

# HOME Investment Partnerships (24 CFR Part 92)



**EQUAL HOUSING  
OPPORTUNITY**



# HOME Investment Partnerships Program

- HOME Investment Partnerships Program (HOME) provides formula grants that communities use to fund acquisition, rehabilitation, and/or new construction of affordable housing for rent or homeownership.
- Largest Federal block grant exclusively to create affordable housing for low-income households.
- All HOME-funded projects must follow project compliance and monitoring regulations under 24 CFR Part 92.

# HOME Eligible Partnerships

- New Construction
- Rehabilitation
- Reconstruction
- Conversion
- Site Improvements
- Acquisition of Property and Vacant Land
- Demolition
- Relocation Costs
- Refinancing
- Capitalization of Project Reserves
- Project-Related Soft Costs

# HOME Ineligible Partnerships

- Project Reserve Accounts
- Development, Operations or Modernization of Public Housing
- Acquisition of PJ-Owned Property
- Project-Based Rental Assistance
- Pay for Delinquent Taxes, Fees or Charges
- HOME projects during affordability period

# HOME Considerations

## Timely Production and Occupancy of HOME-Assisted Housing:

- HOME projects must be completed within four (4) years of commitment (contract execution)
- HOME-assisted rental units must be occupied by income-eligible households within 18 months of project completion
- A homebuyer unit must have a ratified sales contract within 9 months of construction completion or it will be converted to a rental
  - 2013 Rule Change: Homebuyers must receive housing counseling

# HOME Considerations

HOME funds cannot be **committed** to a project until:

- Underwriting and subsidy layering are performed
  - An examination of the sources and uses of funds for the project and a determination that the costs are reasonable
- Market study is completed
  - An assessment of the current market demand in the neighborhood in which the project will be located
- All necessary financing have been secured through commitment letters minus GAP funding (i.e. HOME request)
  - Support letter/Letter of interest accepted during application
  - Commitment letter **REQUIRED** for contract execution

# HOME Considerations

HOME funds cannot be **committed** to a project until:  
(CONTINUED)

- A budget and schedule have been established
- Environmental Review/RROF have been completed (more later)
- Construction must start within 12 months

# HOME Considerations

## Other HOME Requirements:

- **Davis-Bacon** (Prevailing Wage) required for 12+ HOME-assisted units
- **Environmental Review and Request for Release of Funds (RROF)** for all new construction and major rehabs
  - Some rehabs still need level of Environmental Review but may not require Release of Funds from HUD
- Projects with 5+ HOME-assisted units must:
  - Reserve at least 20% of the units to households at or below 50% AMI using HUD's LOW rent limit (rental only)
  - Enforce an affirmative marketing plan (rental & homebuyer)



# HOME Considerations

## HOME Considerations:

- Proof of site control or in process of obtaining site control
- Zoning and/or land use approvals
- A realistic project schedule/timeline
- Site photos, conceptual drawings, schematic designs
- Developer and Team's capacity
- Financing Application Form
  - For Rental housing – Provide a 20 year operating budget
  - For Sale housing – Provide HOME affordability analysis

# Community Housing Development Organization (CHDO)

Eligible to receive 15% set-aside HOME funds

- A legally incorporated tax-exempt nonprofit organization
- An independent organization free of undue control by for-profit or governmental entities
- Accountable to the low income community it serves
- Capable of undertaking the development of affordable housing
- CHDO must act as the developer, owner or sponsor
- Special application to receive CHDO designation (must be completed per each project)

# HOME RFP

## **FISCAL YEAR 2018 - 2019 REQUEST FOR PROPOSALS**

Affordable Housing Projects

HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME)

---

Issue Date: October 20, 2017  
Closing Date: 11:59 PM, November 17, 2017



---

ISSUED BY: THE CITY OF JERSEY CITY  
STEVEN M. FULOP, MAYOR

OFFICE OF COMMUNITY DEVELOPMENT  
CARMEN GANDULLA, DIRECTOR

# HOME RFP

## D. RFP Scorecard



**FY 2018-19  
HOME Investment Partnerships Program (HOME)  
RFP Scorecard**

	PROJECT TYPE		
	Production (Rental)	Production (Homeownership)	
Project Name: _____			
Project Sponsor/Developer: _____			
Project Type: _____			
<b>Organizational Requirements</b>			✓
1. Organization/Business Articles of Incorporation	x	x	
2. Organization/Business By-Laws	x	x	
3. Current Board of Directors List	x	x	
4. Certificate of Good Standing	x	x	
5. System Award Management (SAM) Registration	x	x	
6. Most Recent Audited Financial Statements	x	x	
7. Most Recent Tax Return (for-profit) or Form 990 (non-profit)	x	x	
8. IRS 501(c)(3) Exemption Determination Letter (non-profit)	x	x	
<b>Threshold Eligibility Requirements</b>			✓
1. Eligible Project Type	x	x	
2. Site Control	x	x	
3. Zoning Conformance	x	x	
4. Application for Financing	x	x	
5. Market Study	x	x	
6. Conceptual Drawings	x	x	
7. Development Team Thresholds	x	x	
8. Financial Information for Existing Projects (If Applicable)	x	x	
9. Relocation Plan (If Applicable)	x	x	
10. Financing Interest Letters	x	x	

CRITERIA	MAXIMUM		SCORE
	Production (Rental)	Production (Homeownership)	
<b>Underwriting Scoring</b>			
1. Financial and Economic Feasibility	40	40	
a. Application for Financing Form	15	15	
b. Timeline	3	3	
c. Architectural Plans	2	2	
d. Financing Commitments	5	5	
e. Overall Financial and Economic Feasibility	15	15	
2. Development Team Capacity	35	30	
a. Developer/Owner Capacity and Experience	10	10	
b. General Contractor Capacity and Experience	5	5	
c. Management Agency Capacity and Experience	5	NA	
d. Architect/Construction Manager Capacity and Experience	6	5	
3. Site Selection and Design Characteristics	6	6	
4. Market Demand and Need Analysis	5	5	
<b>Other</b>			
1. Special Populous Housing	5	NA	
2. Family-Oriented Units	10	10	
3. Certified MBE/WBE Sponsor or Developer	2	2	
4. Income Levels Served	5	5	
5. Geographic Targeting	10	10	
6. Green Design/Energy Efficiency	3	3	
<b>TOTAL</b>	<b>110</b>	<b>100</b>	
<b>TOTAL SCORE:</b>			

# HOME RFP

## **Organizational Requirements**

- Organization/Business Articles of Incorporation
- Organization/Business By-Laws
- Current Board of Directors List
- Certificate of Good Standing
- System Award Management (SAM) Registration
- Most Recent Audited Financial Statements
- Most Recent Tax Return (for-profit) or Form 990 (non-profit)
- IRS 501(c)(3) Exemption Determination Letter (non-profit)

## **Threshold Requirements**

- Eligible Project Type
- Site control
- Zoning Conformance
- Application for Financing Form
- Market Study
- Conceptual Drawings
- Development Team Thresholds
- Financial Information for Existing Projects
- Relocation and Anti-Displacement Strategy
- Financing Letters

# HOME RFP

## **Capacity Scoring**

- Application for Financing Form
- Timeline
- Architectural Plans
- Financial & Economic Feasibility
- Development/Owner, General Contractor, Management Agency, Architect, Construction Experience
- Site Selection and Design Characteristics
- Market Demand and Need Analysis

## **Prioritization Scoring**

- Special Populous Housing (rental only)
- Family-Oriented Units
- MBE/WBE Sponsor or Developer
- Income Levels Served
- Geographic Targeting
- Green Design/Energy Efficiency

# Affordable Housing Trust Fund

(§304-32)



# Affordable Housing Trust Fund

- Affordable Housing Trust Fund (AHTF) provides municipal subsidy to for-profits, non-profits, or autonomous government agencies to fund rehabilitation, construction or preservation of existing low or moderate income affordable housing or the construction of new low or moderate income affordable housing.
- AHTF are to supplement other private or public funds needed to complete the project.
- All funds awarded to supplement other private or public funds needed to complete the project.
- Awards shall be based upon an RFQ solicited biannually in January and August, subject to availability of trust funds.



# AHTF Eligible Activities

- Pre-Development (non-profits only)
- New Construction
- Rehabilitation
- Reconstruction
- Preservation
- Acquisition
- Demolition
- Relocation Costs
- Refinancing
- Capitalization of Project Reserves
- Project-Related Soft Costs