



REQUEST FOR PROPOSALS
for

AFFORDABLE SINGLE FAMILY
HOUSING DEVELOPMENT

CmDv RFP #2005



Proposals due by: September 25, 2020 at noon

Community Development Department
625 Murray Street, Suite 7
Alexandria, Louisiana 71301
cda@cityofalex.com
318-449-5072

REQUEST FOR PROPOSALS: RFP #2005

AFFORDABLE SINGLE FAMILY HOUSING DEVELOPMENT

for the acquisition and new construction or substantial renovation of structures for single family homeownership development of affordable low income housing within the City limits of Alexandria, Louisiana

Article I – INTRODUCTION:

The City of Alexandria's (COA) Community Development (CmDv) Department is managing an *Affordable Single Family Housing Development Program*. This program and associated activities will be funded with the HOME Investment Partnership Program (HOME) and Community Development Block Grant (CDBG) federal funds issued by U.S. Department of Housing and Urban Development (HUD) as a participating jurisdiction (PJ).

The *Affordable Single Family Housing Development Program* is designed to provide decent, safe, sanitary, affordable housing options to the City's residents and to stimulate employment opportunities for our local area to improve overall quality of life in Alexandria.

CmDv will accept proposals only of development within the City limits of Alexandria, Louisiana. CmDv is encouraging reuse of existing vacant, blighted, abandoned, foreclosed and/or tax adjudicated properties throughout the identified *Target Neighborhoods**. See Article VII for graphic map.

RFP applicants should review and become familiar with all parts of this document, include the RFP guidelines, all attachments and the *Affordable Single Family Housing Development Program Guidelines*.

Submitted proposals will be scored based on compliance with the requirements set forth in the guidelines following.

All plans and maps identified in italics with an asterisk (*) symbol cited in this document can be found at www.cityofalexanriala.com/Community-Development.

This document sets forth the requirements for CmDv's award of HOME funds for *Affordable Single Family Housing Development Program* and may be modified from time to time so as to comply with statutory or regulatory amendments.

Article II – RFP OVERVIEW:

The following shall define the requirements for this RFP:

- A. CmDv will accept applications from private, for-profit Developers and Contractors, as well as local non-profits (Developer / Applicant) with construction experience.
 1. If awarded, HOME and/or CDBG funding shall be provided to the Developer / Applicant for acquisition, construction and disposition costs.

2. In exchange for development financing, Developer will agree to comply with the requirements set forth herein with respect to construction, marketing, and sales.
- B. CmDv intends to fund at least one (1) affordable single family residential homeownership project per year for the next five (5) years. This goal is in accordance with the City's *2020-2024 Five (5) Year Consolidated Plan**. All proposal sites shall be located within the City limits of Alexandria, Louisiana only and preferably within a defined *Target Neighborhood Revitalization** area. Each unit proposed shall be an individual, independent project.
1. Development of stand-alone single family homes on various scattered or contiguous sites will be considered. Call 318-473-1371 for property Zoning verifications and questions. Homes shall be a minimum of 1,100 square feet of heated & cooled area with three (3) bedrooms and two (2) full bathrooms.
 2. Reuse of vacant, blighted, abandoned lots and/or structures, foreclosed and/or tax adjudicated properties, are strongly encouraged. Development of *raw land* will not be considered.
 - i. Call 318-449-5081 for City tax adjudicated property list and questions.
 - ii. For the purpose of this document, "raw land" shall refer to land that does not have readily available existing public provided utilities, such as water, electric and sewer service, as well as gas, if applicable. The location shall also lack existing public street access, which may include street lighting and sidewalks.
 - iii. Obtaining clear, insurable title on any property purchased is required.
 3. For application, schematic construction drawings of only an improved front elevation, floor plan and site plan are required with submittal.
- C. CmDv's 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) as defined by HUD. Participating buyers will also receive down payment and closing cost assistance, as needed.
- D. HUD regulations for program compliance: 24 CFR 92 (HOME) and 24 CFR Part 570 (CDBG).

Article III – RFP REQUIREMENTS

A. Maximum Award:

CmDv's HOME Maximum Project Subsidy limits for Program Year 2020-2021 are:

1. \$85,000 for any stand-alone single family 3 bedroom / 2 bath home.
2. Developer / Applicant must include an investment of not less than \$1,000 in HOME funds per HOME units.

B. Eligible Development Costs:

Primary allowable development costs shall include:

1. *Acquisition* can apply to purchase of property or act of donation, which may include foreclosed, abandoned and/or tax adjudicated properties. This may also cover legal procedures to acquire clear title. (24 CFR 570.206)

2. *Construction* can apply to demolition, clearance, substantial renovation of an existing home, new construction, and/or relocation of an existing structure to an existing vacant lot for substantial renovation. (24 CFR 570.201(a-d) & 570.202)
3. *Disposition* can apply to marketing and soft seconds, including closing costs and down payment assistance that will be paid at the time of closing on the new qualified homebuyers behalf. (24 CFR 570.201(b,e,i,n))

C. Inclusion of Application Soft Costs:

CmDv is requiring an allowance of \$2,500 per unit for the City's project related soft costs for applications submitted under this RFP. This allowance should be included in the proposed project budget.

D. Homebuyer Income Restrictions:

Community Development uses the Section 8 definition to calculate Annual Income as defined in 24 CFR Part 5. To qualify as affordable housing, HOME units must be sold only to households with certain incomes regulated by HUD, which are updated each year. Qualified homebuyer applicants must be below 80% median income of 2020 Adjusted HOME Income Limits for Alexandria, Louisiana.

E. Match:

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 / Applicant specifically for an affordable housing project, Applicants should note that owner equity does not count as match and will not result in the award of match points under this RFP. 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 IV – SELECTION CRITERIA:

CmDv will use the following selection criteria to select from among competing applications. The preliminary funding commitments resulting from this RFP 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 an applicant 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 funds 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.

Points will be designated for each factor below for a maximum score of 100 points.

#	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>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.	20
4	<i>Design and Amenities</i> Projected sales price, architectural character, design, and location amenity proximity considerations will be closely 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.	10
TOTAL		100

Article V – QUALIFICATIONS ON FUNDING:

A. Limitation on CmDv Commitment

Successful Applicant(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 2020-2021 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.

Neither this RFP nor the acceptance of any application 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.

As a PJ, CmDv is responsible for the administration of the HOME and/or CDBG Programs under federal regulations and HUD requirements. It is the intent that this RFP be issued and proposals underwritten 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.

B. Good Standing

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. An applicant 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.

C. Code of Conduct

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.

D. Insurances

The Contractor shall maintain insurance in the types and amounts required by Bid Packet.

1. **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.
2. **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.
3. **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.

4. 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.
5. 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.
6. 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.
8. 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.

D. Indemnification

The Developer / Applicant 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 / Applicant, its agents, employees, partners or subcontractors, without limitation. Provided, however, that the Contractor 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.

Article VI – APPLICATION REQUIREMENTS AND SUBMITTAL DEADLINE:

The proposing Developer / Applicant must submit the application cover sheet and required material described in Appendix A through Appendix E attached in this document. The Program Guidelines section must also be reviewed for the houses amenity specifications requirements and related additional information that shall be requested for submittal, listed in Exhibit A, in the event that a Letter of Intent is authorized.

- A. Applications will be accepted until noon on September 25, 2020. There will be no formal "bid opening" process since the packets will be ranked.
 1. Following December 2, 2020, if funds remain available, CmDv will continue to accept applications for processing on a first-eligible, first-served basis until funds are exhausted.
- B. All requests for additional information or clarification for this RFP must be in writing and submitted no later than August 14, 2020 at 4:30 pm. Email all inquiries to: Shirley.Branham@cityofalex.com.
 1. After all inquiries are collected, a written response will be attached back to the original RFP #2005 on the City's webpage by August 28, 2020 at 1:00 pm. Responses will be available for download by all interested parties on the City's webpage at www.cityofalexandriala.com/rfp.
 2. Any Addendum's required to the original RFP will also be attached back to the original RFP #2005 and will be available for download by all interested parties on the City's webpage.

3. It is the Applicant's responsibility to check for additional information and/or Addendums. In the event an Addendum is issued, the Applicant's proposal packet shall require acknowledgement of inclusion.

C. Developer / Applicant must submit:

1. two (2) paper hard copies of the response - one (1) marked original and one (1) copy; and
2. one (1) flash drive with the electronic format. The electronic copy does not substitute for the hard copies.

D. Applications must be sealed and properly labeled. Please mark envelope as: "RFP #2005 – *Affordable Single Family Housing Development.*" Submissions may be mailed or hand delivered to the address below:

City of Alexandria
 Community Development Department
 625 Murray Street
 Suite 7 (if sent postal mail)
 Third Floor (if hand delivered)
 Alexandria, LA 71301

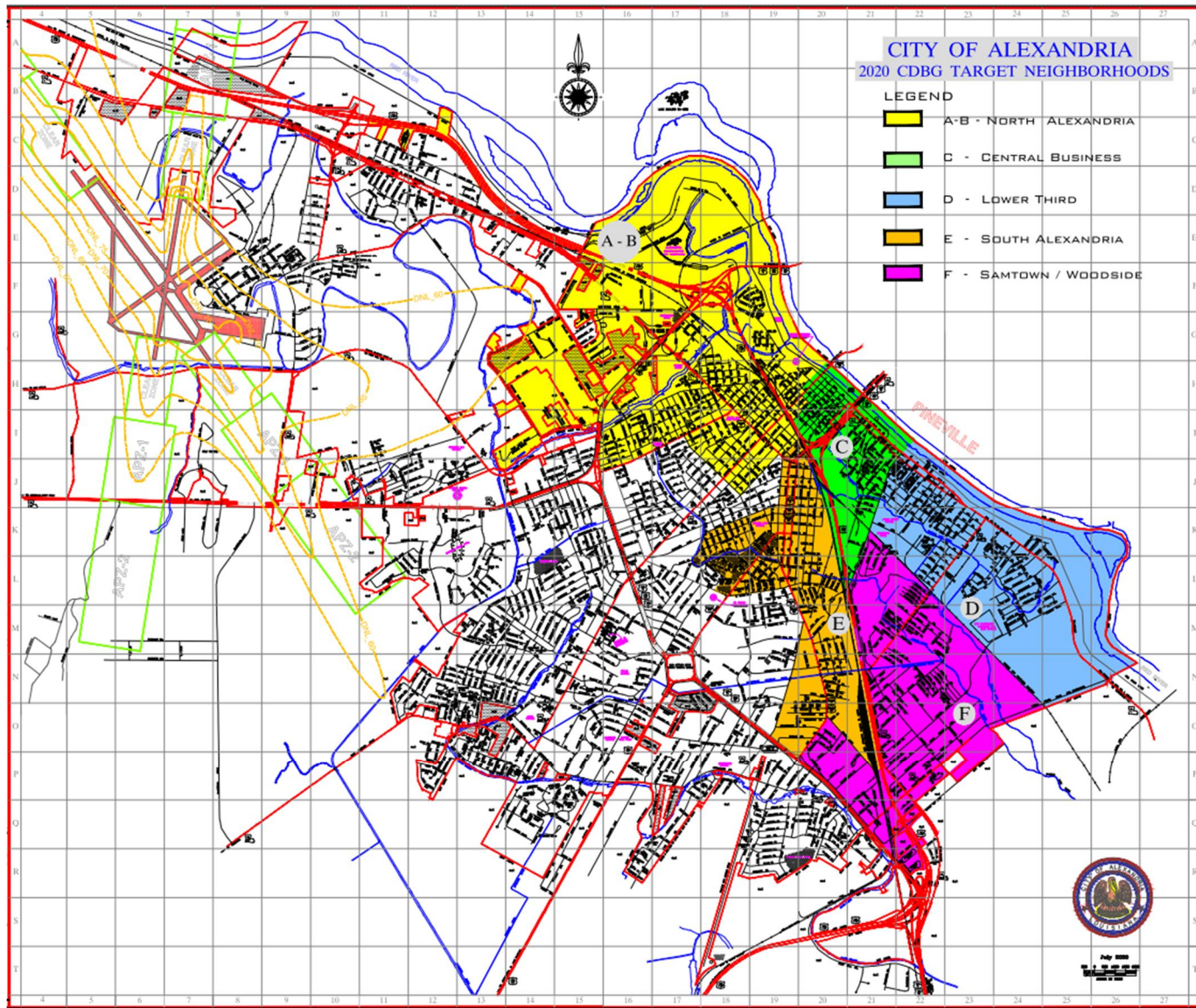
E. The acceptance of any application shall not imply a funding obligation to any applicant. CmDv reserves the sole right to approve or reject any and all applications on such basis as it deems to be in its best interest and to waive any irregularities or informalities in the proposal. CmDv does not discriminate on the basis of race, age, sex, national origin, religion, or disability and is an equal opportunity employer.

F. Review and Award Process / Schedule:

July 15, 2020	Initial RFP advertisement
August 2, 2020	Second RFP advertisement
August 14, 2020	Questions, Clarifications deadline
August 28, 2020	Responses to questions / clarifications posted at 1:pm
September 6, 2020	Third RFP advertisement
September 25, 2020	Application Submission Deadline Date
October 30, 2020	Target Date for all application reviews completed
November 13, 2020	Publish Awards on City's website
December 7, 2020	Contracts Executed and Project Start Date

Article VII – TARGET NEIGHBORHOOD REVITALIZATION MAP:

The current *Target Neighborhood Revitalization Map* below can be found in much greater detail and street delineation at www.cityofalexandria.com/Community-Development. This is for geographic reference only.



RFP #2005 - 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

RFP #2005 - 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: _____

RFP #2005 - 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 of Seller

Date

Signature of Co-Seller

Date

RFP #2005 - 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: _____

RFP #2005 - APPENDIX E DEVELOPMENT PROFORMA

<i>As-Completed Value / Sales Price</i>			
Sales Price at Appraised / Market Value:			
<i>Development Budget</i>			
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):			

<i>Development Sources</i>			
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.



AFFORDABLE SINGLE FAMILY HOUSING DEVELOPMENT

Program Guidelines



City of Alexandria, Louisiana
Community Development Department
318-449-5072
cda@cityofalex.com

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SINGLE FAMILY HOUSING DEVELOPMENT

CmDv's PROGRAM GUIDELINES

Chapter I – Program Overview:

The City of Alexandria's (COA) Community Development Department (CmDv), is a participating jurisdiction (PJ) of U.S. Department of Housing and Urban Development (HUD), and therefore is a recipient of the HOME Investment Partnership Program (HOME) and Community Development Block Grant (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. 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.

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 Article VII. 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.

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 document sets forth the requirements for CmDv's award of HOME funds for Single-Family Housing Development projects and may be modified from time to time so as to comply with statutory or regulatory amendments.

This program's goal is in effort to:

- A. improving the quality of life for our residents by providing much needed affordable housing options;
- B. stimulate revitalization of these areas as proposed in the City's master *Revitalization Plan of 2009*;
- C. reduce the ongoing economic and social costs to the area residents and the City for these nuisance properties; and
- D. build relationships and employment opportunities with for-profit and non-profit Developers.

Chapter II – Project Considerations:

Project proposals shall consider:

- A. Submittals from private, for-profit and non-profit entities with construction experience will be considered.
- B. CmDv intends to fund at least one (1) single family residential homeownership project per year for the next five (5) years, starting in PY2020-2021. Each unit proposed shall be an individual, independent project.
 - 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.
- C. Primary allowable development costs shall include:
 - 1. *Acquisition* can apply to purchase of property or act of donation, which may include foreclosed, abandoned and/or tax adjudicated properties. This may also cover legal procedures to acquire clear title. (24 CFR 570.206)
 - 2. *Construction* can apply to demolition, clearance, substantial renovation of an existing home, new construction, and/or relocation of an existing structure to an existing vacant lot for substantial renovation. (24 CFR 570.201(a-d) & 570.202)
 - 3. *Disposition* can apply to marketing and soft seconds, including closing costs and down payment assistance that will be paid at the time of closing on the new qualified homebuyers behalf. (24 CFR 570.201(b,e,i,n))
- C. All completed construction projects shall target homebuyers whose income is at or below 80% AMI.
- D. Any property purchased, including tax adjudicated property for acquisition, shall be required to obtain clear, unencumbered, insurable title prior to purchase.
- E. 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.
- F. 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.
- G. Modern green building and energy efficiency improvement for long-term affordability and increased sustainability and attractiveness is encouraged.

- H. 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.
- I. 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.
- J. All awarded projects will be required to submit final construction drawings for plan review, zoning approval, address assignment / confirmation, Building Permit and Permit Fee.

Chapter III – Funding Award Considerations:

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

- 1. \$85,000 for any stand-alone single family 3 bedroom / 2 bath home.
- 2. Developer / Applications must include an investment of not less than \$1,100 in HOME funds per HOME units. In no case will CmDv's investment exceed the maximum HOME investment allowed under 24 CFR 92.250. Additionally, 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.

Chapter IV – Developer Considerations:

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

B. 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.

C. 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 applicants to obtain additional quotes, bids, estimates of costs and/or material quantity take-offs.

D. 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. Applications may be determined ineligible if access is not granted or costs are determined to be unreasonable.

E. Insurances

The Contractor shall maintain insurance in the types and amounts required by Bid Packet.

1. **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.
2. **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.
3. **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.
4. **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.
5. **Cancellation Notice.** All policies, as described above, shall include and 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.
6. **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.
7. **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.

F. Indemnification

The Developer / Applicant 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 / Applicant, its agents, employees, partners or subcontractors, without limitation. Provided, however, that the Developer / Applicant 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.

G. Non-discrimination

During the performance of this contract, Developer / Applicant 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 Chapter 60). Compliance shall also be required with 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 or disabilities as defined by law. Any act of discrimination committed by Contractor, or failure to comply with these obligations when applicable shall be grounds for termination of this contract.

H. AFEAT Compliance

During the performance of this Contract, Developer / Applicant will make a good faith effort to comply with the City's AFEAT (Alexandria Fairness, Equality, Accessibility, and Teamwork) Program, by making good faith efforts to engage participation by minority and/or disadvantaged business enterprise firms.

I. Excluded Parties

Developer / Applicant hereby certifies that he/she is not suspended, debarred, or otherwise prohibited from participating in federally-assisted contracts and further certifies that no such parties will be employed as subcontractors and/or vendors on the project. Placement on the federal excluded parties list of the Developer / Applicant and/or use of an excluded party is grounds for termination of the funding agreement.

Chapter V – 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 adopted local building codes and ordinances. 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
- 2020 City of Alexandria Ordinances

2. 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 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.
3. 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. Units must be equipped with the following appliances: Refrigerator, range/oven, dishwasher, microwave/vent fan combination units, garbage disposal, and in-unit clothes washers and dryers (combination stack units are allowed). Energy Star rated appliances shall be provided, with the exception of specific appliances are not rated by the Energy Star program.
3. Units must be equipped with central air conditioning and heat, including all associated duct work, condensers, air registers, return air grills, thermostat, etc.
4. 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.
5. Units must have low E, double pane, energy efficient windows.
6. 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, life span insurance requirements that would be imposed on the new Homebuyer.
 - ii. Contact the City's Floodplain Manager at 318-473-1184 with floodplain questions.
7. 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) vehicles.
 - 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. Applicants must delineate project costs in a manner that allows detached, free-standing structures to be clearly paid for using other project funds.

8. 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.

9. For application, 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. 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.

10. 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. Applicants should note that HUD imposes separate per unit subsidies that are updated annually.
 - i. For 2020, the Maximum Value / Sales Price limits, after completion, are:

Construction Type:	Single Family Stand-Alone Unit (1 home)
New Construction:	\$238,000
Substantial Renovation of Existing:	\$166,000

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 conduction the environmental review and completing all necessary public notifications, and the request for release of funds (RROF) from HUD. The applicant 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.

Chapter VI – 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 *Affordable Homes Homebuyer Assistance Program* (AHHAP) 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 2020 Adjusted HOME Income Limits for Alexandria, Louisiana, which as of July 1, 2020 are:

# of people per household:	1 person	2 person	3 person	4 person	5 person	6 person	7 person	8 person
80 % Median Income:	\$32,700	\$37,400	\$42,050	\$46,700	\$50,450	\$54,200	\$57,950	\$61,650

C. Qualified Homebuyer applicants may be awarded HOME and/or CDBG down payment and closing cost assistance, as needed.

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: 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 and/or down payment assistance. Repayment of the loan will be deferred until refinanced or transfer of title.
4. Homebuyers must participate in pre-purchase counseling provided by a HUD-certified housing counselor employed by a HUD-approved housing counseling agency.
5. Interested homebuyers may require assistance to improve their credit score, build a savings account and/or learn general financial management. A three (3) month program and additional assistance may be provided for those potential homebuyers by a HUD-approved housing counselor.

Chapter VII – Other Federal Requirements:

A. Nondiscrimination and Equal Opportunity

The following federal nondiscrimination 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 chapter 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.

B. 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. Applicants 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, applicants should consult CmDv to understand the requirements of URA and reference the URA forms included in the RFP prior to submitting an application involving an occupied property.

C. Davis Bacon

Davis Bacon federal prevailing wage requirements shall apply to all projects with 12 or more units assisted with HOME funds.

D. 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.

E. 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.

F. Excluded Parties

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. Nor may the developer contract with any other entity (including but not limited to builders/general contractors, property management companies, or other members of the development team) that are suspended, debarred, or otherwise so precluded. Similarly, the general contractor will be required to determine that subcontractors are not so precluded.

Chapter VIII – 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.

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.

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 findings 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).

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.

Chapter IX – Structure of Transaction:

A. Loan Types and Terms

CmDv will provide HOME funds in the form of a loan to the entity that owns the property, referenced here as Developer/Applicant. 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. 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.

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.

Chapter X – 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 applications 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.

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

C. Proforma Requirements (Appendix E)

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.

Chapter XI – Construction Process

A. City of Alexandria's Construction Inspections & Developer Invoices

CmDv must be provided with copies of all Contractor invoices and provided reasonable notice of monthly draw inspections during the construction period. CmDv staff will participate in all draw reviews whether or not the specific draw is being funded with HOME and/or CDBG or other project funds and 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.

B. Davis Bacon

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 Contractor 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.

C. Drawing CmDv's HOME and/or CDBG Funds

Proceeds of the HOME and/or CDBG loan will only be released as reimbursement for eligible project costs following:

1. Completion of all inspections required as conditions of the issuance of a Building Permit from the CmDv office.
2. Review and acceptance of appropriate source documentation by CmDv including evidence of invoices, appropriate lien waivers and/or title endorsement, etc.
3. A determination by CmDv that all HOME and/or CDBG requirements pertaining to the development of the Project have been met, including but not limited to monitoring of Davis Bacon compliance.
4. For nonprofit developers, CmDv may release payment based upon outstanding invoices for costs incurred and work completed. In such cases, CmDv reserves the right to disburse through a title company, directly to the vendor, or with two-party checks.

D. Project Closeout

Developers are 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.

Exhibit A – Application Requirements and Due Diligence Exhibits

Instructions: In the event that a letter of intent to award is provided to a Developer / Applicant, the items listed here will be required for submittal prior to final, binding award confirmation. Applicants 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:
 - o Contact Banking references
 - o 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
 - o URA Notice to Seller of Voluntary Sale
 - o Seller certification regarding vacancy (as applicable)
 - o 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
 - o Radon and mold testing (as applicable)
 - o LBP risk assessment (as applicable)
- Evidence of subdivision approval (as applicable)
- Documentation of utility availability and connection costs
 - o 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