

**Cumberland County  
HOME Consortium**

**Affordable Housing Development**

**HOME Funds Application**

**July 1, 2019 – June 30, 2020**

**Applications will be accepted until all budgeted funds have been allocated.**

## **I. GENERAL INFORMATION**

### **A. Availability of Funding**

The Cumberland County HOME Program Consortium is soliciting applications for a portion of its Federal Fiscal Year 2019-2020 HOME program allocation. Funds can be used for the development of affordable rental housing, or to maintain affordability in existing units through rehabilitation of property in Cumberland County communities, excluding the City of Portland.

### **B. Summary**

The Cumberland County HOME Consortium (CCHC) has made the development of affordable rental housing a priority goal for the use of its federal housing funds. This priority is identified in the CCHC's 2016-2020 HUD Consolidated Plan and subsequent Annual Action Plans.

To accomplish this priority goal, the Consortium will accept applications, and grant or loan up to **\$423,225** in funding, under the HUD Home Investment Partnership Program (HOME).

\$ 65,835 – reserved for certified “CHDOs”

**\$357,390** – available to certified “CHDOs” or other affordable housing developers

\$423,225 – total available funds

Certified Community Housing Development Organizations (CHDOs) or organizations eligible for CHDO certification are encouraged to apply for these funds. **The housing to be constructed or rehabilitated will be located within Cumberland County but not in the City of Portland.**

Applications will be accepted until all available funds are allocated.

### **C. General Guidelines**

Rental developments will provide HOME units to households earning up to 60% of area median income and meet the income and rent restrictions of the HUD HOME program. Mixed income projects are eligible and encouraged, however not all units in a mixed income project will be eligible for HOME funding. Projects with mixed unit types including efficiencies, one, two and three bedroom units are eligible. The minimum requirements of this application meet or exceed the minimum program requirements for HOME funding.

The proposed use of funds, leveraging of other public and private resources, terms of affordability, design compatibility, readiness, financial feasibility, development experience, management capacity, and unit mix are among the factors to be used in the review process.

The application outlines the selection criteria which all projects applying for these funds must meet, as well as scoring factors to be used by the Cumberland County HOME Consortium.

## **D. Federal Requirements**

### **Environmental Review Requirements**

All projects are subject to environmental review, clearance and release of funds by the U.S. Department of Housing and Urban Development. Once an application has been submitted, the applicant cannot take any “choice limiting actions” prior to receiving notification from the City that the environmental review process, including historic preservation review and clearance, has been completed and a release of funds has been received. A Phase I ESA along with a lead and asbestos testing report will be required before HUD Environmental Review Requirements can be completed.

### **Federal Labor Standards**

As may be applicable, applicants must ensure that they and all contractors and subcontractors meet requirements for federal prevailing wage rates specified under the Davis-Bacon Act. The Act requires all laborers and mechanics employed by contractors or subcontractors in the performance of construction work over \$2,000, financed in whole or in part with assistance received under HUD programs, shall be paid the prevailing wage as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a-5). Projects that include 12 or more HOME-assisted units must meet the requirements of the Davis-Bacon Act.

### **Section 3**

All HOME projects must comply with Section 3 of the Housing and Urban Development Act of 1968. Contractors and subcontractors performing work on Section 3-covered projects must provide, to the greatest extent feasible, opportunities for the employment of low- and very low-income residents of the local community and the businesses that substantially employ these persons.

### **Minority and Women Owned Business (MWBE) Participation**

All HOME projects must complete, track and report on outreach and contracts given to women- and minority-owned businesses to ensure their inclusion, to the maximum extent possible, in the procurement of property and services. Applicants are encouraged to utilize firms certified as a Minority Business Enterprise or Woman’s Business Enterprise as part of the development team. The development team members include the developer, architect, attorney, general contractor and management agent.

## **Lead-Based Paint**

All residential rehabilitation, adaptive re-use and construction activities must comply with 24 CFR Part 35 and Section 401(b) of the Lead-Based Paint Poisoning Prevention Act.

## **Access to the Internet**

All HUD funded new construction and substantial rehabilitation projects of multifamily rental housing will be required to provide the installation of broadband internet access to its residents to help narrow the digital divide for households in need.

## **Fair Housing and Equal Opportunity**

[Title VI of the Civil Rights Act of 1964, as amended (42 U.S.C. 2000d et seq.) (HUD implementation regulations 24 CFR Part 1); The Fair Housing Act (42 U.S.C. 3601-3620)(24 CFR Part 100-115); Equal Opportunity in Housing (Executive Order 11063, as amended by Executive Order 12259)(24 CFR Part 107); Age Discrimination Act of 1975, as amended (42 U.S.C. 6101)(24 CFR Part 146).]

The Fair Housing Act prohibits discrimination in all housing-related transactions based on race, color, national origin, religion, sex, disability, age or familial status. It also includes minimum accessibility design requirements for all new construction and rehabilitation projects and requires that reasonable accommodations be made in rules, policies, practices, services and reasonable structural modifications. Section 504 of the Rehabilitation Act of 1973 prohibits discrimination based on disability and requires that everyone have equal opportunity to obtain housing built with federal funds.

## **Affirmative Marketing**

Developers must have tenant selection policies and criteria to ensure that tenants are selected for occupancy at the property in a fair and equitable manner. Tenant selection policies must be based on objective criteria that expressly prohibit bias. Tenant selection procedures should be clear and easily understood by prospective tenants. An affirmative marketing plan is required to ensure that the property serves a diverse cross-section of the population of the market area, must consist of actions to provide information and otherwise attract eligible persons in the housing market area that might not otherwise apply without special outreach, and ensure that the HOME-assisted housing is available to qualified applicants without regard to race, color, national origin, religion, sex, disability, or familial status.

## **Violence Against Women Act**

Developers must comply with the Violence Against Women Act (VAWA) requirements in 24 CFR §92.359 and 24 CFR Part 5, subpart L. VAWA provides protections and options for victims of domestic violence, dating violence, sexual assault and stalking.

## **E. Background**

Beginning in Federal Fiscal Year 2009, the City of Portland, Cumberland County and the Town of Brunswick formed a HUD HOME Program Consortium. The Consortium has reserved a portion of these HOME funds for affordable housing development and rehabilitation of affordable housing. Program regulations require that a portion of the Consortium's HOME allocation must be expended on activities owned, developed, or sponsored by a certified CHDO organization.

## **F. Goals for the Distribution of HOME Funds**

The objective for the distribution of HOME funds is to finance the development and rehabilitation of affordable housing in Cumberland County communities outside the City of Portland with the goal of enhancing those communities and promoting the well-being and quality of life of their low-income residents. This housing may be rental housing designed for seniors, multi-family, single-family, efficiency units, small apartment or cottage units, special needs or transitional housing as deemed appropriate for the community and location, consistent with the community's Comprehensive Plan. The Consortium seeks projects with high standards for quality, design and livability. The development should promote efficient use of land, a location proximate to shopping, work places and community facilities and incorporate high standards of energy efficiency.

## **II. SCOPE OF SERVICES**

### **A. General Specifications**

Applications submitted for this funding must meet the following selection criteria to be considered further in the review process.

### **Eligible Projects**

- 1) Projects must be located in any municipality in Cumberland County **except** the City of Portland.
- 2) Projects must create rental housing units which promote economic diversity in the neighborhood in which the development is located. New construction, conversion of non-residential property to housing and rehabilitation of existing rental units that creates accessible or maintains affordable units is eligible. Projects that have previously received HOME funds are not eligible.
- 3) All rental projects must provide rental units to households earning up to 60% of area median income and meet the income and rent restrictions of the HOME Program, OR meet the income and rent restrictions of the primary funding source used, whichever is more restrictive.

- 4) Single Room Occupancy (SRO) and other supportive housing projects specifically for special needs populations are eligible under this application.
- 5) Rehabilitation of existing rental units and properties that create or maintain unit affordability is eligible under this application.
- 6) Projects must ensure that the affordable units within a mixed income development will be equal in square footage and comparable to the market rate units.

## **B. Site Information and Criteria**

- 1) Site Control: Proposals under this application require site control by the proposer. Land or buildings proposed as part of a project under this application must have site control at the time the proposal is submitted in the form of title, purchase and sale agreement, option, long-term lease for a minimum of 90 years, or other acceptable method. At a minimum, site control must extend through December 31, 2019.
- 2) Local Approvals: Local land use approval is not required prior to submittal of the proposal. A letter from the local code/zoning/planning administrator outlining the steps to achieving full permitting is required.
- 3) The applicant must submit an analysis of the project in relation to local land use regulations and site feasibility.

## **C. Financial Feasibility**

- 1) Financial Projections: Financial applications must be developed in accordance with the underwriting guidelines of the primary funding source, including adequate cash flow and debt coverage ratio, and conform to the Cumberland County HOME Consortium's underwriting criteria.
- 2) Use of HOME Funds: All projects will be reviewed for the proposed use of HOME funds compared to other resources. Applicants must describe the proposed mortgage and security position for the Consortium's funding.

## **D. Market Demand**

Applicants must provide an analysis and discussion of market demand justifying the need for the proposed project.

## **E. Applicant Capacity**

All applicants must demonstrate capacity to develop, own and manage the proposed project. All proposals must provide evidence of a development team with the capacity to successfully complete the project including:

- 1) Key staff members assigned to the project with the abilities and experience to successfully complete the project within the proposed timeframe.

- 2) An architect, general contractor and professionals on the team with the experience and capacity to complete the project.
- 3) A management team with qualified personnel and the capacity and experience to operate, manage and maintain the affordable rental property of size and mix of the proposed project.
- 4) Qualified staff with the capacity to perform ongoing property ownership requirements such as budgeting, tax accounting and oversight of management and maintenance.
- 5) A portfolio of current affordable housing projects that are financially sound and are meeting their established goals.
- 6) Support Services: Applications containing rental units targeted to special needs populations must include commitments for support services to be provided to the residents and have in place a policy to make accessible units available when needed if units are occupied by someone that does not need the accessible features.

#### **F. Term of Affordability**

Rental projects must have a minimum affordability period of 30 years, secured by a land use restriction covenant in the deed.

Projects receiving HOME funding will be charged an annual fee to cover the actual costs of federally required HOME monitoring, per 24 CFR 92.214(b)(1)(i).

#### **G. Financing Terms**

The following are general guidelines and the CCHC reserves the right to adjust the terms of funding on a case-by-case basis based on changes in conventional lending and other financing sources.

The CCHC's funding is generally in the form of soft "gap" financing. To allow for future investment in affordable housing, the CCHC seeks to achieve a reasonable return of capital and where possible a return on investment based on the financing features of each funding request. The CCHC allows flexibility for creativity by development teams by establishing funding terms based on the financial structure of each development project.

Funding in the form of loans may range from 30 years non-amortizing, deferred at 0% interest, to 30 year, amortizing loans based on a financial analysis of the development project. A key tool used to perform the financial analysis is the Debt Coverage Ratio (DCR). Projects with a DCR greater than or equal to 1.25 will be considered for a fully amortizing loan with a corresponding rate that either achieves a DCR of 1.15. Other DCR features are as such:

- Projects that have a DCR of less than 1.25 will be considered for interest only loans. The interest rate will be set at a percentage rate that will achieve a DCR of 1.15.

- Projects that are submitted at a DCR of 1.15 will be considered for a deferred cash flow loan.
- Grants may be considered when a project serves a substantially underserved population.
- A project with a sustained DCR greater than 1.5, after the application of a fully amortizing loan will be considered over subsidized. The funding request will be reduced to achieve a sustained DCR of no more than 1.4. This may result in the funding request being reduced to zero. Projects of this nature are candidates for private financing.

## H. Design Compatibility

Projects must be designed to contribute to the character of their community and neighborhood and consistent with the following general guidelines.

Project designs:

- 1) Should establish a building form, scale, massing and rhythm appropriate for the surrounding neighborhood.
- 2) Should provide a quality design that, where possible provides open space, sidewalks, porches, landscaping, and architectural details.
- 3) Should provide visual and acoustical privacy between units while maximizing natural light and ventilation within units.
- 4) MUST meet the accessibility requirements of the Fair Housing Act and Section 504 of the Rehabilitation Act of 1973, and the Maine Human Rights Act for multi-family housing. Provide for universal accessibility to the extent possible.
- 5) For new construction, meet or exceed the current MaineHousing energy construction standards.

## I. Timeframe

The applicant must describe projected dates by which commitments will be obtained. Describe when the closing will take place and dates of construction start-up, substantial completion, final completion and occupancy. Timeframes must be realistic and achievable. Funded projects must be able to start construction within 12 months of notice of award.

## III. APPLICATION REQUIREMENTS

Complete responses to this application, should include one (1) original printed version of the application with original signatures **plus** one (1) full electronic version, submitted via email, USB drive or CD. Printed version must be signed by an officer or employee having authority to bind the organization.

Applications must be submitted electronically and in paper form to:

City of Portland: Housing and Community Development Division  
Attention: Victoria Volent



389 Congress Street, Room 313  
Portland, ME 04101  
vvolent@portlandmaine.gov  
207-482-5028

Applicants who require a conditional commitment of HOME funds as part of other financing applications, such as the Low Income Housing Tax Credit Program, must apply no later than August 1, 2019. The Cumberland County HOME Consortium will consider applications received after August 1, 2019 if funds are available. Applicants applying after August 1<sup>st</sup> should contact the City of Portland to confirm the availability of funds prior to submitting an application.

### **A. Project Summary**

Provide a compelling argument, no longer than two pages, for the location, nature, and design of the proposed project, and how it will be of value to its occupants, the host community, and the Greater Portland region. Include the number and type of units proposed, tenants to be served, special features, the impact on the neighborhood, community and other ways the proposal meets the selection criteria and preference guidelines.

Photographs and maps of the site and area are required.

**Note: All applicants should investigate legal and zoning requirements for proposed projects prior to submission of proposal.**

### **B. Applications Must Provide The Following:**

- 1) Evidence of site control
- 2) A zoning opinion from an attorney or land use professional indicating if the project meets current zoning, or if zoning amendments will be required.
- 3) Conceptual architectural and site plans
- 4) A project schedule showing critical path events and their timeframe for completion;
- 5) Map showing location of site
- 6) Corporation/partnership articles and by-laws
- 7) Organization's DUNS Number
- 8) Applicant's audits for 3 most recent years. (If audits are not available, applicant must submit 3 years of internally prepared or CPA compiled statements AND 3 years of tax returns WITH attachments).

- 9) Most recent quarterly income and expense report (management prepared).
- 10) Documentation demonstrating certification or eligibility to obtain certification as a CHDO (if seeking the CHDO funds)
- 11) A brief development team summary, including:
  - The type of organization/ownership structure and organization chart if developer is not the same legal entity as the ultimate owner of the project
  - The names of Board of Directors, Corporate Officers, or Owners, as appropriate
  - Name, title and relevant experience of individuals involved in managing the business entity and this proposed project. A copy of the 501(3)(c) exemption certification
  - Brief description of similar projects completed for developer, architect, and General Contractor (if selected)
  - A list of all projects currently in development with status and projected timeframe
- 12) A sources and uses funding statement\*
- 13) A detailed development budget including all acquisition, construction, and soft costs, including any prefunded reserves and developer fee\*
- 14) Cost estimates for construction, signed by architect or GC
- 15) For renovation projects, a capital needs assessment completed by an independent party, including their qualifications to perform such assessment
- 16) Preliminary operating budget identifying rents and expenses for the first year\*
- 17) Projected prefunded project reserves and annual contributions to reserves\*
- 18) Debt service coverage ratio over the 15-year operating pro forma timeline\*
- 19) A 15-year operating pro forma for the project with inflators of 2% on income and 3% on expenses\*
- 20) Evidence of financial commitments, or explanation of the ability and timing to secure those commitments. A statement describing the applicant's capacity for and experience in raising the type of capital needed to finance projects of this size and type.
- 21) Projects serving special needs populations must provide evidence of commitments of support services, and a description of the service provider and funding cycle for those services.
- 22) Applicant must include a management plan for the long-term management of the

project including manager's experience and capacity.

- 23) An analysis and discussion of market demand justifying the need for the proposed project.
- 24) **For Renovation of Operational Projects (or projects with operational components) the following items are also required:**
- Relocation plan budget
  - Description of all current debt, operation subsidies, and services provided (as applicable)
  - Current rent roll
  - 2 years of audits for project property (if available) OR 2 years of management income and expense statements for project property
  - Most recent Quarter internally prepared income and expense statement.

\*Please use the Maine Housing Underwriting spreadsheet or its tax credit equivalent

#### **IV. SELECTION PROCESS**

Selection criteria will be used in reviewing and scoring applications.

##### **A. Point System for Evaluating and Scoring Proposals** (Maximum Points 100)

##### **Policy Objectives: Total 50 Points**

**Proposed use of funds to achieve the CCHC's goals and address demonstrated need. 26 points**

Maximum points will be awarded for those applications that:

1. Market Demand— 2 points
  - a. 2 points high demand,
  - b. 1 point moderate demand,
  - c. 0 points does not demonstrate sufficient market demand
2. Zoning – 10 points
  - a. 10 points Development requires no zoning amendments or contract or conditional zone
  - b. 7 points development requires a zoning amendment which is consistent with the city or town's Comprehensive Plan
  - c. 0 points development requires rezoning that is not consistent with the city or town's Comprehensive Plan
3. Economic diversity – 4 points
  - a. 4 points creates housing options which promote economic diversity in the neighborhood in which the development is located
  - b. 0 points does not promote economic diversity
4. CHDO – 4 points
  - a. 4 points Developer and owner are both controlled by CHDO
  - b. 2 points either developer or owner are controlled by CHDO
  - c. 0 points neither developer nor owner are controlled by CHDO
5. CCHC Subsidy – 6 points
  - a. 6 points investment from CCHC is <\$10,000/unit
  - b. 5 points investment from CCHC is > or = \$10,000 and <\$12,000/unit

- c. 4 points investment from CCHC is > or = \$12,000 and <\$14,000/unit
- d. 3 points investment from CCHC is > or = \$14,000 and <\$16,000/unit
- e. 2 points investment from CCHC is > or = \$16,000 and <\$18,000/unit
- f. 0 points investment from CCHC is > or = \$18,000/unit

**Impact on surrounding neighborhood, including design compatibility and environmental issues. 24 points**

Maximum points will be awarded for those applications where:

1. site selection -- 7 points
  - a. 7 points -- fully appropriate for use,
  - b. 5 points – appropriate, some concerns
  - c. 0 points – significant concerns
2. Exterior Design -- 5 points
  - a. 5 points -- the design is fully consistent with neighborhood design characteristics,
  - b. 3 points – the design is an adequate fit with the neighborhood design,
  - c. 0 points – the design is a significant outlier
3. Amenities and unit design -- 7 points
  - a. 7 points – amenities & unit design are well thought out and appropriate for residents,
  - b. 5 points -- amenities & unit design are adequate,
  - c. 0 points – amenities and unit design raise significant concerns that resident needs will not be adequately addressed
4. Environmental -- 5 points
  - a. 5 points – Phase I identifies no environmental issues
  - b. 3 points – Phase I identifies an environmental issue, but a Phase II shows a feasible, economically viable resolution which is included in the budgets;
  - c. 0 points – there are significant unresolved environmental issues, or no Phase I has been received.

**Underwriting Criteria: Total 50 Points**

**Financial feasibility, including cost, development budget operating pro forma and the provision of secured and leverage funds. 20 points**

Maximum points will be awarded for those applications that:

1. Development budget & sources and uses – 10 points
  - a. 10 points – EVERY development budget line item for which there is a CCHC guideline complies with that guideline AND all other line items are reasonable and customary;
  - b. 8 points – ONE budget line item falls outside the CCHC guidelines or outside the standard of “reasonable & customary”;
  - c. 6 points – TWO budget line items item falls outside the CCHC guidelines or outside the standard of “reasonable & customary”;
  - d. Zero points – more than two budget items fail to meet the CCHC guidelines or fall outside “reasonable and customary”
2. Operating pro forma – 10 points
  - a. 10 points – EVERY operating pro forma line item for which there is a CCHC guideline complies with that guideline AND all other line items are reasonable and customary;

- b. 8 points – ONE budget line item falls outside the CCHC guidelines or outside the standard of “reasonable & customary”;
- c. 6 points – TWO budget line items item falls outside the CCHC guidelines or outside the standard of “reasonable & customary”;
- d. Zero points – more than two budget items fail to meet the CCHC guidelines or fall outside “reasonable and customary”

**Applicant's ability to complete project, including development team experience, capacity, project readiness and timeframe for completion. 30 points**

Maximum points will be awarded for those applications that:

1. Readiness to proceed – 10 points
  - a. 10 points – at least one letter of commitment or interest is included and ALL projected sources are projected at terms and conditions consistent with the CCHC’s prior experience with the funder.
  - b. 5 – ALL projected sources of funding include letters of commitment, letters of interest, or, if no letter is included, are projected at terms and conditions consistent with the CCHC’s prior experience with this funder.
  - c. 0 – one or more sources are projected on terms that are not consistent with the CCHC’s prior experience with the funder and are not documented by letter(s) from funder(s).
2. Track record of development team – 10 points
  - a. 10 – every development team member has a successful track record with this type of project and at this scale
  - b. 7 – all but one development team members have a successful track record with this type of project and at this scale; one development team member has relevant experience but at a smaller scale or not of this project type
  - c. 3 – two development team members, while having relevant experience, are new to this type of project or this scale of development
  - d. 0 – the development team does not meet the criteria above
3. Current Capacity of development team – 10 points
  - a. 10 – development team members have exceptional depth of human and financial resources to complete this project;
  - b. 8 -- development team members have the human and financial resources to complete this project;
  - c. 3 – development team has a staffing gap in a significant role and a plan to address that gap, OR there are some concerns about the financial resources of the team to move the development forward;
  - d. 0 -- the development team does not meet the criteria described above

**B. Evaluation and Selection Process and Timeframe**

Applications will be reviewed by an evaluation team from among the following: City and County staff, representatives from MaineHousing, a representative from GPCOG, and representatives from the County’s Municipal Oversight Committee (MOC). The following process will be used.

1) All applications will be reviewed for completeness. Only complete applications will be reviewed under the scoring factors in order to recommend the most qualified based on the

information submitted. The application review team may confer with the applicants and/or third parties to clarify or verify information and request additional information.

2) Recommendations, along with all proposals and scoring information, will be forwarded to the Municipal Oversight Committee (MOC) or a designated sub-committee of the MOC, for review and approval. Their recommendations will be forwarded to the County Commissioners for final review and approval.

3) The project's host community will be apprised of the application by the Consortium.

4) Applicants will be kept informed throughout the review process, specifically in regard to recommendations and funding levels.

5) Contingent upon County Commissioner approval, successful applicants will receive a letter of funds reservation. A letter of funds reservation is not a commitment letter but an agreement to set aside budgeted funds for up to six months, to allow the project sponsor to proceed with securing other commitments.

## **V. Instructions and Other Information**

The Cumberland County HOME Consortium reserves the right, at its sole discretion, to award all, a portion, or none of the available funding from this application, as well as reject any and all applications for county funding, based on the quality and merits of the applications received, or when it is determined to be in the public interest to do so. Furthermore, the Cumberland County HOME Consortium may extend deadlines and timeframes, as needed.

**Confidentiality:** Applications received by the Cumberland County HOME Consortium shall become a matter of public record subject to public inspection, except to the extent, which an applicant designates in writing, proprietary data to be confidential and submits that data under separate cover, such information may be held from public inspection, as provided in Maine law: 5 MRSA Sections 13119-A and 13119-B.

**Compliance with Federal Law:** The selected applicant will be required to certify that the development and management of the proposed housing will be in compliance with all applicable laws, executive orders, OMB Circulars and federal regulations, including but not limited to: Fair Housing Act, Equal Opportunity and Non-discrimination, National Environmental Policy Act (NEPA), the Uniform Relocation Assistance and Real Property Acquisition Policies Act, the Davis-Bacon Act, the Lead-Based Paint Poisoning Prevention Act, Flood Disaster Protection Act, Conflict of Interest, Contractor Debarment and Cost Principles.

All applications must meet the rules and regulations of the HOME Program as noted in 24 CFR Part 92, as amended, and the requirements of the Consolidated and Further Continuing Appropriations Act of 2012 and 2013. Any costs incurred by the CCHC to meet HOME Program regulations, such as newspaper advertisements, underwriting fees, etc., shall be passed along to the selected applicant.

## **VI. Equal Employment Opportunities**

Vendor shall comply fully with the Nondiscrimination and Equal Opportunity Provisions of the Workforce Investment Act of 1998, as amended (WIA, 29 CFR part 37); the Nontraditional Employment for Women Act of 1991; title VI of the Civil Rights Act of 1964, as amended; section 504 of the Rehabilitation Act of 1973, as amended; the Age Discrimination Act of 1975, as amended; title IX of the Education Amendments of 1972, as amended; and with all applicable requirements imposed by or pursuant to regulations implementing those laws, including but not limited to 29 CFR part 37.

## **VII. Reservation of Rights**

The Cumberland County HOME Consortium reserve the right, at its sole discretion, to award all, a portion, or none of the available funding from this application, as well as reject any and all proposals based on the quality and merits of the proposals received, or when it is determined to be in the public interest to do so. Furthermore, the Consortium may extend deadlines and timeframes, as needed.

The City/Consortium reserve the right to substantiate any proposers' qualifications, capability to perform, availability, past performance records and to verify that the bidder is current in its financial obligations to the City of Portland, Cumberland County and any member community of the Consortium.

The City/Consortium, reserves the right to waive any informalities in proposals, to accept any proposal or portion thereof, and, to reject any and all proposals, should it be in the best in the best interest of the City/Consortium to do so

**.VIII. Application Signature Page \*THIS PAGE MUST BE INCLUDED\***

The UNDERSIGNED hereby declares that he/she or they are the only person(s), firm or corporation interested in this proposal as principal, which it is made without any connection with any other person(s), firm or corporation submitting a proposal for the same.

The UNDERSIGNED hereby declares that they have read and understand all conditions as outlined in the invitation for bids, and that their proposal is made in accordance with same.

The UNDERSIGNED hereby declares that any person(s) employed by the City of Portland, Maine, and the County of Cumberland, Maine who has direct or indirect personal or financial interest in this proposal or in any portion of the profits that may be derived there from, has been identified and the interest disclosed by separate attachment. (Please include in your disclosure any interest which you know of. An example of a direct interest would be a City or County employee who would be paid to perform services under this proposal. An example of indirect interest would be a City or County employee who is related to any officers, employees, principal or shareholders of your firm or to you. If in doubt as to status or interest, please disclose to the extent known).

The proposer acknowledges the receipt of Addenda numbered \_\_\_\_\_  
If Applicable

COMPANY NAME: \_\_\_\_\_  
(Individual, Partnership, Corporation, Joint Venture)

AUTHORIZED SIGNATURE: \_\_\_\_\_ DATE: \_\_\_\_\_  
(Officer, Authorized Individual or Owner)

PRINT NAME & TITLE: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

TELEPHONE: \_\_\_\_\_ E-MAIL: \_\_\_\_\_

FEDERAL TAX ID NUMBER: \_\_\_\_\_ DUNS Number: \_\_\_\_\_

In your organizations preceding completed fiscal year, did the organization receive:

(1) 80 percent or more of its annual gross revenues in U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements; and

(2) \$25,000,000 or more in annual gross revenues from U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements?  Yes  No

Does the public have access to information about the compensation of the executives in the organization through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (18 U.S.C. 78m(a), 78o(d) or section 6104 of the Internal Revenue Code of 1986?  Yes  No

NOTE: All bids must bear the handwritten signature of a duly authorized member or employee of the organization making the bid. This sheet must be signed and returned with the proposal package.



## **EXHIBIT #1 – DEFINITION OF A COMMUNIITY HOUSING DEVELOPMENT ORGANIZATION**

1. Is a private nonprofit organization under State or local laws;
2. Has no part of its net earnings inuring to the benefit of any member, founder, contributor, or individual;
3. Is neither controlled by, nor under the direction of, individuals or entities seeking to derive profit or gain from the organization. A community housing development organization may be sponsored or created by a for-profit entity, but:
  - i. The for-profit entity may not be an entity whose primary purpose is the development or management of housing, such as a builder, developer, or real estate management firm.
  - ii. The for-profit entity may not have the right to appoint more than one-third of the membership of the organization's governing body. Board members appointed by the for profit entity may not appoint the remaining two-thirds of the board members; and
  - iii. The community housing development organization must be free to contract for goods and services from vendors of its own choosing;
  - iv. The officers and employees of the for-profit entity may not be officers or employees of the community housing development organization;
4. Has a tax exemption ruling from the Internal Revenue Service under section 501(c)(3) or (4) of the Internal Revenue Code of 1986 (26 CFR 1.501(c)(3)-1 or 1.501(c)(4)-1)), is classified as a subordinate of a central non-profit under section 905 of the Internal Revenue Code of 1986, or if the private nonprofit organization is a wholly owned entity that is disregarded as an entity separate from its owner for tax purposes (e.g., a single member limited liability company that is wholly owned by an organization that qualifies as tax-exempt), the owner organization has a tax exemption ruling from the Internal Revenue Service under section 501(c)(3) or (4) of the Internal Revenue Code of 1986 and meets the definition of "community housing development organization";
5. Is not a governmental entity (including the participating jurisdiction, other jurisdiction, Indian tribe, public housing authority, Indian housing authority, housing finance agency, or redevelopment authority) and is not controlled by a governmental entity. An organization that is created by a governmental entity may qualify as a community housing development organization; however, the governmental entity may not have the right to appoint more than one-third of the membership of the organization's governing body and no more than one-third of the board members may be public officials or employees of governmental entity. Board members appointed by a governmental entity may not appoint the remaining two thirds of the board members. The officers or employees of a governmental entity may not be officers or employees of a community housing development organization;
6. Has standards of financial accountability that conform to 24 CFR 84.21, "Standards for Financial Management Systems;"
7. Has among its purposes the provision of decent housing that is affordable to low-income and moderate-income persons, as evidenced in its charter, articles of incorporation, resolutions or bylaws;
8. Maintains accountability to low-income community residents by:
  - i. Maintaining at least one-third of its governing board's membership for residents of low-income neighborhoods, other low-income community residents, or elected representative of low-income neighborhood organizations. For urban areas, "community" may be a neighborhood or neighborhoods, city, county or metropolitan area; for rural areas, it may be a neighborhood or neighborhoods, town, village, county, or multi-county area (but not the entire State); and
  - ii. Providing a formal process for low-income program beneficiaries to advise the organization in its decisions regarding the design, siting, development, and management of affordable housing;
9. Has a demonstrated capacity for carrying out housing projects assisted with HOME funds. A designated organization undertaking development activities as a developer or sponsor must satisfy this requirement by having paid employees with housing development experience who will work on projects assisted with HOME funds. For its first year of funding as a community housing development organization, an organization may

satisfy this requirement through a contract with a consultant who has housing development experience and will advise and train appropriate key staff of the organization. An organization that will own housing must demonstrate capacity to act as owner of a project and meet the requirements of §92.300(a)(2). A nonprofit organization does not meet the test of demonstrated capacity based on any person who is a volunteer or whose services are donated by another organization; and

10. Has a history of serving the community within which housing to be assisted with HOME funds is to be located. In general, an organization must be able to show one year of serving the community before HOME funds are reserved for the organization. However, a newly created organization formed by local churches, service organizations or neighborhood organizations may meet this requirement by demonstrating that its parent organization has at least a year of serving the community.