

RFP Information Session

October 7, 2015



AGENDA

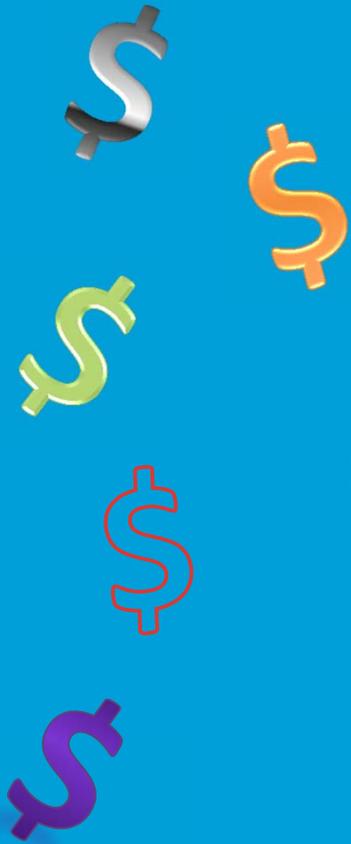
- Welcome
- Overview of the Requests for Proposals
- Questions



Funding Sources:

- HOME
- CDBG (primarily for rehab)
- Housing/Homeless Bonds
- TIRZ

All funds will be used for gap financing only.



WHAT CAN WE DO WITH THESE FUNDS?



- New Construction
 - Rehabilitation
 - Acquisition & Hard Costs
 - *Some* Soft Costs & Reserves
 - Demolition / Reconstruction
 - Transit-Oriented Development
- 64 units or more



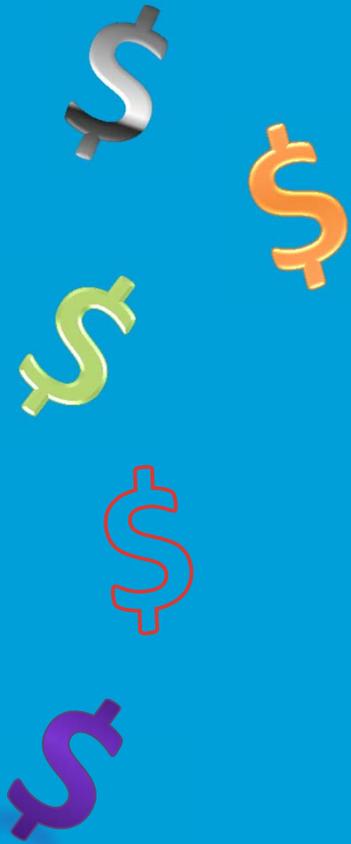
WHO IS ELIGIBLE TO APPLY?

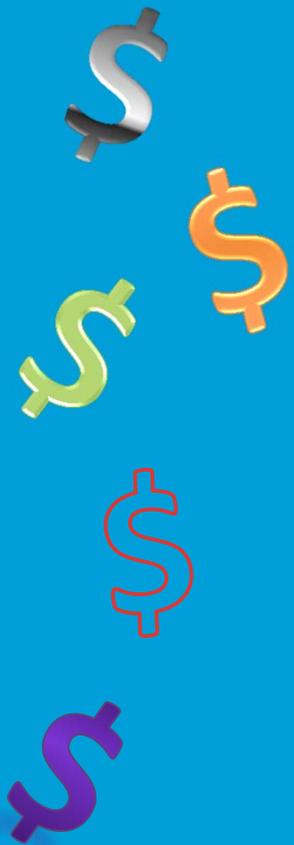




- For-profit or not-for-profit entities
(15% CHDO set-aside for HOME funds)
- Experienced in acquisition, construction, rehabilitation, management of affordable housing
- Must own the property, or have it under contract
- Good standing with City, State & HUD
 - Not on debarment list
 - No compliance issues or nuisance citations from other properties you own/manage

LOAN TERMS





- You specify amount of funds requested
(*City reserves the right to determine actual award*)

- Gap financing:

$$\begin{aligned} & \text{Total development cost} \\ & - \text{All other sources of funds} \\ & \hline & \text{Request to HCDD} \end{aligned}$$



- Loan structure will be determined by the City



AFFORDABILITY

Land Use Restriction Agreement (LURA)



LURA

- Superior to all other liens
- Rents based on income levels
- Identifies the number of affordable units
- Varies based on funding sources
- HCDD provides training and monitors compliance



HOME & CDBG– Minimum Affordability Periods:

- 20 or more years - New construction
- 15 years - Rehab or purchase $>$ \$40,000/unit
- 10 years - Rehab or purchase \$15,000 - \$40,000/unit
- 5 years – Rehab less than \$15,000/unit (highly unlikely we will do one of these)



Sample Timeline

10/26/15 – Application cut-off date (3:00 p.m.)

Dec. 2015 – Complete threshold review

Feb. 2016 – Complete underwriting

Apr. 2016 – Housing Committee

May. 2016 – Complete document prep

June. 2016 – Present to City Council



DEVELOPMENT REQUIREMENTS



Development Requirements

- Environmental review
- Property Condition Assessment – Rehab only
- Plans, specifications, construction budget
- Cost reasonableness & plan review (during underwriting)



Development Requirements

- Comply with City Building Codes & Minimum Property Standards (MPS)
- Energy efficiency (Code and MPS)
- Accessibility – 2010 ADA, UFAS, Section 504, Fair Housing
- Relocation plan
 - Comply with Uniform Relocation Act
 - Include relocation costs in the project budget



Development Requirements

- City of Houston MBE / SBE
- Section 3 – Employment and contracting opportunities
- Davis Bacon – Labor standards



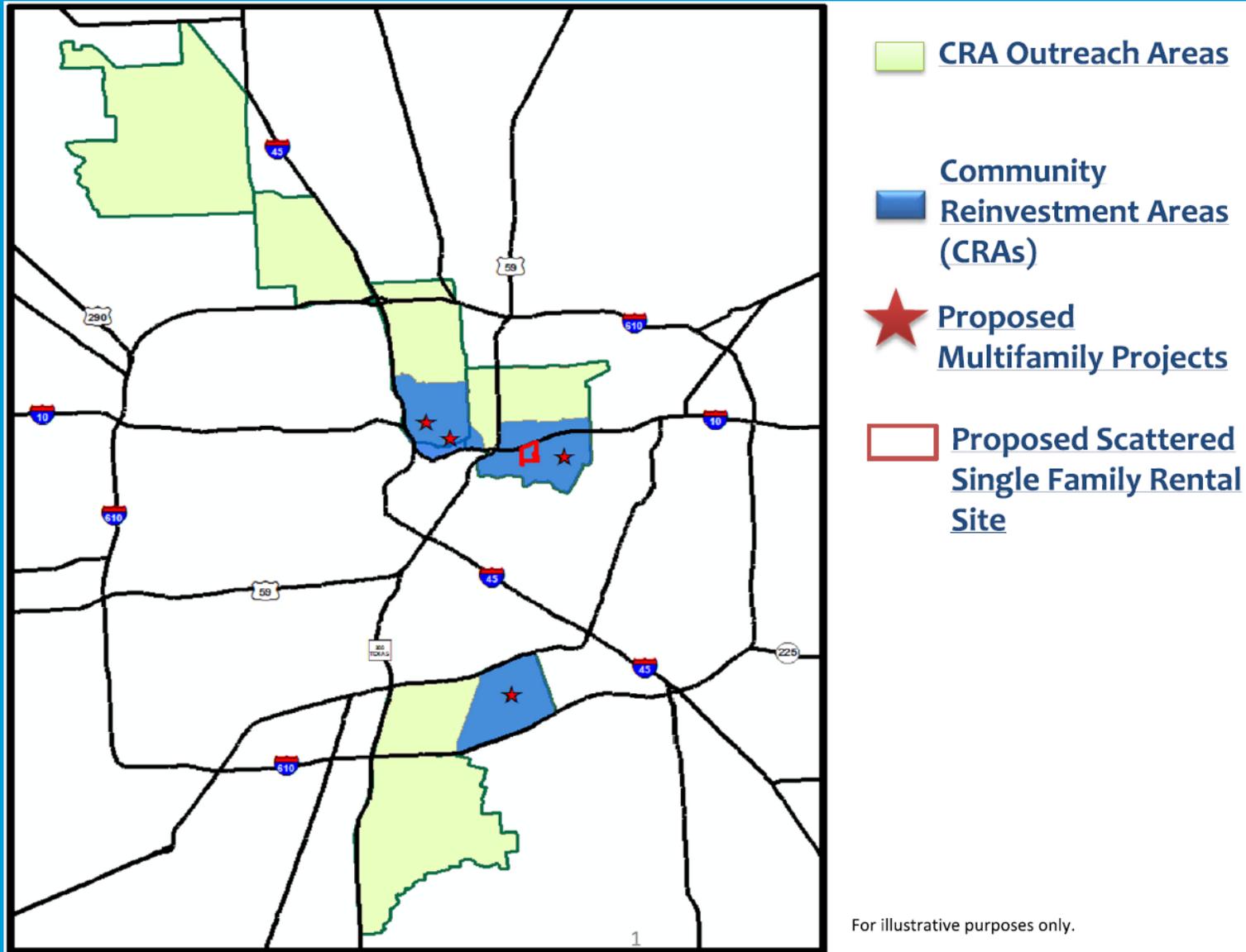
LEASING & MANAGEMENT



Scoring Criteria

- Experience / Org. Expertise (30 points)
- Location Information (20 points)
- Project Information (25 points)
- Third-Party Reports (5 points)
- Financial Analysis (20 points)

Community Revitalization Areas



For illustrative purposes only.

THE FINE PRINT

The Director, at his/her sole discretion, can either waive any of the requirements contained herein, or reject any application to this RFP.

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Questions?