months prior to the date of the Purchase Agreement.

Nothing that I/we did as part of this sale, or previous to it, caused tenants to vacate and therefore avoid relocation in a Federally-assisted project.

Signature if Seller

Date

Signature of Co-Seller

Date

APPENDIX D

PROJECT CHARACTERISTICS SUMMARY

Task Description: (copy this sheet for multiple addressed, if needed)	Developer Response:
Number of properties to be acquired:	
Property Acquisitions expected start date:	
Property Acquisitions expected completion date:	
Number of properties located within a <i>Target Neighborhood</i> :	
Has research been conducted to identify the location sales interest:	
What is the expected sales market time after completion to sell:	
Will multiple contiguous lots have to be replatted:	
Number of blighted structures to be demolished, if any:	
Number of homeownership units to be produced:	
Number of properties to be substantially rehabilitated:	
Number of properties for new construction:	
Construction expected start date:	
Construction expected completion date:	
Will construction utilize Green Building Techniques (GBT):	
Will construction utilize Energy Efficient Design (EED):	
Will Lead abatement be required:	
What will be used to satisfy 25% match requirement:	
What other funding sources is being sought after (list all):	
Schematic drawings of floor plan & front elevation are included:	

By signature below, I attest that this information is true and accurate for this RFP submittal.

Signed: _____

Printed Name: _____

Date: _____

APPENDIX E

DEVELOPMENT PROFORMA

As-Completed Value / Sales Price			
Sales Price at Appraised / Market Value:			

Development Budget			
Predevelopment & Due Diligence			
Appraisal(s)			
Architectural & Engineering			
Asbestos & Lead Paint Based Paint Testing			
Phase I Env. / Env. Transaction Screen			
Survey			
Total Predevelopment:			
Acquisition			
Land & Building			
Closing Costs at Acquisition			
Total Acquisition:			
Hard Construction Costs			
Building Permits			
Tap Fees			
Site preparation / on-site infrastructure			
Residential Structure			
Free-standing Accessory Structure(s)			
Landscaping			
Appliances			
Contractor Profit / OH / GC (if not included above)			
Construction Contingency			
Total Construction:			
Professional Services			
Legal			
Marketing / Advertising			
Total Professional Fees:			
Developer Fee			
Subtotal of Hard / Soft costs			
Developer Fee Calculation		15% max	
Developer Fee Requested / Proposed			
Developer Fee to be Paid prior to Closing			
Total Developer Fee:			
Seller's Closing Cost			
Realtor Commission		Sales price	
Seller's Closing Costs		Sales price	
Seller Paid Transfer Taxes		Sales price	
Other development costs paid from proceeds			

Total Seller's Closing Costs:			
Total Development Costs (TDC)			
Development Subsidy / Appraisal Gap			

Buyer Analysis

If Unassisted			
Appraised Value / Sales Price			
Closing Costs / Prepaids		Sales price	
Total Cash Needed (if unassisted):			
Allowable LTV			
Max Mortgage Based on Value			
Cash Needs (if unassisted)			
Interest Rate			
Mortgage Insurance Premium Rate (MIP/PMI)			
Term (Years)			
Principal, Interest, & MIP Payment			
Parish Taxes (Annual)			
City Taxes (Annual)			
Insurance (Annual)			
Associated Fees (Annual)			
Total Escrow (Monthly):			
Total Monthly Payment			
Target Housing Ratio			
Minimum Buyer Profile (unassisted)			
Minimum Income (unassisted)			
Buyer Cash Investment (unassisted)			
Minimum Buyer Profile (with assistance)			
Maximum Total Buyer Assistance Available			
Down Payment / Closing Costs			
Projected Buyer Cash		Sales price	
Assistance Needed for DPA / Closing			
Add'l Mortgage Write-Down Available			
Minimum Mortgage Needed:		Effective LTV	
PITI (& MIP/PMI) after write-down			
Minimum Income Needed (at max assistance):			

Development Sources

Total Development Costs			
Costs Paid from Sales Proceeds			
Development Period Sources Needed			
Gross Development Subsidy			
Other grants (applied to Development Subsidy)			
HOME for Development Subsidy			
"Prefunded" Buyer Assistance (HOME)			
Interim Construction Financing Needed			
Equity (repayable from proceeds)			
Construction Loan (repayable from proceeds)			
Other (repayable from proceeds) Describe:			
Subtotal of other interim sources:			
Remaining Financing Gap / Public Construction Loan			
TOTAL HOME Investment Needed			
Developer Subsidy (permanent)			
"Prefunded" Buyer Assistance (permanent)			
Add'l Construction Period Financing (interim)			
Total Public Investment:			

Approved Development Fees are considered an eligible project expense. Such fees will not be paid until after satisfactory completion of each homeownership dwelling has been issued a Certificate of Occupancy.

Exhibit A – Application Requirements and Due Diligence Exhibits

Instructions: In the event that a letter of intent to award is provided to a Developer / Developer, the items listed here will be required for submittal prior to final, binding award confirmation. Developers will need to submit all items prior to receiving a formal commitment of funds from CmDv and should submit all items that are available with their initial application.

CmDv reserves the right to require additional due diligence items as needed to evaluate the project, document compliance with HOME and/or CDBG and other applicable federal regulations. Additionally, following a commitment of HOME and/or CDBG funds, additional items will be required in order to close on the CmDv's HOME loan.

Application

- Complete Response to Request for Proposals including all required certifications and attachments
- Executive Summary containing a brief synopsis of the proposed development and number of units, location, project costs and the proposed financing. The Summary should also have a brief description of the proposed complex (frontal elevation and floor plan only-detailed drawings are not required with RFP), proposed site plan, amenities, and accessibility/adaptability provisions.

Market Data

- As-built/as-completed appraisal-compare to current HOME maximum sales price limit
- Recent Sale data for neighborhood-assess sales for comparison to planned units, pricing, time on market, etc.
- Evidence of demand-applications/waiting list, counseling pipelines, or analysis of the pool of potential buyers in eligible income range

Developer Capacity & Fiscal Soundness

- Developer statement of qualification that identifies
 - o Recently completed comparable projects
 - o All projects underway and/or pending
 - o Staff assigned to this project and their roles and experience
 - o Disclosure of any identity of interest purchase/contracting relationships
- Individual resumes, copies of appropriate licenses and/or professional certifications
- Current balance sheet
- Current year budget with comparison of actual performance YTD vs. projections
- Most recent corporate audit or reviewed financial statements
- Most recent tax returns (990s for nonprofit developers)
- Authority to Release Confidential Information, which is included in the Application Cover Sheet certification. Will allow CmDv to:

- Contact Banking references
- Obtain developer's corporate credit report (e.g. Dun & Bradstreet) or personal credit report (e.g. sole proprietors, S-corps, etc.)

Site and Product

- Evidence of site control (e.g. option, purchase agreement, or deed)
- Uniform Relocation Act documentation
 - URA Notice to Seller of Voluntary Sale
 - Seller certification regarding vacancy (as applicable)
 - Rent Roll and evidence of General Information Notices to existing tenants (occupied properties only)
- Title insurance commitment
- Documentation of existing property value (e.g. tax assessment, appraisal, etc.)
- Assessment record-or other public documenting date of original construction for rehabilitation projects, shows applicability of LBP and/or historic reviews
- Site specific environmental record and (as applicable) estimate of remediation costs
 - Radon and mold testing (as applicable)
 - LBP risk assessment (as applicable)
- Evidence of subdivision approval (as applicable)
- Documentation of utility availability and connection costs
 - Water, sewer, electric, gas
- Plans and specifications, including site plan and elevation drawings
- Zoning / site plan and building / code review approval / Building Permit issuance

Underwriting/Financial Projections

- Proforma showing all project costs, construction sources, and estimated sales proceeds
- Commitments for other financing, both permanent and construction loan sources
- Documentation of construction/rehabilitation costs (e.g. by qualified individual, bids, contract documents)
- Estimates/documentation for professional services and soft costs (e.g. architectural fees, construction period taxes/insurance, marketing expenses, realtor listing agreement, etc.)

Sales Effort and Buyer Information

- Sales & Marketing plan outlining
 - Description of primary market and outreach strategies
 - Availability of homebuyer counseling services and appropriate referral plan
 - Availability of appropriate first mortgage products

- Waiting list(s) of interested buyers or documentation regarding homeownership counseling participants; compare demographics to underwriting assumptions about buyer incomes, mortgage capacity, down-payment/closing cost or other direct financing assistance needed

- Formal reservations for pre-sale agreements for planned units

- For identified buyers:
 - Income verification package
 - Homebuyer Counseling certificate
 - Mortgage pre-qualification or approval
 - Documentation of buyer cash contribution toward down-payment/closing costs

END ATTACHMENTS.