

CITY OF HOUSTON
REQUEST FOR PROPOSALS (RFP)
HOUSING AND COMMUNITY DEVELOPMENT
DEPARTMENT SECTION 108 LOAN APPLICATION
SOLICITATION NO. T28998

Date Issued: April 5, 2019

Pre-Proposal Conference: Meeting will be scheduled with each applicant to discuss program requirements.

Solicitation Due Date: RFP will remain open until all loan funds have been awarded (not to exceed \$40 million in total loan commitments).

Solicitation Contact Person: Tywana L. Rhone
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832-394-6204

Project Summary: This RFP is for the Section 108 loan program with an open application system. This Section 108 Loan Guarantee Program provides communities with a source of financing for economic development, public facilities, and other development projects. Funds will be provided for eligible projects that serve low to moderate-income populations. Please note that this is a loan program requiring full repayment of principal and interest.

DocuSigned by:
Jerry Adams
0DD350130A6F4C8..

Jerry Adams, Chief Procurement Officer

4/1/2019

Date

City of Houston
Housing and Community Development
Department
Section 108 Loan Application



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I. GENERAL INFORMATION:

A. OVERVIEW:

The Housing and Community Development Department (HCDD) of the City of Houston oversees programs intended to support low to moderate-income residents in improving and strengthening their neighborhoods. The City seeks to promote neighborhoods by strengthening the coordination of services between government and nonprofit agencies and leveraging public and private resources to maximize development and renovation efforts.

HCDD has opened its available Section 108 loan program with an open application system. The Section 108 Loan Guarantee Program provides communities with a source of financing for economic development, public facilities, and other development projects. Funds will be provided for eligible projects that serve low to moderate-income populations. **Please note this a loan program requiring full repayment of principal and interest.**

Successful applicants will be subject to a Land Use Restriction Agreement (LURA) for any properties acquired, constructed or improved. The covenants will be filed with the County deed records for a minimum of five (5) years, but depending on the terms of the agreement, the LURA could be for a longer period.

Project activities will be subject to HUD Section 3 requirements and the City of Houston, Minority Women Owned Small Business Enterprise program.

34% MWBE Goal (23% MBE 11% WBE)

B. ELIGIBILITY:

1. Eligible Applications:

Proposals should demonstrate that the proposed project meets a National Objective by meeting one of the three standards hereunder in accordance with 24 CFR 570.208:

- a) **Area Benefit Activities** - The area must be residential in nature. Services from the facility must be available to all residents in the area, 51% of which must be low to moderate-income persons (80% of Houston median income adjusted for household size). If the activity is for a specific clientele such as youth or elderly, this national objective does not qualify and thus the applicant must meet the second national objective listed below.
- b) **Limited Clientele Activities** – If the facility is used to provide services to clients who are principally low and moderate-income residents of the City of Houston, the applicant will be required to verify all the individual clients' income to ensure that at least 51% of the clients served by the facility are low and moderate-income citizens. This requires maintaining certain documentation mandated under 24 CFR 570.506 to comply with the regulations. Submission of data on clients who meet a presumed benefit under the federal regulations is not required.
- c) **Low-Income Employment Benefit (Jobs)** -- which creates or retains permanent jobs, at least 51 percent of which, on a full time equivalent (FTE) basis, are either held by low- or moderate-income persons or considered to be available to low or moderate income persons.

2. Eligible Types of Projects:

- Micro Enterprise Loan Program;
 - The implementation of a loan program for small businesses with five or fewer employees, to provide affordable financing, technical assistance, or support services.
- Revolving Loan Fund;
 - The implementation of a revolving loan program to support local economic development needs.

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- Special Development Project Fund;
 - Development projects including acquisition, construction, rehab, or installation of commercial buildings.
- Single Family Rehab and Replacement Program;
 - Rehabilitation of Single-Family housing residences.
- Multi-Family Housing Program;
 - The development of multi-family housing.
- Public Facilities
 - Projects for the acquisition, construction, or rehabilitation of public facilities and improvements.

3. Ineligible Types of Projects:

- Proposed projects located within the 100-year flood plain will not be considered.

B. THRESHOLD REQUIREMENTS:

To qualify for Section 108 Loan funding, the following threshold requirements must be met. **Applications that do not meet threshold will not be reviewed.**

1. Applicant will initially submit Narrative Project Proposal, Project Budget, and Sources and Uses of Funds Statement. Threshold review will confirm the following;
 - a) Project meets a National Objective
 - b) Activity is Eligible (as defined by HUD)
 - c) Site is not located in the 100-year flood plain
 - d) Applicant and/or development team has not been debarred

Please note: The items listed below and detailed in Exhibits B, C, and D will be submitted after threshold review.

II. EVALUATION AND SELECTION CRITERIA OF PROPOSALS:

A. PRIORITIES AND SELECTION CRITERIA:

Projects will be prioritized based on the following;

1. **Complete Communities-** Projects located within the boundaries of the Complete Communities as designated by the Mayor will be prioritized (Acres Homes, Gulfton, Near Northside, Second Ward, Third Ward). (See Exhibit A.)
2. **Community Benefit** - A community needs assessment should be completed with an explanation of the benefits of the proposed project to the community.
3. **Project Feasibility** - The project construction budget, scope of work, proposed national objective, and projected operating budget will be evaluated to determine the feasibility of the project.
4. **Leverage** - The City wishes to leverage its funds through public and private partnerships to maximize the use of Federal Funding that is available. A Sources and Uses of Funds Statement should be included in the proposal and include all funding sources being used for the proposed project. Funding sources should be accompanied by a letter of commitment.

B. FINANCING TERMS AND GRANT LIMITS:

1. Types of Loans:
 - New construction and renovation of real estate
 - Micro-Enterprise or Revolving Loan Program Funding

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2. Funding:
Applicants must specify the amount being requested from the City of Houston.
3. All loans are subject to approval by HUD and City Council.
Projects will be funded with Section 108 Loan Funds.
 - a) Section 108 Loan Interest Rates
Interest rates charged on interim borrowing is priced at the three-month London Interbank Offered Rate (LIBOR), plus 20 basis points. Permanent financing is pegged to yields on Treasury obligations of similar maturity to the principal amount. An additional basis point spread, depending on maturity, will be added to the Treasury yield to determine the actual rate. The spread will be determined during application review, but will be no less than 1.20% above the LIBOR target.
 - b) Entitlement communities pledge future CDBG funds as security for the loan, plus any needed additional security to ensure that the notes will be repaid in the event of a project default. The notes are repaid by the applicant/or the project funded with the Section 108 proceeds over a period of up to 20 years. Funds to repay the note can come from program income generated by the project, or other revenue sources that the recipient has available.
4. Limits:
Applicant will not receive funding if they are not current with taxes due to the City, have delinquent loan(s) with HCDD, if the organization is not in good standing with the City, or if the organization has been federally suspended or debarred.
5. Term:
The total loan term will be determined by HCDD during application review, but will span no greater than 20 years. Acquisition and construction must be complete within 24 months of City Council approval. An Action Plan and Project schedule will be required. The City reserves the right to cancel contracts with agencies that do not perform in a timely manner.
6. Use of Funds:
Funds must be used to finance only the scope of work that is agreed upon between the City and the Applicant only, as evidenced in the Contract to be developed.
7. Underwriting Limitations:
 - a) Debt Service Coverage Ratio – Loan requests supported by operating cash flow will need to reflect a minimum Debt Service Coverage Ratio of 1.25
 - b) Loan to Cost – Loan requests will be limited to an 80% loan to cost ratio
 - c) Loan to Value – Loan requests will be limited to an 80% loan to value ratio

Fees and Costs:

Applicant is responsible for all third-party costs including (but not limited to appraisal, environmental, third party legal and plan and cost review)

Applicants will be subject to origination fees of no less than 1.00% balance of the Section 108 loan due at closing.

III. PROPOSAL RESPONSE GUIDELINES:

A. INITIAL APPLICATION FORMAT AND LOCATION FOR SUBMISSION:

1. Applicant will initially submit:
 - Project Narrative
 - Project Budget
 - Pro forma of project cash flow
 - Sources and Uses of Funds Statement

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- Resume for Executive Director and Board
 - Three years of applicant's financial statements
 -
2. Upon completion of threshold review by HCDD, the department will contact the applicant to discuss the eligibility determination.
 3. The documents listed in the checklists below will be submitted after the initial threshold review, **along with a \$500 application fee.**

Submit both pre-application and application to:

CITY OF HOUSTON
Housing and Community Development Department
Attn: Tywana L. Rhone
2100 Travis, 9th Floor
Houston, Texas 77002

One original hard copy and one electronic, PDF copy (on a CD or flash/jump drive) of the Proposal for funding should be submitted. Paper copies should be submitted in 3-ring binders, tabbed into sections. Tabs for each document in each Section are required. Proposals must be packaged and clearly labeled with the address below for delivery to the Housing and Community Development Department and sealed. The electronic (PDF) version must be bookmarked by Section.

IV. ADDITIONAL PROPOSAL AND GRANT REQUIREMENT:

A. GOVERNING PROVISIONS AND LIMITATIONS:

1. This application does not commit the City to award a funding contract, to pay any costs incurred in the preparation of a proposal for funds or to procure or contract for services or supplies. The City reserves the right to accept or reject any or all proposals received and the right to negotiate with qualified applicants or cancel the proposal in part or in its entirety, if it is in the best interest of the City to do so.
2. The City reserves the right to:
 - d) Negotiate any contract awarded resulting from this application, to the extent that funding is available.
 - e) Reduce contract funding if the City does not receive adequate funding from the United States Department of Housing and Urban Development.
3. Applicants shall not, under penalty of law, offer any gratuities, favors, or anything of monetary value to any officer or employee of the City to obtain favorable disposition toward his/her or their own proposal or any other proposal submitted hereunder.
4. News releases by applicants pertaining to any matter related to the selection process should not be made without prior written approval of the City.
5. All materials furnished by an applicant in its proposal shall become the property of the City and shall be considered public information, except for material that is excluded under the Texas Open Records Act. All material that an applicant considers proprietary shall be made known to the City on the proposal cover sheet.
6. Applicants will be required to assume full responsibility for all services, including that of any subcontractors.
7. The City reserves the right to revise this application.
8. The City's obligation hereunder is contingent upon the availability of appropriated funds from HUD. The City will have no obligation for payment of any money unless, and until, HUD makes funds available to the City for this application; and notice of such allocation is confirmed in writing by the City to the applicant when program requirements are met.
9. Contract awards for construction projects can be rescinded if the building structure proves to be infeasible for renovation or the project cost is excessive as determined by the City.
10. Contract awards may be adjusted based on the City's review of the project prior to issuance of a Construction Contract.
11. Self-help. An applicant who receives a grant or performance-based loan shall not be allowed to perform any form of voluntary labor nor engage any third party to provide such. An applicant shall not be allowed to serve as his or her own project manager, construction contractor or construction manager for construction projects.

B. PROPOSAL REVIEW AND SELECTION PROCEDURE:

1. Each proposal shall be reviewed for initial selection by the staff of the Housing and Community Development Department for completeness and feasibility. Applicants may be required to make oral presentations. If so, they will be given at least ten business days' notice.
2. The evaluation of proposals will be based on the thoroughness, accuracy, and reasonableness of information furnished by the applicant.
3. HCDD Staff will evaluate each proposal that meets threshold requirements. Staff may also conduct a project site visit of the proposed project as part of the evaluation process.
4. The City reserves the right to reject proposals for any reason.

C. PRECONSTRUCTION, CONSTRUCTION, AND FINAL COMPLETION SERVICES:

1. The applicant will select its own Architectural/Engineering firm for design and project management services, provided the City approves it. The fees shall be included in the total budget for the project. Project activities will be subject to HUD Section 3 requirements and the City of Houston Minority Women Owned Small Business Enterprise program.
2. The architectural/engineering firm selected by the applicant must have professional liability insurance (to include errors and omissions coverage) with such limits to be approved by the City. The project manager, on behalf of the applicant, shall provide services that include but are not limited to the following:
 - a) Develop the project programming, budget, preliminary design or work write-up, construction documents, and final cost estimate for the project on behalf of the applicant.
 - b) Interpret the requirements of the Funding Contract between the City and the applicant and monitor for compliance.
 - c) Develop bid documents, and related services for bidding of the project by applicant.
 - d) Receive, review, and evaluate bids with the applicant so that the applicant can award a construction contract to a construction contractor based on the lowest responsible bid and submit same for approval by the City.
 - e) Schedule, coordinate, and conduct a pre-construction conference on behalf of the applicant.
 - f) Issue a Notice to Proceed to the construction contractor on behalf of the applicant.
 - g) Monitor the construction to determine that work is proceeding in accordance with the construction documents.
 - h) Evaluate contractor's payment requests and certify costs to enable the processing of payments.
 - i) Certify all change orders during construction and submit them to the applicant and City for approval.
 - j) Issue Certificate of Substantial Completion and recommend final acceptance of the project to the applicant.
 - k) Submit closeout documents as applicable and required to finalize the project.

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B. FURTHER INFORMATION:

1. Any organization selected to receive Section 108 Loan funds must comply with all applicable regulations at 24 CFR Part 570. In addition, the applicant must comply with any other applicable federal, state and local laws, and regulations that may apply to this type of application, including Davis/Bacon wage rates.
2. Labor Standards/ Davis Bacon Acts (DBRA): Under DBRA, the contractor is required to pay not less than prevailing wage rate and fringe benefits as predetermined by the US. Department of Labor (DOL). Contractor and all lower tiers subcontractors must comply with the Labor Standard Provisions as required by this agreement.
3. Successful applicants shall use the competitive sealed bid method of procurement as described in 2 CFR 200.318-200.326 by following procurement standards in selecting a contractor to perform the construction work, and shall award the construction contract to the lowest responsible bidder.
4. An applicant that is selected for funding a project is required through its project manager to submit a construction schedule and drawdown/payment schedule to the HCDD Director or his/her designee prior to the disbursement of grant funds. The City shall make payments in accordance with this schedule.
5. Recipients making loans for special economic development projects must comply with the public benefit standards. These standards have two levels:
 - a) Aggregate benefit – minimum of one job per \$35,000 of Section 108 loan funds or one LMI resident served per \$350 of Section 108; and
 - b) Individual benefit – maximum of \$50,000 of Section 108 loan funds per job created or one LMI resident served per \$1,000 of Section 108.

V. PERTINENT FEDERAL REGULATIONS

A. NONDISCRIMINATION AND EQUAL OPPORTUNITY:

An organization selected to receive Section 108 Loan funds must comply with the following:

1. The requirements of Title VIII of the Civil Rights Act of 1968 and Title VI of the Civil Rights Act of 1964 relating to the prohibitions against discrimination in housing and the denial of benefits of federally funded programs because of race, color, religion, sex, or national origin.
2. The prohibitions against discrimination based on age under the Age Discrimination Act of 1975 and the prohibitions against discrimination against handicapped individuals under Section 504 of the Rehabilitation Act of 1973.
3. The requirements of Executive Order 11246 relating to equal employment opportunity in connection with federally funded programs.
4. **Section 3 of The Housing and Urban Development Act of 1968**
 - (a) The work to be performed under this Agreement is under a program providing federal financial assistance from the Department of Housing and Urban Development (HUD). Section 3 of the Housing and Urban Development Act of 1968, as amended, (12 U.S.C. 1701 u, "Section 3") applies to work to be performed under this Agreement. Under Section 3, to the greatest extent feasible, for any contract award in excess of \$100,000, the Contractor shall give opportunities for training and employment to lower-income residents of the City and shall award contracts for work in connection with the project to business concerns which are located in or owned in substantial part by persons residing in the City.
 - (b) The Contractor will comply with the provisions of Section 3, and all applicable rules and orders of HUD issued thereunder prior to the execution of the Agreement. The Contractor certifies and agrees that there is no contractual or other disability which would prevent compliance with these requirements.

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(c) The Contractor shall send to each labor organization or representative of workers with which it has a collective bargaining agreement or other contract or understanding, if any, a notice advising the labor organization or workers' representative of the commitments under this Section 3 clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment or training.

(d) The Contractor will include or have included a Section 3 clause in every subcontract for work in connection with the project. The Contractor shall, at the direction of the City, take appropriate action pursuant to any subcontract upon a finding that the subcontractor is in violation of this Section 3 clause. The Contractor will not subcontract with any subcontractor where it has notice or knowledge that the latter has been found in violation of regulations under 24 CFR Part 135. The Contractor shall not let any subcontract unless the subcontractor has provided the Contractor with a preliminary statement of ability to comply with the requirements of this Section 3 clause.

(e) Compliance with the provisions of Section 3, and all applicable rules and orders of HUD issued thereunder prior to the execution of this Agreement shall be a condition of the federal financial assistance provided to the project. These provisions are binding upon the City, its contractors and subcontractors, their successors and assigns. Failure to fulfill these requirements shall subject the City, its contractors and subcontractors, their successors and assigns to those sanctions specified by the grant or loan agreement or contract through which federal assistance is provided.

(f) The Contractor shall have completed, signed and delivered a Voluntary Compliance Form (provided by the City) to the Director prior to the execution of this Agreement. Development Act Of 1968The requirements of Section 3 of the Housing and Urban Development Act of 1968 relating to the training and employment of individuals and the contracting of businesses from the metropolitan area in which the federally funded program is located.

(g) The Section 3 program requires that recipients of certain HUD financial assistance, to the greatest extent feasible, provide job training, and give preference in making selections for employment and contracting opportunities to low- or very-low income residents. In accordance with the City of Houston Housing and Community Development Department's Section 3 Program Policy and Procedures. Before construction may commence, the applicant must complete a Section 3 Utilization Plan and submit it to the City for its reasonable approval. The plan must include specific information including plans for hiring Section 3 eligible residents engaging Section 3 certified businesses, a commitment to include the Utilization plan as part of all bids, and a real commitment to reach out to Section 3 residents and firms.

(f) If the contractor/subcontractor has the need to hire new persons to complete the Section 3 covered contract or needs to subcontract portions of the work to another business, they are required to direct their newly created employment and/or subcontracting opportunities to Section 3 residents and business concerns. The same numerical goals apply to contractors and subcontractors (i.e., 30 percent of new hires, 10 percent of construction contracts, and 3 percent of non-construction contracts).

(g) Employment and contracting opportunities should be directed to the City of Houston Housing and Community Development Department Section 3 Business and Resident directories. For more information about the Section 3 program, visit:

http://www.houstontx.gov/housing/compliance_html#sec3

A. NONDISCRIMINATION AND EQUAL OPPORTUNITY (CONTINUED):

5. Minority Women Owned Small Business Enterprise (MWSBE)

Bidders shall comply with City Ordinance 2013-0428, Chapter 15, Article V, City of Houston Code of Ordinances, as amended, and City of Houston Office of Business Opportunity Minority, Women, and Small Business Enterprise (MWSBE) Procedures. The Lowest Responsible Bidder will be required to demonstrate good faith efforts to achieve a MWSBE participation goal as stated in Document 00800 – Supplementary Conditions (Contract Goal) in accordance with Document 00808 – Requirements for the City of Houston Program for Minority, Women, and Small Business Enterprises and Persons with Disabilities Enterprises (PDBE).

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Any contract, agreement or other undertaking anticipated for construction work in excess of \$1,000,000, or the supply of goods or non-personal or non-professional services in excess of \$100,000, for which Competitive bids are required by law shall comply with Citywide Aspirational Goals on projects administered by HCDD. **This project will be advertised with a MWBE goal of 34%.** Progress made towards meeting annual citywide goals are measured by counting the participation of minorities, women and small business enterprises (SBE applies to Construction only) on prime contracts and subcontracts.

6. The requirements of Community Development Block Grant regulations at 24 Code of Federal Regulations Part 570.
7. The requirements of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327 et seq.), also known as Davis/Bacon.

B. APPLICABILITY OF OMB CIRCULARS:

A sub recipient of federal funds must comply with the policies, guidelines, and requirements of 2 CFR Part 200, as they relate to the acceptance and use of grant amounts by nonprofit organizations.

C. CONFLICTS OF INTEREST:

In addition to conflict of interest requirements in 2 CFR 200, no person who is an employee, agent, consultant, officer, or an elected or appointed official of the City, state recipient or nonprofit recipient (or any designated public applicant) that receives funds and who exercises or has exercised any functions or responsibilities with respect to assisted activities or who is in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a personal or financial interest or benefit from the activity, or have an interest in any contract, subcontract or agreement with respect thereto, or the proceeds there under, either for him or herself or those with whom he or she has family or business ties, during his or her tenure or for one year thereafter.

D. ENVIRONMENTAL COMPLIANCE:

Once a Proposal has been received by HCDD, Compliance staff must review for compliance with all federal environmental regulations as explained in 24 CFR Part 58, and approval from HUD must be granted to receive funding.

- a) **While environmental clearance is pending, no actions may be undertaken or no activity that could limit the choice of reasonable alternatives to the project may be performed. Choice limiting activities include, but are not limited to; the acquisition of land (irrespective of funding source); closing on loans, demolition or construction of a building or structure; and the execution of legally binding agreements.**
- b) Rehabilitation of any buildings built before 1978, must comply with federal lead-based paint requirements including lead screening in accordance with 24 CFR Part 92.355 and 24 CFR Part 35, subparts A, B, J, K, M, and R.
- c) All properties must be free of contaminants/hazardous substances at levels that pose dangers to users of the property or conflict with the intended purpose of the property as explained in 24 CFR 58.5(i)(2)(i). This includes, but is not limited to, toxic mold and asbestos. If there might be a concern that a property contains toxic mold or asbestos, the Applicant will be responsible for the testing and either the implementation of an O&M plan (operations and maintenance plan) or the abatement process (for which contractor must be a certified asbestos contractor).

E. UNIFORM RELOCATION ACT:

Applicants must comply with the Uniform Relocation Act and Real Property Acquisition Policies Act of 1970 (URA) as amended, as well as the Housing and Community Development Policy and Procedure Manual. The URA requires that the owner of the property receiving federal funding must provide notices and assistance to tenants impacted by acquisition, demolition, and/or rehabilitation/reconstruction. HCDD staff will assist Applicants in complying with the URA. Please provide the following documentation for all Acquisition, Demolition and Rehabilitation developments:

- Detailed Relocation Plan with fully executed Assurance Letter
- Detailed Budget for Relocation
- Notice to Real Property or Deed

Templates and the HCDD relocation policy may be found on the City website at: www.houstontx.gov/housing/multicompliance.html. - or in Handbook 1378 at the following web site: <http://www.hud.gov/offices/pih/centers/sac/update1378.cfm>

F. SELECTION OF GENERAL CONTRACTOR:

- 1) Applicants must comply with all applicable federal, state and city procurement statutes, regulations and ordinances. The City of Houston must determine that Project costs are reasonable.
- 2) Bidding Process - The Applicant will be subject to an open bidding process for selection of the General Contractor. The City has determined that by going through bidding process in which at least three (3) responsive bidders submitted a bid that the winning bid is presumed to be reasonable in the market due to the competitive nature of the bidding process. Recipient must secure approval from the Compliance and Division to ensure that the proposed contractor is cleared and eligible to perform work on project funded by federal grants. Therefore, Recipient must submit the form (Request for Contractor Clearance) to Compliance Division and obtain approval for the proposed contractor prior to execution of a contract agreement.

G. COST OVERRUNS AND COMPLETION GUARANTEE:

Applicants must demonstrate the ability to fund cost overruns proving financial capacity, funding of a dedicated account or a letter of credit.

H. CONSTRUCTION DRAWS AND INSPECTIONS:

- 1) During construction, Applicant will allow a third-party firm retained by the City to make site visits and review all necessary documentation that the third party firm feels is necessary in confirming the amount of work in place pursuant to each respective draw request. Applicants will certify that each draw request is for actual costs expended and must provide documentation to support such costs, including sub-contractor payment requests/invoices.
- 2) The City will only pay for work complete and substantiated by the third-party firm. Expenditures must be allowable and reasonable in accordance with federal, state, and local rules and regulations.
- 3) HCDD shall determine the reasonableness of each expenditure requested. Any change in scope during the construction process must be approved reasonably in advance by HCDD. HCDD may request Applicant to make modifications to the disbursement request and is authorized to modify the disbursement procedures set forth herein and to establish such additional requirements for payment of funds to Applicant as may be necessary or advisable for compliance with all program requirements.
- 4) The General Contractor and its lower tier subcontractors must follow the requirements of Davis-Bacon, MWSBE and Section 3 for a draw request to be funded. HCDD will not reduce a draw request amount nor fund a partial draw if any contractor whose payment is included in a draw is found to be out of compliance with these provisions, and the total amount of the draw request will go unfunded until all contractors are in compliance.
- 5) HCDD will retain 10% of each draw for all construction costs until satisfactory completion of the Project.

Retainage will be held until a final inspection is completed and approval is issued by HCDD and certificate of completion is submitted; labor standards final wage compliance report is completed; certificates of occupancy or compliance (whichever is applicable) are received from the City; the project architect provides a signed AIA G704 statement of completion; the property is free of all Liens as after the completion of construction based on the date included on the AIA G702 form submitted for the construction draw request for 100% completion of the project; and any other reasonable requirements as may be deemed necessary by HUD, or the City.

- 6) HCDD shall not be obligated to pay for costs incurred or performances rendered after the termination date of a Contract.

EXHIBIT B

CHECKLIST FOR NON-PROFIT APPLICANTS

Project Information:

- Project Overview/ Needs Assessment
- Project Information Sheet (in Excel format provided by HCDD)
- Organizational Information (in Excel format provided by HCDD)
- Scope of Work
- Project Schedule
- Purchase Contract, if applicable
- Certificate of Occupancy, if applicable
- Appraisal
- Project Site Survey
- Phase I ESA
- Environmental Forms (if needed)
- Certified Copy of General or Special **Warranty Deed** of property or copy of Lease Agreement (if any)
- Copy of **Deed Restrictions** or Land Use Restrictions that apply to the property (if any)

Financial Documents:

- Project Budget
- Funds Sources and Uses (in Excel format provided by HCDD)
- Commitment Letters from other Funding Sources
- IRS 990
- Two fiscal years financial statements
- Certified Financial Audit/Annual Single Audit
- Proof of Income/Revenue
- Bank Statements
- Pro Forma Operating Budget for term of the loan
- Current year's Operating Budget

Applicant Info:

- Articles of Incorporation or Charter
- Organization Bylaws
- Non-Profit Status
- Organizational Chart
- Roster of Board Members
- Board Members' Resumes
- Board of Directors resolutions authorizing request & acceptance of the City's funds
- Resumes for Executive Director and Program Manager

Documents to be provided to and executed by Applicant:

- Affidavit Of Ownership Form
- Debarment, Suspension, and Other Responsibility Matters Certification Form
- Fair Campaign Ordinance Form
- Lobbying Certificate

EXHIBIT C

CHECKLIST FOR CITY DEPARTMENTS

Project Information:

- Project Overview/Needs Assessment
- Project Information Sheet (in Excel format provided by HCDD)
- Organizational Information (in Excel format provided by HCDD)
- Scope of Work
- Project Schedule
- Purchase Contract, if applicable
- Certificate of Occupancy, if applicable
- Appraisal
- Project Site Survey
- Phase I ESA
- Environmental Forms (if needed)
- Certified Copy of General or Special **Warranty Deed** of property or copy of Lease Agreement (if any)
- Copy of **Deed Restrictions** or Land Use Restrictions that apply to the property (if any)

Financial Documents:

- Project Budget
- Funds Sources and Uses (in Excel format provided by HCDD)
- Commitment Letters from other Funding Sources
- Pro Forma Operating Budget for term of the loan
- Current year's Operating Budget

Applicant Info:

- Organizational Chart

EXHIBIT D

CHECKLIST FOR DEVELOPERS

Project Information:

- Project Overview/Needs Assessment
- Project Information Sheet (in Excel format provided by HCDD)
- Organizational Information (in Excel format provided by HCDD)
- Scope of Work
- Project Schedule
- Purchase Contract, if applicable
- Certificate of Occupancy, if applicable
- Appraisal
- Project Site Survey
- Phase I ESA
- Environmental Forms (if needed)
- Certified Copy of General or Special **Warranty Deed** of property or copy of Lease Agreement (if any)
- Copy of **Deed Restrictions** or Land Use Restrictions that apply to the property (if any)

Financial Documents:

- Project Budget
- Funds Sources and Uses (in Excel format provided by HCDD)
- Commitment Letters from other Funding Sources
- Historical (3 years) Financials (P&L, Balance Sheets, Changes in Cash Position, Reconciliation of Net Worth)
- Interim Financials
- Tax Returns (3 years)
- Pro Forma Operating Budget for term of the loan
- Cash Flow Projections (2 years)
- Personal Financials of Principals
- Number of New Jobs to be Created
- For Real Estate Transactions: List of Comparables and Market Study if available

Applicant Info:

- Development Team Experience
- Organizational Chart

Documents to be provided to and executed by Applicant:

- Affidavit of Ownership Form
- Debarment, Suspension, and Other Responsibility Matters Certification Form
- Fair Campaign Ordinance Form
- Lobbying Certificate