Jefferson Parish

Department of Community Development 1221 Elmwood Park Boulevard Suite 605 Jefferson, Louisiana 70123

March 15, 2023

NOTICE OF FUNDING AVAILABILITY (NOFA)

Agency: Jefferson Parish Department of Community Development (JPDCD) Director, Stephanie Brumfield

Action: Notice of Funding Availability (NOFA)

Summary:

This Notice of Funding Availability (NOFA) makes HOME funding available for development of affordable rental housing or housing for purchase for low-income residents within Jefferson Parish. A total of \$500,000 has been made available as of this notice. This amount may increase as additional funding becomes available. Applications requesting over \$500,000 will be reviewed, but may not be able to be chosen if additional funding is not able to be allocated to the program. The minimum award for any project under this NOFA is \$100,000. Developers may request up to 40 percent of their Total Development Costs. Eligible projects may involve the acquisition, rehabilitation and/or new construction of rental housing units to low income households or homes for low-income buyers. Projects that are able to leverage Parish funding with other resources; as well as, projects that are ready to proceed as evidenced by site control, firm financial commitments, zoning approval, executed agreements and/or permits are strongly encouraged to apply.

This NOFA is a competitive procurement and developers should treat it similar to how they would treat a Request for Proposals (RFP) and contains all instructions needed by developers to complete an application, including Parish goals and objectives, as well as specific HUD requirements. Developers are expected to apply with a team already in place and if there are changes to the development team, the developer is the responsible party and must meet the cost parameters of the application or find additional funds.

JPDCD provides HOME funds through deferred forgivable loans for rental projects. The loan conditions are laid out in the written agreement. So long as the property and developer stay in compliance with the terms in the agreement, the loan is fully forgiven at the end of the affordability period.

Applications are reviewed every 60 days from the release date and applications will be accepted for eligible projects until all funding has been awarded.

INSTRUCTIONS

Please read this entire package before preparing your application. These guidelines are to be used primarily as a general reference tool for completing the application. Additional information may be requested from JPDCD after the initial application is reviewed by staff.

<u>Submission</u>

Applicants should submit two copies of the applications: one electronic and one hard copy (original). All applications must be typed, and faxed applications will NOT be accepted. Excel workbooks must be submitted electronically as Excel workbooks. Please do not send videotapes, audio cassettes or materials other than the required attachments. Electronic Submission: Applicant organizations must email one (1) complete digital (PDF, with Excel for Workbook) application package to the Jefferson Parish Department of Community Development Programs. The complete application package should be emailed to JPDCD at homedevelopers@jeffparish.net.

Original Submission: All hard copies of the application(s) should be mailed to the JPDCD Office listed below.

Jefferson Parish Department of Community Development Attn: JPDCD HOME Developer Program 1221 Elmwood Park Blvd., Suite 605 Jefferson, LA 70123

Submission Reviews

JPDCD accept applications on an ongoing basis during each Fiscal Year until all funds are awarded. Applications are reviewed collectively every sixty (60) days. All applications must be complete by the time of the review period to be included in the round for consideration. Scheduled review periods are as follows:

- October of the current fiscal year
 - o Review for all submissions received between August and September
- December of the current fiscal year
 - o Review for all submissions received between October and November
- March of the current fiscal year
 - Review for all submissions received between December and February (extra time due to winter and Mardi Gras holidays)

Acceptance of an application for consideration does not obligate Jefferson Parish to commit any funding or other support. Projects that are approved are contingent upon availability of funds, and only those projects approved may be notified of a conditional funding award.

Once JPDCD has received an application, either a hard or electronic copy, it will review the materials to ensure that the application is substantially complete. Incomplete applications will not be reviewed. JPDCD is not obligated to pursue missing information or to consider supplemental materials that are provided after the application submission. Applicants should ensure that their applications are complete and ready for review and scoring at time of submittal. If the Parish determines the application is incomplete and insufficient to review, the applicant will be notified, and materials may be returned. So long as the Parish determines that the application is substantially complete, it may allow applicants to submit additional materials. In addition, JPDCD reserves the right to request additional information, not required on the application, on a case by case basis.

Trainings and Submitted Questions

Prepared instructions are included with the application to assist Developers in completing each section. Developers may submit questions on the application, submission, or the review process to <u>homedevelopers@jeffparish.net</u>. JPDCD provides a response to all questions received and maintains a log of submitted questions and responses on the website along with the application materials.

Accessibility and Non-Discrimination

Jefferson Parish does not discriminate based on race, creed, color, gender or national origin.

In accordance with provisions of the American with Disabilities Act Amendments Act of 2008, as amended, Jefferson Parish shall not discriminate against individuals with disabilities on the basis of disability in its services, programs or activities.

If you require auxiliary aids or devices, or other reasonable accommodation under the ADA Amendments Act, please submit your request to the ADA Coordinator at least forty-eight (48) hours in advance or as soon as practical. A seventy-two (72) hour advanced notice is required to request Certified ASL interpreters.

ADA Coordinator / Office of Citizens with Disabilities (504) 736-6086 ADA@jeffparish.net

LEGAL AND REGULATORY AUTHORITY

The HOME Investment Partnerships Program (HOME) is authorized by Title II of the Cranston-Gonzales National Affordable Housing Act of 1990. Funds available under this NOFA are subject to requirements of this act and its amendments (if any) located at 24 CFR Part 92.

ELIGIBLE ACTIVITES

Eligible affordable development proposals include the acquisition and rehabilitation of existing dwelling units, and the acquisition of building sites and/or the construction of improvements including water lines, sewer lines, sewage disposal systems, gas lines, roads, curbs, gutters, sidewalks, and other land improvements necessary to prepare the site for the construction of affordable units. Developers are encouraged to seek other funding such as non-competitive Multi-family Revenue Bonds (MRBs), Low Income Housing Tax Credits and Historic Tax Credits.

PROGRAM OBJECTIVES AND REQUIREMENTS

The strategic aim of this NOFA is to award funding that supports the development of affordable housing throughout Jefferson Parish that targets the most vulnerable populations.

Developer's Fee:

Any proposed developer's fee must be specified in the project budget. The amount of any developer's fee must be consistent with the complexity of the proposal but may not exceed 20% of the project's total development costs. The developer's fee will be calculated to be inclusive of construction management fees, broker/disposition fees and any other fee related service provided by the developer.

Construction Standard:

All work performed, as well as materials and equipment provided, shall be in full compliance with all applicable statutes, ordinances, codes, regulations and laws (collectively "laws"), and in actual conformance with the described scope of work. This program is funded by HOME. Per HUD regulations, all HOME-funded construction must meet the Uniform Physical Condition Standards (UPCS) when it comes to inspections. In addition, the entire housing unit or development must be built to meet the program's standards. Unless expressly stated in the scope of work, all materials and equipment shall be new and with appropriate warranties. Selected contractors are responsible for providing warranties against the structural, functional, and aesthetic integrity of the structures, products, materials and/or equipment. Developers and their contractors that choose to use higher grade materials than allowed by the program will do so at their own expense. Luxury items and items outside the scope of work will not be reimbursed by the program. Any upgrade will need to be approved, in writing, by the JPDCD Director or designee.

JPDCD determines minimum standards to be those standards meeting Jefferson Parish Code requirements, Uniform Physical Condition Standards (UPCS) requirements, JPDCD Contractor Standards, National Association of Homebuilders, and those of a reasonable independent inspector.

<u>Use of Funds:</u>

Organizations should include in their proposals a description and breakdown of project costs. All such costs should be limited to the amounts that are necessary and reasonable to accomplish the program activities and must meet applicable federal eligibility restrictions. Any awarded project will be subject to JPDCD's feasibility and cost reasonableness analyses. Eligible costs include, but are not limited to, the following:

- 1. Acquisition: cost of the land and/or building plus any additional indirect costs of acquiring the land and/or building.
- 2. Construction: cost of labor and materials, design costs and other professional services, permitting, and other fees required and directly related to construction.
- 3. An awarded applicant will be expected to maintain fiscal, physical and managerial soundness of the development for the longer of the period of affordability or terms of any applicable ground lease. Applicants must assure compliance with all federal cross cutting, JPDCD regulatory and administrative requirements.

Affordability Period

All affordable housing units must meet the federal affordability restrictions established by the applicable program. Affordability requirements apply regardless of the term of any loan or mortgage or the transfer of ownership. Restrictions will be secured by a Mortgage, Promissory Note and/or Declaration of Restrictions in such form as required by the JPDCD.

Assisted rental properties must be physically maintained in accordance with Parish Code and Federal Housing Quality Standards. JPDCD will reserve the right to inspect all rental properties during the affordability period.

<u>Timeliness</u>

Organizations that are awarded Federal funds must meet the milestones established in development schedule. Projects that do not reach milestones established in their development agreement, may be subject to rescission of funding.

KEY FEDERAL REGULATIONS AND REQUIREMENTS

Environmental Assessment and Impact

The allocation of funds is contingent upon the successful completion of an Environmental Review. After a request for HOME funding has been submitted, funds (federal or non-federal) may NOT be expended for project related costs until the Environmental Review process has been completed.

Lead-Based Paint Requirements

Where applicable, construction must be compliant with requirements of 24 CFR Part35, and all other Federal requirements.

Flood Insurance Requirements

HUD guidelines require that activities carried out in special flood hazard areas (SFHA) purchase and maintain flood insurance protection as a condition of approval of any HUD financial assistance.

Historic Preservation Requirements

An awarded applicant will be required to follow the State Historic Preservation Office standards and conform to the local requirements of the Historic District Landmark Commission (HDLC).

Fair Housing Impact

In accordance with fair housing laws, housing programs funded or assisted with federal funds must be administered in a manner that will affirmatively further fair housing. Jefferson Parish, as a recipient of federal funds, must certify that it will affirmatively further fair housing. In order for the Parish to certify that it will affirmatively further fair housing. In order for the Parish to certify that it will affirmatively further fair housing, it must analyze and eliminate housing discrimination, promote fair housing choice, provide opportunities for racially and ethnically inclusive patterns of housing occupancy, promote housing that is accessible to and usable by persons with disabilities, and foster compliance with the nondiscrimination provisions of the Fair Housing Act, U.S. HUD, Office of Fair Housing and Equal Opportunity, Fair Housing Planning Guide, at 1-1.

Applicants must include a fair housing impact statement addressing not only how they will refrain from housing discrimination, but also how they will ensure that their housing and community development programs are accessible to persons with disabilities and do not contribute to or intensify segregated housing patterns.

Housing Rights for Victims of Domestic Violence, Sexual Assault and Stalking

JPDCD requires that all projects comply with the laws and regulations related to housing rights for victims of domestic violence, dating violence, and sexual assault and stalking (Refer to the Violence against Women Reauthorization Act of 2013 for further information.) An applicant for or tenant of housing assistance under an JPDCD administered program may not be denied admission to, denied assistance under, terminated from participation in, or evicted from the housing on the basis that the applicant or tenant is or has been a victim of domestic violence, dating violence, sexual assault, or stalking if the applicant or tenant otherwise qualifies for admission, assistance, participation, or occupancy. An incident of domestic violence, dating violence, sexual assault, or stalking shall not be considered a lease violation by the victim, nor shall it be considered good cause for an eviction. If a tenant who is a victim requests an early lease termination, lease bifurcation from the abuser, or transfer to another unit because she/he is in danger, a property shall make every effort to comply with the request and shall not penalize the tenant.

Section 3 Requirements

The purpose of Section 3 is to ensure that employment, job training, contracting and other economic opportunities generated by HUD financial assistance shall (to the greatest extent feasible, and consistent with existing Federal, State and local laws and regulations) be directed to low and very low income persons residing within the metropolitan area in which the assistance is expended.

For competitively awarded assistance involving housing rehabilitation, construction or other public construction, where the amount awarded to the applicant exceeds \$200,000, contractors and subcontractors agree to comply with HUD's regulations in 24 CFR part 135, which implement Section 3 of the Housing and Urban Development Act of 1968.

Davis Bacon Requirements

Agencies awarded construction or rehabilitation projects must ensure that they meet requirements specified under the Davis-Bacon Act. The Act requires that all laborers and mechanics employed by contractors or subcontractors in the performance of construction work financed in whole or in part with assistance received under HUD programs shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C.276a--276a-5). This section shall apply to the new construction or rehabilitation of residential property <u>only if such property contains 12 or more HOME funded units.</u>

Leveraging

The use of federal funds to stimulate the investment of non-governmental (particularly non-federal) funding sources in the financing of a project or program is called "leveraging". The applicant should strive to secure non-governmental funds in order to minimize the need for limited federal funds in each project. The more leverage that can be attained, the more low-income persons can be assisted.

Audit Requirements

JPDCD requires that organizations submit the organization's most recent and current audited financial statements with their RFP response(s). Annual audits will be required from the awarded development.

APPLICANT SELECTION PROCESS

Application scoring is based on the overall application. Reviewers will pay special attention to the Project Summary. Points are awarded to projects that serves a specific population (e.g. elderly), serve a large population, include large numbers of affordable units and of total units, and is in line with the Parish's Consolidated Plan and Annual Action Plan.

JPDCD reviews Developer Applications based on the following criteria:

- 1) Does the project address a Parish priority outlined in the Parish's current Action Plan?
- 2) Is the developer in good standing with the Parish?
 - a. Has the developer been debarred by State of Federal government?
 - b. Does developer have a DUNS/EIS number?
- 3) Does the proposal contain adequate information for the Parish to determine whether the project is financially feasible?
 - a. Is the project financially feasible?
 - b. Are there risks in the financing that need to be addressed by the Developer?
- 4) Does the developer have the capacity and experience to perform the project?
- 5) Has the Developer had prior experience working with JPDCD? Were they successful with prior JPDCD project(s)?
- 6) Is the project feasible based on the size and complexity of the proposed project?
- 7) Does the project consider and provide funding for ongoing maintenance and operations costs? (rental only)
- 8) Does the developer have the ability to meet the project's maintenance period? (rental only)
- 9) Does the developer intend to sell off or refinance the property during the affordability period? (rental only)

Another strong factor in the application is the development team's experience and qualifications, including: years of operation, completed projects, experience with Federal or HUD funds. Addition points are given for projects that are shovel ready and those that align closely with aspects of the Parish's Consolidated Plan. Reviewers will closely look at the proposed Affirmative Marketing Plan, as it is vital that the project demonstrates future long-term success. Finally, the application is reviewed for its project financials. Strong proposals provide steady financial returns and safeguard the Parish and federal investment.

a. Scoring

Reviewers will use a scoring matrix to award points based off a number of factors. Each project is reviewed by three independent reviewers and the average of these scores is used to rank competing proposals. Proposals that provide incomplete information for any section of the application or that score less than 95 may not be considered for funding.

Section/Element	Total Points Possible
Project Summary	15
Population	5
Number of affordable units	10
Alignment with Parish's Consolidated Plan	10
Development team's experience and qualifications	20
If project is shovel ready	15
Affirmative Marketing Plan	10
Project Financials	40
Total	125

b. Award of projects

Award letters are sent to top scoring proposals within 30 days of the scoring phase. Awards for projects will be based on the project need, the number and type of applications received and scored, and the availability of HOME funding.