



## NOTICE OF FUNDING AVAILABILITY

Maricopa HOME Consortium  
Community Housing Development Organization (CHDO)  
Program Year- 2021

### Grant Application Submission Requirements

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SUBMIT APPLICATIONS via email (Dropbox link is acceptable) to:

[Regina.Marette@Maricopa.gov](mailto:Regina.Marette@Maricopa.gov)

Phone: (602) 372-1533

TTY 1-800-367-8939 or Arizona Relay Service 711

Available online at: <https://www.maricopa.gov/3893/Notices-Documents>

Office Hours: Monday through Friday 8:00 a.m. – 5:00 p.m.

APPLICATION DEADLINE: Thursday, December 3, 2020 – 5:00 p.m.

RESOLUTION OF SUPPORT DEADLINE: Thursday, January 21, 2021– 9:30 a.m.

#### APPLICATION REQUIREMENTS

The application must be complete in all aspects to be considered for funding. All supporting documentation, including support from match sources, must be included. For activities to be located in the City/Town of Avondale, Chandler, Gilbert, Glendale, Peoria, Scottsdale, Surprise or Tempe, **the resolution of support and commitment may require City/Town Council action. Therefore, early efforts must be undertaken to schedule and complete this action.** Final Consortium approval is contingent upon timely receipt of this resolution.



APPLICATION SCHEDULE

Applications: Available for distribution	October 21, 2020
Deadline for application submittal- Email (Dropbox link acceptable) to <a href="mailto:Regina.Marette@Maricopa.gov">Regina.Marette@Maricopa.gov</a>	December 3, 2020 5:00 P.M.
CHDO presentations-HOME Consortium Meeting: 234 North Central Avenue, 3 <sup>rd</sup> Floor, Roosevelt Room Phoenix, AZ 85004. Please note that this meeting may be held virtually due to COVID-19.	January 21, 2021 9:30 A.M.
Resolutions and Market Study certifications due to Maricopa County: Email <a href="mailto:Regina.Marette@Maricopa.gov">Regina.Marette@Maricopa.gov</a>	January 21, 2021 9:30 A.M.
Consortium meeting: Consortium makes CHDO funding recommendations	February 18, 2021 9:30 A.M.
Board of Supervisors: Approval of Annual Action Plan including CHDO activity selection and final allocations	tentative April 2021
ANNUAL ACTION PLAN: Submission of Plan to HUD	May 2021
BEGIN PROGRAM YEAR: Earliest possible date for funds release contingent upon congressional release of funds and the HUD grant agreement	July 1, 2021

NOTE: Applicants will be notified of the status of their applications at appropriate intervals. The Maricopa HOME Consortium reserves the right to amend this schedule. Applicants will be advised of any changes.

## FUNDING AVAILABLE

Approximately \$650,000 is expected to be available to fund CHDO activities. The Consortium reserves the right to fund, in whole or in part, any, all or none of the Applications submitted in response to this NOFA. A 25% non-federal match is required for all activities.

## ELIGIBILITY CRITERIA

- Nonprofit organizations that are certified as a Maricopa County Community Housing Development Organization (CHDO)
- Applicant must not have unexpended HOME CHDO funding available from the Maricopa County HOME Consortium for more than two grant years as of **December 3, 2020**.
- Proposed activities must benefit the residents of a jurisdiction or target area in Maricopa County outside the boundaries of the Cities of Phoenix and Mesa.
- Applications must address a priority need/goal of that jurisdiction or service area as identified in the Five-Year Consolidated Plan.

## BACKGROUND

In 1990, Congress passed the Cranston-Gonzalez National Affordable Housing Act. Under Title II of this Act, the HOME Investment Partnerships Program (HOME) was established. In order to promote the involvement of nonprofit organizations to increase the supply of affordable housing, the HOME regulations mandate that 15% of Consortium HOME funding be set aside for use by nonprofit organizations that qualify as CHDOs. CHDO funds may be used to provide incentives to develop and support affordable rental housing and homeownership affordability through activities such as acquisition, construction, reconstruction, rehabilitation, and/or various subsidies.

## COMPLIANCE WITH FIVE-YEAR CONSOLIDATED PLAN (CP)

Each proposed activity must address a priority goal of each City/Town or unincorporated area in the identified service area (cannot be the entire County). A formal resolution will also be required certifying specific compliance with the CP and detailing specific administrative responsibilities of the jurisdiction in which the activity will be located.

## HUD OUTCOME PERFORMANCE MEASUREMENT SYSTEM

All applications must demonstrate a tie to one of three HUD designated objectives. In addition the proposed activity must demonstrate at least one HUD designated outcome. Please provide additional details in the project narrative.

The HUD Objectives are:

**Suitable Living Environment** In general this objective relates to activities that are designed to benefit communities, families, or individuals by addressing issues in their environment.

**Decent Affordable Housing** This objective focuses on housing programs where the purpose of the program is to meet individual family or community needs and not programs where housing is an element of a larger effort.

**Creating Economic Development** This objective applies to the activities related to economic development, commercial revitalization, or job creation.

The HUD Outcomes are:

**Availability/Accessibility** This outcome applies to activities that makes services, infrastructure, or shelter available or accessible to low-income people, including persons with disabilities. Accessibility does not refer to physical barriers, but also making the affordable basics of daily living available and accessible to low-income people.

**Affordability** This outcome applies to activities that provide affordability in a variety of ways in the lives of low-income people. It can include the creation or maintenance of affordable housing, basic infrastructure hook-ups, or services such as transportation or day care.

**Sustainability-Promoting Livable or Viable Communities** This outcome applies to projects where the activity or activities are aimed at improving communities or neighborhoods, helping to make them livable or viable by providing benefit to persons of low-income or by removing or eliminating slums and blighted areas through multiple activities or services that sustain communities or neighborhoods.

#### ELIGIBLE CHDO ACTIVITIES

1. The following are the eligible activities for the CHDO funds, subject to the provisions in the HOME regulations at 24 CFR 92.
  - ◆ Property acquisition
  - ◆ Site improvements
  - ◆ New construction, which includes conversion and entails adding one or more units beyond the existing walls
  - ◆ Rehabilitation of properties owned by the CHDO, including conversion other than described under new construction
  - ◆ Reconstruction of properties owned by the CHDO
  - ◆ Lease/purchase program
  - ◆ Demolition as part of a housing project
  - ◆ Other activities eligible under the HOME regulations (except those specifically mentioned below), subject to approval.
2. Tenant-based rental assistance **is not** an eligible activity in this RFP.
3. The housing units must be for permanent housing, including permanent housing for disabled homeless persons and single-room occupancy (SRO) housing.
4. The **eligible costs** are those allowed under the HOME regulations, including costs incurred in predevelopment, acquisition, construction, renovation, and other development costs.
5. The housing must be developed, sponsored, or owned by the CHDO (24 CFR 92.300).
6. The housing must meet HOME affordability requirements and be occupied by low-income households (80% or below) as required by HOME regulations.

## FUNDING DECISIONS

The following summarizes the sequence of events that occur during the funding process. Refer to the schedule in the application for specific dates, times and locations.

1. Applicants must be certified as a CHDO each year.
2. Completed applications will be reviewed by the CHDO review subcommittee (“subcommittee”) for recommendations. Although missing documents cannot be submitted after the application due date, the subcommittee reserves the right to request clarifications and corrections to applications during the review process. CHDOs will be notified as to the status of their application before the first public hearing.
3. All certified CHDO applicants are asked to briefly present their program at the HOME Consortium public meeting on **Thursday, January 21, 2021 at 9:30 a.m.** at 234 North Central Avenue, 3<sup>rd</sup> floor, Phoenix, Arizona. Please note that the meeting may be held virtually due to Covid-19.
4. The subcommittee will score and rank all applications and recommend funding to the HOME Consortium.
5. Final funding recommendations will be made by the Consortium on **February 18, 2021** and forwarded to the Board of Supervisors for final approval in April. Note that final award amounts are contingent on complete underwriting analysis and HUD funding.

## GRANT CONDITIONS

1. The Maricopa County Board of Supervisors (BOS) will make all approvals and commitments for funding under this program. Such funding will be subject to the execution of agreements under which the selected CHDOs will accept all grant mandated pass-through obligations. These obligations include, but are not limited to, equal opportunity, Davis-Bacon Federal Labor Standards, Section 3, Federal Funding Accountability & Transparency Act (FFATA), lead-based paint hazards, radon hazards, accounting, procurement, performance reporting and all other applicable federal and County requirements and regulations required in the management of the HOME Investment Partnerships Program (24 CFR Part 92).
2. All funding commitments are conditioned on the activities obtaining environmental clearance before any funds are committed, including prior environmental clearance of every activity site by address. The environmental review will be performed by the Consortium jurisdiction in which the activity is located (Contract Administrator). If an activity’s address changes, or if a property is added to a funded program after the environmental clearance is completed, it is the responsibility of the CHDO to notify the Contract Administrator. In addition, the CHDO is to refrain from making any expenditure on that site until a new environmental clearance has been completed. Failure to meet these conditions will mean that requested funds would not be disbursed for any expenditure on that property.
3. The enabling legislation for the HOME program establishes a 25% match requirement for any activity funded under this program. Refer to 24 CFR 92.220. To be considered eligible as

match, a contribution must be made from non-federal sources and must be a permanent contribution to a HOME activity or to HOME match-eligible housing. The CHDO will be responsible for identifying and documenting the source of funds and the amount of matching funds available to the activity for which HOME funds are being requested. **A firm commitment from each match provider listing the amount of match, form of match, and specific source must be attached to the application. Applications with match commitments to be secured or identified at a later date will not be accepted.** The CHDO will provide the required match each time a draw is requested for a funded activity.

A. Eligible forms of match are:

- Cash
- Foregone taxes, fees, or other charges
- Donated land or other real property
- On-site and off-site infrastructure
- Proceeds from affordable housing bonds
- Donated site preparation and construction materials
- Donated use of site preparation and construction equipment
- Donated or voluntary labor and professional services
- Homeowner sweat equity
- Supportive services
- Homebuyer counseling services

B. Ineligible forms of match are:

- Contributions derived from federal funds
- Federal tax credits-including interest rate subsidies
- **Owner equity or investment in the activity, including loans to be repaid to the owner**
- Cash or assistance from HOME applicants or investors

4. Maricopa County will enter into a tri-party agreement with the CHDO and the City/Town in which the activity is located (except when the activity is located in the Urban County). The agreement will be administered by the Consortium jurisdiction (administrator) in which the activity is located (i.e., if the activity is located in Tempe, the City of Tempe will administer the activity including approval of reimbursements and monitoring for compliance.) Funded agencies will comply with the HUD statutory commitment and expenditure deadlines.
5. When the CHDO activity is located in the Urban County, the agreement will be executed and administered by the Maricopa County Housing and Community Development Division.
6. Low-income persons must occupy 100% of units that are assisted with HOME funds. Each applicant will have to describe how it will limit participation in the funded program to households that meet the income eligibility requirement. 100% of all HOME-assisted rental units will benefit persons with income of less than 60% of the median income. At least 20% of

- all units in multi-family activities of 5 units or more must benefit persons with income less than 50% of the median income.
7. Financing an activity with HOME funds is a long-term commitment. All activities funded commit the applicant to a long-term responsibility of some type. Housing activities have an extensive period of affordability enforceable by liens on the property and may also require long-term monitoring eligibility of participants.
  8. CHDO Activities in City/Town of Avondale, Chandler, Gilbert, Glendale, Peoria, Scottsdale, Surprise, or Tempe - Resolution of Certification of Compliance with the CP and Administrative Commitment. The Consortium requires member jurisdictions to administer HOME activities in their respective jurisdictions, including being the beneficiary listed in the Deed of Trust. (Sample resolution attached).
  9. CHDO Activities in City/Town of Avondale, Chandler, Gilbert, Glendale, Peoria, Scottsdale, Surprise, Tempe, or Maricopa Urban County – Market Study Certification. Federal regulations require that there is a documented adequate need for the HOME project. The CHDO is required to submit an examination of the neighborhood market conditions. *To be provided in conjunction with the Market Demand Study is a Market Study Certification signed by the City/Town in which the assisted activity is to be located.* Maricopa County will supply the certification if the community is unincorporated.
  10. CHDO Activities in Urban County - Applicants applying for CHDO activities in the Urban County must contact the community the project will serve to obtain an urban county city/town Certification of Consistency with the Consolidated Plan. Maricopa County will supply the certification if the community is unincorporated. This certification must be submitted with all applications. (Sample certification form attached.)
  11. Eligible applicants may not submit more than one application under this NOFA.
  12. Arizona Employer Sanctions Act requirements for participation in the E-verify program will apply to these grants.

## FUNDING RECOMMENDATIONS

The Consortium will consider the following guiding principles when making funding recommendations to the Maricopa County BOS:

- Positive audit history
- Project readiness
- Programmatic compliance
- Feasibility analysis score (see below)
- Market Study
- Geographic distribution of previous CHDO funding

### CHDO APPLICATION FEASIBILITY ANALYSIS

It is anticipated that there will be more applications that meet the threshold requirements than there will be funding available for activities. This feasibility analysis will be used along with the guiding principles to evaluate applications that meet the CHDO certification requirements.

Program Description (20 points maximum) Applicant provides a clear description of the scope of the project and details the specific tasks/activities to be accomplished; project is well-defined with an achievable implementation plan.	
Applicant Experience (30 points maximum) Prior experience of the applicant; past history of staff and management consultants in completing activities of a similar scale and nature.	
Budget Feasibility / Viability (30 points maximum) Budget feasibility; leveraged funds, funding commitments; completeness of budget and cost effectiveness of the program.	
Evidence of Market Need (20 points maximum) Market study shows demand for the requested project(s).	
<b>Total Score</b>	