

**Request for Proposals (RFP)  
for Community Housing Development Organization (CHDO) Set-Aside  
PY 2019 HOME Funds**

Tarrant County Community Development

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January 10, 2019

## Introduction

The Tarrant County Community Development Division (TCCDD) announces the availability of funds under the federal HOME Investment Partnership Program (HOME). Project proposals are being solicited for specific projects to acquire, construct, and/or rehabilitate affordable housing for sale or lease to low-income residents of Tarrant County.

Preference will be given to projects meeting one (1) or more of the following criteria:

- Expand the availability of decent, safe, and affordable housing for low-income households in Tarrant County;
- Include preservation and acquisition of affordable housing;
- Result in affordable housing that is accessible to disabled persons;
- Incorporate Tarrant County's Consolidated Plan objectives; and/or
- Provide beneficiaries with direct access to public transportation and/or community retail centers and/or supportive services.

Tarrant County may award **up to \$800,000** in set-aside funds to certified Community Housing Development Organizations (CHDOs) for PY 2019 (July 1, 2019 through June 30, 2020) for specific projects and CHDO operating funds. Proposed projects must be consistent with the most recent Tarrant County Consolidated Plan. All organizations responding to this RFP must submit their funding proposal(s), including Scope of Work Form (**Exhibit A**), CHDO Operating Fund Application (**Exhibit B**), and Statement of Certification (**Exhibit C**) no later than 12:00 PM Monday, February 11, 2019.

## Background

Tarrant County administers its HOME funds through TCCDD. Tarrant County has previously funded a wide range of affordable housing activities within the County's jurisdiction utilizing HOME funds. Requests for "Administrative" and/or "Capacity Building" funds will not be considered as part of this RFP.

## Eligible Activities

Tarrant County will fund activities described below and in compliance with the HOME Final Rule, 24 CFR Part 92, as published in the Federal Register September 16, 1996 and updated with the 2013 HOME Final Rule on July 24, 2013. All activities must be consistent with the Tarrant County Consolidated Plan and be an eligible activity per 24 CFR Part 92.205.

## Eligible Project Costs (24 CFR Parts 92.206 through 92.209)

Eligible costs include:

- **Development hard costs.** The actual cost of constructing or rehabilitating all housing types, including mixed-use and mixed-income developments, ownership or rental housing, and special needs housing.
- **Refinancing costs.** The cost to refinance existing debt secured by a housing project that is being rehabilitated with HOME funds.
- **Acquisition costs.** Costs of acquiring improved and unimproved rental property, including acquisition for homeownership.
- **Related soft costs.** Other reasonable and necessary costs incurred by the owner and associated with the financing or development (or both) of new construction, rehabilitation, or acquisition of housing assisted with HOME funds (e.g. architectural, engineering, permits, financing, developer and legal fees, as well as working capital and closing costs).
- **CHDO organization costs.** Eligible costs of project-specific assistance are set forth in 24 CFR Part 92.301.
- **Relocation costs.** Costs of relocation assistance for temporarily displaced individuals, families, businesses, and organizations. Projects involving permanent relocation will not be considered for funding.
- **Costs relating to payment of loans.** If the HOME funds are not used to directly pay a cost specified in this section, but are used to pay off a construction loan, bridge financing loan, or guaranteed loan, the payment of principal and interest for such loan so long as the loan was used for eligible costs and HOME assistance is part of the original financing of the project.

The activities and costs are eligible only if the housing meets the property standards set forth in 24 CFR Part 92.251 upon project completion.

## Match

Under HOME regulations, each applicant must make at least a twenty-five percent (25%) match contribution to the funds requested under the HOME program. For a list of recognized match contributions and form of matching contributions, please review 24 CFR Parts 92.219 and 92.920.

## Scope of Services

Selected CHDOs shall provide housing opportunities and/or services to low-income households and individuals in the urban Tarrant County entitlement area, which excludes the cities of Arlington, Fort Worth, and Grand Prairie.

## General Project Requirements

- The HOME program is designed to assist housing projects that serve low-income households ranging from those experiencing homelessness to first-time homebuyers, consistent with the needs and priorities identified in the Annual Action Plan. The Annual Action Plan is available online by clicking on the “Consolidated Plan” link at <http://www.tarrantcounty.com/eCommunityDev/>.
- CHDO is prohibited from undertaking any physical or choice-limiting actions, including property acquisition, demolition, movement, rehabilitation, conversion, repair, or construction until

satisfactory completion of environmental review and receipt by TCCDD staff of a release of funds from HUD under 24 CFR Part 58.

- Payments will be made on a reimbursement basis.
- Requirements for the development and implementation of HOME underwriting and subsidy layering as stated in CPD Notice CPD-15-11 must be followed.
- In certain cases, a preliminary or firm financing commitment from a private lender or other financing source may be required prior to award.
- Applications must be for site-specific projects in Tarrant County, as funds cannot be committed without an address. Evidence that the proposed development is permitted under existing zoning and other development-related documentation may be required.
- An independent market analysis may be required, as well as a recent tenant survey detailing the socioeconomic characteristics of current tenants, particularly in the case of acquisition and/or rehabilitation projects.
- Rehabilitation or new construction projects may be subject to the wage and hour requirements of the Davis-Bacon Act, as well as accessibility requirements under 24 CFR Part 8, which implements Section 504 of the Rehabilitation Act of 1973.
- Projects that involve temporary relocation must meet the requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970. Projects requiring permanent relocation will not be considered for funding.
- Acquisition and/or rehabilitation of existing housing units are subject lead-based paint (LBP) testing, particularly units built prior to 1978. Depending on the age(s) of the structure(s), scope of work, and type of work, the extent of LBP testing may vary as mandated by HUD.

## Contents of the Proposal

To receive full consideration for funding, proposals must be typed, double-spaced, on 8.5" X 11" paper, with pages and sections summarized in a table of contents, collated, numbered, and stapled. Please provide three (3) physical copies and one (1) PDF version of each complete proposal. All proposals must contain the following elements:

- Completed Scope of Work Form (**Exhibit A**), CHDO Operating Fund Application (**Exhibit B**), and Statement of Certification (**Exhibit C**).
- Qualifications of the certified CHDO for the completion of the contract. The organization's qualifications should include a brief history of its experience and expertise with housing activities, including project development, management, and financing for low-income households and individuals in Tarrant County, excluding the cities of Arlington, Fort Worth, and Grand Prairie.
- Copy of current CHDO certification.
- Identification of agency's current principals, board members, administrators, and senior staff, including contact information (e.g. home address, phone number, email).
- A brief listing of principal sources of funding being received by the organization along with a copy of the organization's most recent audited financial statement.
- An overview of the current general service delivery system, including map of current and proposed site location(s), capacity, specific services and housing opportunities provided by the organization for the past 24 months, and goals and objectives for the future.
- Proposed outreach and marketing materials and overall strategy.

- A description and market analysis of the proposed housing project(s), including a proposed schedule for the use of funds and a projection of how many individuals and/or households will be assisted either directly or indirectly. Proposals must also include a brief description of the target client base to be served.
- Whether CHDO is an owner, sponsor, or developer of the project.
- A proforma of each project must be submitted and include all other funding sources by name, amount, and use for each.
- If the project creates HOME match, provide a full description of the source of the match and the estimated amount to be created by the project/activity.

If requested, the organization must be available and able to present the proposal to TCCDD staff. This presentation would cover topics as outlined above, but may not necessarily be all that is discussed during the session. The request for an oral presentation would be made prior to committing funds based on any of the responses to the RFP.

## Conditions and Obligations

Selected organizations must be prepared to meet the following conditions and enter into a final contract containing these provisions:

- Selected organizations shall certify that their insurance coverage, including liability, errors, omission, and workers' compensation is in accordance with Texas law and such coverage will remain in effect throughout the period of the proposed contractual agreement.
- Selected organizations shall agree to maintain financial records in accordance with Generally Accepted Accounting Principles (GAAP), so as to substantiate all expenditures made in connection with this proposal and/or any subsequent contract.
- Selected organizations will certify that their agency will comply with all federal and state laws applicable to employment and that services will be rendered without invidious discrimination.
- Selected organizations must be able to show evidence of organizational and financial stability and the ability to fund activities and request HOME funding reimbursement for described activities.
- Selected organizations must certify that their agency does not boycott Israel and will not boycott Israel during the term of this contract.

## Commitment of Funds

In order to commit HOME funds to a project, the following information must be provided to TCCDD staff:

- Program design, including:
  - Budget of project costs and uses of HOME funds and all other sources;
  - How the HOME required twenty-five percent (25%) requirement will be met;
  - Affordability policies and procedures;
  - Marketing and sales policies; and
  - Recapture policies, note, and deed of trust.
- Purchase price of property prior to purchase;
- Completion of Environmental Review;
- Copy of underwriting and subsidy layering for affordability period;
- Copy of completed market assessment;
- Copy of production schedule; and

- Anticipated start date of construction (must be within 12 months).

## Selection Criteria

All proposals will be evaluated on the basis of the following criteria:

<b>Criterion</b>	<b>Points</b>
Organizational stability	25
Knowledge of HOME regulations	20
Organizational capacity	15
Match contribution (beyond 25%)	15
Cost effectiveness	10
Previous activity in the County's jurisdiction	5
Past experience with HOME projects	5
Timeliness	5
<b>TOTAL</b>	<b>100</b>

## Additional Information

Submission of proposals from all qualified applicants is encouraged. Due to limited grant funding, Tarrant County reserves the right to fund only a portion of a proposed project. Tarrant County also reserves the right to reject any and all proposals.

The prospective applicant certifies by submission of their proposal that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal, state, or local department or agency. Any contractors/vendors funded with HOME funds as part of the proposed activities cannot be listed on the federal debarred list of contractors. The online debarred list can be found on the System Award Management (SAM) website: <http://www.sam.gov>. Any agencies currently out of compliance with any TCCDD contracts are ineligible to apply.

## Deadline

All organizations responding to this RFP must submit their funding proposal(s), including Scope of Work Form (**Exhibit A**), CHDO Operating Fund Application (**Exhibit B**), and Statement of Certification (**Exhibit C**) no later than 12:00 PM Monday, February 11, 2019.

**Exhibit A**  
SCOPE OF WORK

<b>CHDO/Developer</b>		
<b>Property Address(es)</b>		
<b>Project Description</b> <i>Include total # of housing units, HOME units</i>		
<b>HOME Affordability Period</b>		
<b>Project Milestones</b>	Program design completed	MM/DD/YYYY
	Identification of first property(s) for acquisition	MM/DD/YYYY
	First property(s) ready to purchase or rent	MM/DD/YYYY
	All property(s) acquired	MM/DD/YYYY
	All property(s) available to buyers or renters	MM/DD/YYYY
	Completion data available for all HOME-assisted units	MM/DD/YYYY
<b>Planned Total Development Costs</b>		
<b>Use(s) of HOME Funds</b>		
<b>HOME Assistance</b>		
<b>Source(s) of HOME Funds</b>	PY 2019 HOME funds	

**Exhibit B**

**CHDO OPERATING FUND APPLICATION**

<b>CHDO</b>	
<b>CHDO DUNS #</b>	
<b>CHDO TAX ID #</b>	
<b>CHDO Address</b>	
<b>Contact Person</b>	
<b>Contact Person's Title</b>	
<b>Contact Person's Phone #</b>	
<b>Contact Person's Email</b>	
<b>CHDO's Annual Operating Expenses for Most Recent Year</b> <i>The maximum grant amount is \$50,000. Operating fund awards may not exceed 50% of the CHDO's total operating expenses.</i>	
<b>Operating Fund Request</b>	

**Eligible Operating Expenses**

Operating expenses means reasonable and necessary costs for the operation of the CHDO. Eligible costs will be reimbursed within the terms of each executed contract. Such costs include:

- Salaries, wages, and other employee compensation and benefits;
- Employee education, training, and travel related to HOME;
- Rent, utilities, communication costs, taxes, and insurance; and
- Equipment, materials, and supplies.

These funds may not be used to pay operating expenses incurred by a CHDO acting as a subrecipient or contractor under the HOME program.

**Exhibit C**

STATEMENT OF CERTIFICATION

I hereby certify that all statements I have provided in this application and in the attachments herein are true; that I am authorized to sign this application, and to make these statements, on behalf of the applicant organization; and that the organization understands that misrepresentation of any facts which lead to the improper allocation and expenditure of public funds may result in legal action against the organization for retrieval of any such funds and appropriate penalties.

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*Signature*

\_\_\_\_\_  
*Title:*

\_\_\_\_\_  
*Name:*

\_\_\_\_\_  
*Date*