

Economic Development Agency



Affordable Housing Development Loan Program 2009-10 HOME Program

Request For Proposals

To Develop, Construct, Rehabilitate and Operate Multifamily Affordable Housing

RFP # CDH 2009/10 - 02

Requested by:

Department of Community Development and Housing
290 North D Street, Sixth Floor
San Bernardino, CA 92415-0040
(909) 388-0800

I. INTRODUCTION

A. Purpose

The County of San Bernardino, hereafter referred to as “County,” is seeking proposals from interested San Bernardino County experienced and certified Community Housing Development Organizations (CHDOs), Non-Profit, and For-Profit developers hereafter referred to as “Applicant(s),” to provide affordable housing within the County of San Bernardino. The County has up to \$6 million available that may be awarded to qualified projects. The County’s service area (“Service Area”) includes the unincorporated areas of San Bernardino County and the cooperating cities of Adelanto, Barstow, Big Bear Lake, Chino Hills, Colton, Grand Terrace, Highland, Loma Linda, Montclair, Needles, Rancho Cucamonga, Rialto, Twentynine Palms, Yucaipa, and the Town of Yucca Valley. This Request for Proposals (RFP) is being released to identify experienced and eligible Applicants wishing to develop, acquire, and/or rehabilitate affordable housing within the County’s Service Area.

B. Program Background

Each year since funding was originally authorized by the Cranston-Gonzalez National Affordable Housing Act of 1990, the County of San Bernardino Department of Community Development and Housing (CDH) has administered funds provided by the Department of Housing and Urban Development (HUD) for eligible activities under Federal Regulations for the HOME Investment Partnerships (HOME) Program. HOME new construction, acquisition, and/or rehabilitation loans are awarded to eligible Applicants for specific projects (“Project(s)”). Funds are limited, and to be eligible, Projects must comply with all HOME Program Regulations.

Financial assistance can be provided to acquire land, construct and/or rehabilitate multifamily rental units for the purpose of providing affordable housing to lower-income families and individuals. The County of San Bernardino HOME program finances construction or rehabilitation of units of a non-luxury nature to increase the supply of affordable rental housing units. Assisted projects must provide rental units that meet HUD Section 8 Housing Quality Standards (HQS) and all other applicable development and HOME rental property requirements after completion, and must be located in an eligible County Service Area.

HOME program loans are based on the individual needs of the project. A minimum \$1,000 per unit subsidy is provided. The affordability period (“Affordability Period”) is the number of years during which restrictions on rents and occupancy are required, and is established by federal regulations. Since the goal of County is to provide long-term affordability for all assisted Projects, restrictions will be imposed that will remain in effect for the longest feasible time. The length of the restriction period is dependent upon the amount of HOME funding provided. For new construction Projects, the minimum Affordability Period is twenty (20) years. Typically, the County will provide a loan with a term of 55 years, with a corresponding Affordability Period.

The Department of Housing and Urban Development establishes HOME rent limits on an annual basis. The HOME rent limits include all utilities, except telephone and cable. Projects assisted under the HOME program must not exceed the HOME rents for a specified percentage of units during the Affordability Period. HUD also establishes income levels each year according to household size. The HOME-assisted units can only be rented to households meeting those income level restrictions as well.

In order for projects to be considered for assistance under the HOME program, a County of San Bernardino HOME Project Application must be submitted. CDH staff shall review the responses to this RFP for completeness and evaluate against the HOME program regulations. Once the application has been determined to be eligible and complete, it will be reviewed by the Proposal Review Committee for recommended action. In addition, recommended Projects will be reviewed and analyzed by independent financial experts to determine financial feasibility, confirm the request for assistance is “reasonable and necessary,” and evaluate whether the project is likely to proceed on a timely basis. If a Project is recommended for approval, a HOME Loan Agreement will be prepared and presented to County of San Bernardino Board of Supervisors for approval and execution. All Projects require annual monitoring for compliance for the duration of the Affordability Period.

II. PROPOSAL REQUIREMENTS

A. Proposal Content and Format

PLEASE NOTE: This application is designed to identify Projects which are ready for construction, acquisition, and/or rehabilitation activities. The application should not represent a Project that is conceptual in nature. Further, this application is intended to clearly state the entire scope and anticipated accomplishments of the housing activity proposed. If funded, under no circumstances, shall the applicant re-define, re-negotiate or otherwise change the scope or the original intent of the proposal. If for any purpose, the Project is thus re-defined with a change in the scope of purpose or any deviation from the original intent of the application, this application shall be deemed null and void.

Only County of San Bernardino Board of Supervisors can commit HOME funds.

To be considered for funding, an Applicant must be able to meet the proposal conditions listed in this RFP and clearly provide the following information:

1. **Proposal Cover Letter.** Applicant shall provide a brief description of the Application, the proposed Project, its location, expected date to begin construction, and amount of HOME funding requested. The cover letter shall include a statement acknowledging the conditions stated in the RFP, making reference to any exceptions contained in the response, and be signed by an authorized officer of the Lead Applicant. The Lead Applicant is responsible for answering any questions relevant to the Application and has lead responsibility relative to the project development and operation as relates to the HOME commitment.

2. **Applicants' Qualification Statement.** A narrative statement describing all entities responsible for the development and management of the Project (including service providers if applicable) including:
 - a. A description of each firm relevant to the Project's development, construction and management its role in the Project, including identification of the Lead Applicant.
 - b. Identify key staff, including brief resumes that include length of time providing such services, and contact information (including location, phone and e-mail address).
 - c. A minority/woman business enterprise is one with at least a fifty-one percent (51%) ownership interest by a minority group member or by a woman. Identify any minority/woman business enterprises on the development team and the percentage of interest held in ownership, development or management of the proposed project.
 - d. For each non-profit organization involved in the Project, please provide Non-Profit name, incorporation date and place, affiliated organizations, IRS Tax Status, annual budget and major sources of funding.
 - e. For each entity include a list of jurisdictions and projects similar to the one proposed in which the entity has provided such services. For developers, the list should include the name of the jurisdiction, contact person, phone number, and the approximate amount of funding received. Applicant must have no record of unsatisfactory performance with County or with any other jurisdictions that have contracted with or provided funding to Applicant, in order to be considered for funding. The list may be attached as an appendix.

3. **Project Description.** Provide the following information
 - a. Name of Project.
 - b. Property address, including if it is in an incorporated city. Assessor's Parcel Number and Censes Tract Number.
 - c. Indicate whether the project is for new construction, acquisition and/or rehabilitation.
 - d. Describe the population served – e.g., family, senior, special needs, as applicable.
 - e. Number of proposed units, proposed rents (and basis for which) and affordability levels by unit.
 - f. Total Project costs, total HOME units and HOME unit cost per unit.

- g. Applicable project amenities, services and/or any other relevant project information
 - h. Applicant shall attach as an appendix any market or feasibility studies completed for the project within the last six months or indicate if none were completed.
4. **Site Control Description/Evidence and Valuation.** The Applicant must have site control (e.g., fee simple title, long-term leasehold or purchase option through the date of expected land closing) for the Project, and provide evidence thereof. Include as an appendix any applicable evidence of site control and a recent appraisal or other evidence of value. See Subsection F -- “Minimum Threshold Requirements.”
5. **Project Expected Timeline.** Applicant shall prepare a table that explains key project timeline milestones achieved to date and/or projected in the future. Such table shall include the following at a minimum (or indicate if not applicable):

| Milestone | Date | Key Prerequisite Milestone / Contingency |
|--|------|--|
| Submit application for planning entitlements/approvals | | |
| Submit loan application to lender | | |
| Environmental review/Phase 1 study | | |
| Complete planning entitlement process | | |
| Select tax credit investor | | |
| Select contractor | | |
| Prepare detailed cost estimate | | |
| Submit plans and application(s) for plan check and building permit | | |
| Public body approval and TEFRA to apply for bond allocation | | |
| Submit application for bond allocation | | |
| Submit application for tax credit allocation | | |
| Obtain bond allocation | | |
| Obtain tax credit allocation | | |
| Obtain approval of construction plans | | |
| Obtain construction and permanent loan commitment | | |
| Final construction contract | | |

| | | |
|---|--|--|
| Partnership agreement | | |
| Pay impact fees and obtain construction permits | | |
| Begin construction | | |
| Complete construction | | |

6. **Zoning and Entitlements.** In addition to the table in Item 5 above, the Applicant shall provide a narrative that clearly describes current zoning of the Project and entitlement status, including contact person and contact information at the applicable jurisdiction to confirm projected timing where entitlements are not yet received. Indicate level of environmental review required of the Project and completed to date. Indicate when and under what conditions upon receipt of entitlements that buildings plans will be submitted and approved.

7. **Sources and Uses of Funds.** Applicant shall provide a detailed sources and uses table which clearly states:
 - a. Each Funding Source and proposed or committed amount.
 - b. Detailed Use of Funds broken down between Acquisition, Construction, Rehabilitation and other cost categories as applicable under Appendix I. Applicant shall include a statement with regard to the basis for construction cost estimates and indicate if construction costs are based on Prevailing Wage requirements.
 - c. A table (or incorporated into the table in b) that identifies by Uses of Funds by Funding Source.
 - d. Evidence of Funding Commitment (See “Minimum Threshold Requirements”).
 - e. Clearly describe lien position among Funding Sources for which there is an extended obligation.
 - f. Detailed contact information for each applicable Funding Source (i.e., name, title, address, phone, email).
 - g. Expiration date of Funding Commitment.
 - h. Critical terms and conditions of Funding Commitment.

8. **Operating Proforma.** The Applicant must submit a cash flow projection including the first fifteen (15) years of the project but also includes the full amortization of all mortgage financing sources (see “Minimum Threshold Criteria”). The operating proforma shall clearly provide all relevant revenue, operating cost, and financing assumptions. Sample information to be included in the operating proforma are provided in Appendix II.

9. **Former County Officials.** List the former County Officials (as defined in Section IV, Paragraph J) affiliated with the organization. If none, so state.

10. **Conflict of Interest.** County members will list below any business or personal relationship with any member, employee, officer, agent, consultant, or official of the Applicant or Ownership Entity, or with any

member of the Applicant’s or Ownership Entity’s immediate family. Applicant will list below any business or personal relationship with any member, employee, officer, agent, consultant, or official of County, or with any County member's immediate family. Any conflict of interest under 24 CFR 92.356 must be resolved in a manner satisfactory to County prior to the submission and/or award of any HOME funds under this application.

| Relationship | Name | Title |
|--------------|------|-------|
| | | |
| | | |

11. Insurance. Submit evidence of ability to insure as stated in Section IV, Paragraph E - Indemnification and Insurance Requirements.
12. Exceptions. Applicant has reviewed the RFP and Contract Requirements in their entirety and has the following exceptions: (Please list your exceptions by indicating the section or paragraph number, and page number, as applicable. Be specific about your objections to content, language, or omissions. Add as many pages as required.)
13. Authorized Official Certification Form. Lead Applicant shall complete and attach the form included herein as Appendix IV.

B. Instructions for Submitting Proposals

Submit one (1) original and six (6) complete copies of your proposal and an electronic version of your application on a CD, preferably in a single PDF file format for 8.5"x11" printout. Failure to submit all the requested information may result in the proposal being disqualified from the proposal process. All proposals must be sealed and clearly state on the outside of the envelope in the lower left-hand corner "PROPOSAL ENCLOSED, No. CDH 2009/10-02".

All correspondence, including proposals, are to be submitted to:

Mitch Slagerman, Director
 County of San Bernardino
 Department of Community Development and Housing (CDH)
 290 North D Street, Sixth Floor
 San Bernardino, CA 92415-0040

C. Proposal Timeline

All proposals must be received at the address listed above **no later than 4:00 p.m., PST on November 20, 2009.**

PROPOSALS RECEIVED AFTER 4:00 PM ON THAT DATE WILL BE DEEMED NON-RESPONSIVE AND WILL NOT BE CONSIDERED. SUCH PROPOSALS WILL BE RETURNED UNOPENED.

Facsimile or electronically transmitted proposals will not be accepted since they do not contain original signatures. Postmarks will not be accepted in lieu of actual receipt. Incomplete proposals may be disqualified as non-responsive. The County's CDH staff will review proposals received by the deadline and present proposals that meet the minimum requirements to the Proposal Review Committee and with input from an independent financial advisor, make funding recommendations. The County Board of Supervisors reviews these recommendations and makes the final HOME Loan Agreement awards.

D. Submittal Schedule

The solicitation, receipt, and evaluation of submittals and the selection of Applicants will follow the following schedule.

NOTE: *Dates shown are subject to change.*

| | |
|---|---------------------------------|
| Release of RFP: | October 20, 2009 |
| Proposal Submittal Deadline: | November 20, 2009, (4 p.m. PST) |
| Review of Proposals: | December, 2009 – January, 2010 |
| Selection and Negotiation of Recommended HOME Loan Agreements: | January - March, 2010 |
| HOME Loan Agreements Considered by Board of Supervisors for Approval: | April 27, 2010 |
| Construction Start Date: | April 26, 2011 |

E. Agency Discretion, Non-Liability Waivers and Hold Harmless

The information in this RFP is intended to provide general information regarding the HOME Program. This information is not intended or warranted to be a complete statement of all of the information the Applicants' might be required to ultimately provide.

This RFP does not commit the County to pay any costs incurred in the preparation of a response. The County reserves the right to accept or reject any proposal in part or in its entirety. The County reserves the right to choose any number of qualified proposals. In addition, the County reserves the right to

issue written notice to all participants of any changes in the proposal submission schedule or other schedules, should the County determine, at its sole and absolute discretion, that such changes are necessary.

The proposing entity may protest not being selected to be funded, provided the protest is in writing, contains the RFP number, is delivered to the address listed in Section II, PROPOSAL REQUIREMENTS, subpart B, Instructions for Submitting Proposals, of this RFP, and submitted within ten (10) calendar days after the date on the letter notifying applicant they were not selected to be funded. Grounds for a protest are that the County failed to follow the selection procedures and adhere to requirements specified in the RFP or any addenda or amendments; there has been a violation of a conflict of interest as provided by California Government Code Section 87100, et. seq.; or there has been a violation of state or federal law. Protests will not be accepted on any other grounds.

In the event of protests, all protests will be handled by a panel designated by the Economic Development Agency Administrator or his/her designee. The County will consider only those specific issues addressed in the written protest.

A written response will be directed to the protesting applicant within 14 calendar days of receipt of the protest, advising of the decision with regard to the protest and the basis for the decision.

Final Authority

The final authority rests solely with the County of San Bernardino Board of Supervisors.

F. Technical Contact

For information/questions regarding this proposal, contact:

Adriane Rich, Housing Specialist
County of San Bernardino, Dept. of CDH
290 North D Street, Sixth Floor
San Bernardino, CA 92415-0040
(909) 388-0900
arich@cdh.sbcounty.gov

Any contact with any County employee or officer, other than the technical contact above, is strictly prohibited and will subject your response to disqualification.

G. Minimum Threshold Requirements

The applicant must propose a project that meets CDH's minimum threshold requirements in the following areas:

1. Project Readiness

The application must indicate the actual or expected dates of key milestones related to Project implementation.

Applicant must show sufficient evidence and/or otherwise demonstrate timeliness of entitlements, financing commitments and financial closing by November 25, 2009.

The County encourages applications for Projects where the Developer intends to apply for 9% LIHTC in 2010.

Construction or rehabilitation must be initiated within twelve (12) months of the date that a funding commitment is provided by CDH, excepting projects applying for 9% LIHTC in 2010.

Sites identified by the Applicant must be located within the appropriate County Service Area: unincorporated areas of the County of San Bernardino or incorporated cities within the County that participate through the County as part of the HOME Consortium.

The Applicant must provide satisfactory evidence of site control for the Project. If Project site control is provided through a local public agency, the Applicant must provide an approved DDA, Memorandum of Agreement, or Funding Commitment Resolution related to the site control.

2. Project Financial Feasibility

Financial assistance will only be provided after all due effort is made by the Applicant to procure alternative funding sources, and then only in an amount that, absent or “**but for**” such funding, the project would not be feasible due to the affordability restrictions established under this RFP (“Affordability Gap”). Applicants will also be evaluated based on the reasonableness of costs and other elements of the financial proforma.

For projects in which the Applicant will receive financial assistance from a local jurisdiction, the Applicant is strongly encouraged to submit a resolution or other approved document as evidence of the financial support **no later than November 25, 2009**. If no such funding resolution or other evidence is provided, the Applicant will be deducted points under the Evaluation Criteria for both Financial Readiness and Financial Feasibility, and therefore may be non-competitive.

The Applicant must submit a cash flow projection including the first fifteen (15) years of the project but also includes the full amortization of all mortgage financing sources.

The amount of HOME funds that will be awarded to any one project will range from \$500,000 to \$2,000,000.

There is a possibility that some proposed projects may also qualify for funding from the County’s Redevelopment Agency through housing set-aside funds and the Department of Behavioral Health through the Mental Health Services Act (MHSA) Permanent Housing Program. Entities interested in receiving information about RDA housing set-aside funds should contact Kathy Thomas at (909) 387-9805 and for information about MHSA funds contact Douglas M. Fazekas at (909) 387-8619.

Below are the updated 221(d)(3) maximum per unit subsidy limits for affordable housing projects utilizing funding under the HOME Program. In accordance with HOME regulation title 92.250, the total amount of HOME funds that the County of San Bernardino may invest on a per-unit basis in affordable housing may not exceed the per-unit dollar limitations established under Section 221(d)(3)(ii) of the National Housing Act for elevator-type projects that apply to the area in which the housing is located. These amounts are applicable to all participating cities and the unincorporated areas of the County.

| HOME Investment Partnership Program 221(d)(3) Maximum Per Unit Subsidy Limits Effective January 1, 2009 | |
|---|----------------------|
| Bedrooms | HOME Maximum Subsidy |
| 0 | \$126,869 |
| 1 | \$145,433 |
| 2 | \$176,846 |
| 3 | \$228,780 |
| 4+ | \$251,131 |
| Please note that the above amounts have been adjusted to the maximum 240 percent that is allowed under the HOME Program on a program-wide basis, therefore, the County may not request an increase in the subsidy limits. | |

3. Applicant Development and Management Capacity

The Applicant and the assembled project team must have a track record of experience and financial capacity to complete, maintain, and manage housing projects similar to the one proposed (including size, tenant profile, affordability profile, financing sources, management and tenant services arrangements and other applicable characteristics).

The Applicant or joint venture formed by the Applicant has the demonstrated ability to secure conventional and/or subsidized financing as any such financing may be applicable to the Project.

4. Project Objectives - Community Benefit

Project design should complement and enhance the surrounding community and provide amenities that serve the needs of the residents.

Projects must provide permanent housing and, ideally, contain a minimum of twenty-five (25), two bedroom and three bedroom or larger affordable units.

Projects must be suitably located for the resident population served, and local vacancy rates and market rents must support the proposed location and financing.

Special Needs projects should consider the provision of support services (on-site, contracted, or off-site) for the special needs population served by the project. Financing for such services must be demonstrated in the Application. Such services are not an eligible use of HOME funds.

5. Community Support

For Projects located in local jurisdictions, Applicants should be able to demonstrate, through funding commitments, entitlements, or other evidence, support from the local community for the Project.

Projects will also be evaluated based on the leverage of local or other funding sources relative to the size of the project and/or County HOME assistance.

H. Evaluation Criteria

An application can score a maximum of 100 points. Proposals that meet the minimum threshold requirements will be sent to an independent financial expert to assist the County in determining the financial feasibility of the project, and that the request for assistance is “reasonable and necessary”. Projects will be scored based on the factors listed below with projects scoring the highest being funded first, subject to availability of funds. Notwithstanding the previous sentence, because of limited available HOME funds and the size and diversity of the County Service Area, the County may limit awards to not more than one Project per local jurisdiction and on similarly scored Projects, the County may also give funding preference to a Project located in an area where County HOME funds have not ever been awarded or at least not in several years.

1. Project Development Readiness (Up to 25 points)

Applicant demonstrates that zoning or development approval has been obtained or is supported and/or readily achievable [within one year] through the County of San Bernardino, Department of Land Use Services or the local jurisdiction, as applicable, including full environmental clearance for the Project. Points will be awarded depending on an evaluation of the likelihood of receiving entitlements within projected period, with projects scoring higher as project timelines are deemed more certain to be achievable.

2. Project Financial Readiness (Up to 25 points)

Evidence of private equity and/or public lending commitment(s) to the Project. Points will be received if funds from other sources are in place (i.e., fee waivers, payment of infrastructure costs, loans, grants, and other subsidies from local jurisdictions; likelihood of receipt of 9% LIHTC, tax-exempt bonds (the County reserves the right to be the issuer of multifamily bonds associated with this RFP); private lender financing; and local, state, or other federal assistance, based on an evaluation of the likelihood of the project being constructed within HOME guidelines regarding timeliness of the financing sources applicable to the project. Those projects with more financing sources secured will be scored higher than those that are not.

3. Project Financial Feasibility (Up to 25 points)

An analysis of the project will be performed by an independent financial advisor to assist the County in determining the feasibility of the project, including the reasonableness of the proposed costs and financing assumptions.

4. Leveraging County Funds (Up to 15 points)

Points 10

Amount of County subsidy relative to the units in the Project and affordability levels.

Points 5

Amount of County subsidy relative to financial assistance from local jurisdictions.

5. Development and Management Capacity (Up to 5 points)

Points 3

The Applicant (and each firm within the applicable team) as an ongoing entity has had successful experience with developing, owning and operating two or more government-funded projects of the type proposed in the application.

Points 2

The Applicant (and each firm within the applicable team) as an ongoing entity has had successful experience with developing, owning and operating, within the County Service Area, two or more government-funded projects of the type proposed in the application.

6. Design (Up to 5 Points)

Points 3

Points will be deducted to the extent the Applicant has not demonstrated that the Project would enhance and complement the surrounding neighborhood. Applicants may provide a written rationale, which explains the project concept and design, along with submittal of the conceptual architectural design. The written rationale must coincide with the architectural drawings and design submitted (e.g., preliminary concept design, site plan, unit layout, and landscape plan).

Points 2

Preliminary design sketches, site and unit layout, and landscape plan.

7. Bonus Points – Enhanced Services and Special Needs (Up to 10 points)

Points 5

The Project proposes support services, including evidence of financing commitments, for the low-income residents through a provider with a proven record of success (e.g., wellness services for the elderly, outreach to at-risk homeless, social service referral, child care, educational programs or job training). On-site tenant amenities for low-income residents and surrounding communities that would not normally be available to them (e.g., child daycare facilities for parents being trained for employment opportunities, educational facilities (e.g., such as adult literacy, computer training, and after school tutoring), or unit security systems).

Points 5

The Project serves a special needs population such as: large families, individuals with mental illness, individuals living with HIV/AIDS, victims of domestic violence, emancipated foster youth, or individuals with developmental disabilities.

III. PROPOSAL CONDITIONS

A. Contingencies

Funding for this program is contingent on funding availability. This RFP does not commit County to enter into a HOME Loan Agreement. The County reserves the right to accept or reject any or all proposals if County determines it is in the best interest of County to do so. The County will notify all Applicants in writing, if County rejects all proposals.

B. Modifications

County reserves the right, at its sole discretion, to modify this RFP, including the process by which projects are evaluated and funds are awarded.

C. Incurred Costs

County will not pay any costs incurred in the preparation of a proposal in response to this request and Applicant agrees that all costs incurred in developing this proposal are the Applicant's responsibility.

D. Right of Rejection

The County reserves the unqualified right to reject, at its sole discretion, any or all proposals, or to reject any portion thereof for any reason whatsoever. The County may, at its sole discretion, cancel this solicitation or any part of this solicitation at any time.

E. Acceptance of Terms and Conditions

Submission of a proposal shall constitute acknowledgment and acceptance of all terms and conditions contained in this RFP, unless otherwise specified in the proposal. Any exceptions to the terms and conditions contained in this RFP would have to be accepted by and agreed to in writing by County. Applicant must indicate in writing and submit with its response, any exceptions to the terms and conditions stated herein (including the items contained in Section IV, Standard Terms and Conditions). Failure to raise any exceptions and submit therewith the response can result in a waiver of objection to the terms and conditions.

F. Failure to Adhere to Specifications

The response to this request must be made according to the instructions herein. Failure to adhere to the requirements and provide complete responses may be cause for rejection of the proposal as non-responsive. A recommendation, either to reject all proposals or to negotiate a HOME Loan Agreement, will be made by the Director of CDH. However, such recommendation shall, in no manner, bind the County concerning the final selection of an Applicant and the terms of a HOME Loan Agreement, if any. The County Board of Supervisors is the ultimate authority that has final approval of any Applicant and HOME Loan Agreement terms.

G. Corrections and Resubmission

Any corrections and resubmission of the proposal if requested by CDH will not extend the closing date for submission of the proposal. Submissions or changes may not be accepted after the RFP deadline. It is up to Applicant to make certain the proposal is received in a timely manner.

H. Withdrawal of Proposals

Each Applicant must verify its response to this RFP before submission by way of a certification and signature contained in the application. Unless approved by CDH, no response may be withdrawn or altered after being opened. Responses to this RFP, at the written request of Applicant, may be returned unopened prior to the scheduled proposal opening date and time.

I. Negotiations

The County may require potential Applicant to participate in negotiations and to submit a cost, technical or other revisions to their proposal as may result from negotiations.

J. Disclosure of Criminal and Civil Proceedings

The County reserves the right to request the information described herein from the Applicant selected for HOME Loan Agreement award. Failure to provide the information may result in a disqualification from the selection process and no award of a HOME Loan Agreement to Applicant. The County also reserves the right to obtain the requested information by way of a background check performed by an investigative firm. The selected Applicant also may be requested to provide information to clarify initial responses. Negative information provided or discovered may result in disqualification from the selection process and no award of HOME Loan Agreement.

The selected Applicant may be asked to disclose whether the firm, or any of its partners, principals, members, associates or key employees (as that term is defined herein), within the last ten (10) years, has been indicted or had charges brought against it or them (if still pending) or convicted of any crime or offense arising directly or indirectly from the conduct of the firm's business, or whether the firm, or any of its partners, principals, members, associates or key employees, has within the last ten (10) years, been indicted on or had charges brought against it or them (if still pending) or convicted of any crime or offense involving financial misconduct or fraud. If the response is affirmative, Applicant will be asked to describe any such indictments or charges (and the status thereof), convictions and the surrounding circumstances in detail.

In addition, the selected Applicant may be asked to disclose whether the firm, or any of its partners, principals, members, associates or key employees, within the last ten (10) years, has been the subject of legal proceedings as defined herein arising directly from the provision of services by the firm or those individuals. "Legal proceedings" means any civil actions filed in a court of competent jurisdiction, or any matters filed by an administrative or regulatory body with jurisdiction over the firm or the individuals. If the response is affirmative, the Applicant will be asked to describe any such legal proceedings (and the status and disposition thereof) and the surrounding circumstances in detail.

For purposes of this provision, "key employees" includes any individuals providing direct service to County. "Key employees" do not include clerical personnel providing service at the firm's offices or locations.

IV. STANDARD TERMS AND CONDITIONS

These are standard terms and conditions contained in County HOME Loan Agreements. The County reserves the right to include additional terms and conditions in any HOME Loan Agreement presented to Applicant which will be recommended to the Board of Supervisors.

A. Limitation of County's Obligation Due to Non-Appropriation of Funds

The County's obligation is payable only and solely from funds appropriated for the purpose of the awarded HOME Loan Agreement.

All County funds for payments after August 1 of the current Fiscal Year are subject to County's appropriation of HOME for the development of affordable housing projects. Payments during subsequent fiscal periods are dependent upon the same action. The County reserves the right to terminate any HOME Loan Agreement if funds are not appropriated for the purpose of the HOME Loan Agreement.

B. Contract Compliance

Applicant agrees to comply with the provisions of Executive Orders 11246, 11375, 11625, 12138, 12432, 12250, Title VII of the Civil Rights of 1964, the California Fair Employment and Housing Act (FEHA), and any other applicable federal, state and county laws, regulations and policies relating to equal employment and contracting opportunities, including laws and regulations hereafter enacted.

C. Assurance of Compliance with Civil Rights Laws

Applicant certifies and agrees that all persons employed by such firm, its affiliates, subsidiaries or holding companies are and will be treated equally by the firm without regard to, or because of, race, religion, ancestry, national origin, or sex, and in compliance with all anti-discrimination laws of the United States of America and the State of California.

Applicant certifies and agrees that it will deal with its subcontractors, bidders, or Applicant without regard to, or because of, race, religion, ancestry, national origin, or sex.

Applicant shall allow County access to its employment records during regular business hours to verify compliance with these provisions when so requested by County.

If County finds that any of the above provisions have been violated, the same shall constitute a material breach of HOME Loan Agreement upon which County may determine to cancel, terminate, or suspend the HOME Loan Agreement. The County reserves the right to determine independently that the anti-discrimination provisions of the HOME Loan Agreement have been violated. In addition, a determination by the California Fair Employment and Housing Commission or the Federal Equal Employment Opportunity Commission that

Applicant has violated state or federal anti-discrimination laws shall constitute a finding by County of San Bernardino that the Applicant has violated the anti-discrimination provisions of the HOME Loan Agreement.

The parties agree that in the event Applicant violates the anti-discrimination provisions of the HOME Loan Agreement, County shall, at its option, be entitled to a sum to be determined prior to execution of the HOME Loan Agreement pursuant to Civil Code Section 1671 as damages in lieu of canceling, terminating, or suspending the HOME Loan Agreement.

D. Compliance with Laws

Applicant agrees to comply with all applicable federal, state and local laws, rules, regulations or ordinances, and all provisions required thereby to be included in the HOME Loan Agreement. Applicant also agrees to maintain any necessary licenses, certifications, or permits. Failure to do so is grounds for termination of the HOME Loan Agreement.

Applicant agrees to indemnify and hold County harmless from any loss, damage, or liability resulting from a violation on the part of Applicant of such laws, rules, regulations, or ordinances.

E. Indemnification and Insurance Requirements

Indemnification - The Contractor agrees to indemnify, defend (with counsel reasonably approved by County) and hold harmless the County and its authorized officers, employees, agents and volunteers from any and all claims, actions, losses, damages, and/or liability arising out of this contract from any cause whatsoever, including the acts, errors or omissions of any person and for any costs or expenses incurred by the County on account of any claim except where such indemnification is prohibited by law. This indemnification provision shall apply regardless of the existence or degree of fault of indemnities. The Contractor's indemnification obligation applies to the County's "active" as well as "passive" negligence but does not apply to the County's "sole negligence" or "willful misconduct" within the meaning of Civil Code Section 2782.

The Contractor shall defend and indemnify County for claims that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the Contractor.

Additional Insured - All policies, except for the Workers' Compensation, Errors and Omissions and Professional Liability policies, shall contain endorsements naming the County and its officers, employees, agents and volunteers as additional insureds with respect to liabilities arising out of the performance of services hereunder. The additional insured endorsements shall not limit the scope of coverage for the County to vicarious liability but shall allow coverage for the County to the full extent provided by the policy. Such additional insured coverage shall be at least as broad as Additional Insured (Form B) endorsement form ISO, CG 2010.11 85.

Waiver of Subrogation Rights - The Contractor shall require the carriers of

required coverages to waive all rights of subrogation against the County, its officers, employees, agents, volunteers, contractors, and subcontractors. All general or auto liability insurance coverage provided shall not prohibit the Contractor and Contractor's employees or agents from waiving the right of subrogation prior to a loss or claim. The Contractor hereby waives all rights of subrogation against the County.

Policies Primary and Non-Contributory - All policies required herein are to be primary and non-contributory with any insurance or self-insurance programs carried or administered by the County.

Severability of Interests - The Contractor agrees to ensure that coverage provided to meet these requirements is applicable separately to each insured and there will be no cross liability exclusions that preclude coverage for suits between the Contractor and the County or between the County and any other insured or additional insured under the policy.

Proof of Coverage - The Contractor shall furnish Certificates of Insurance to the County Department administering the contract evidencing the insurance coverage, including endorsements, as required, prior to the commencement of performance of services hereunder, which certificates shall provide that such insurance shall not be terminated or expire without thirty (30) days written notice to the Department, and Contractor shall maintain such insurance from the time Contractor commences performance of services hereunder until the completion of such services. Within fifteen (15) days of the commencement of this contract, the Contractor shall furnish a copy of the Declaration page for all applicable policies and will provide complete certified copies of the policies and endorsements immediately upon request.

Acceptability of Insurance Carrier - Unless otherwise approved by Risk Management, insurance shall be written by insurers authorized to do business in the State of California and with a minimum "Best" Insurance Guide rating of "A-VII."

Deductibles and Self-Insured Retention - Any and all deductibles or self-insured retentions in excess of \$10,000 shall be declared to and approved by Risk Management.

Failure to Procure Coverage - In the event that any policy of insurance required under this contract does not comply with the requirements, is not procured, or is canceled and not replaced, the County has the right, but not the obligation or duty, to cancel the contract or obtain insurance, if it deems necessary, and any premiums paid by the County will be promptly reimbursed by the Contractor or County payments to the Contractor will be reduced to pay for County purchased insurance.

Insurance Review - Insurance requirements are subject to periodic review by the County. The Director of Risk Management or designee is authorized, but not required, to reduce, waive or suspend any insurance requirements whenever Risk Management determines that any of the required insurance is not available, is unreasonably priced, or is not needed to protect the interests of the County. In

addition, if the Department of Risk Management determines that heretofore unreasonably priced or unavailable types of insurance coverage or coverage limits become reasonably priced or available, the Director of Risk Management or designee is authorized, but not required, to change the above insurance requirements to require additional types of insurance coverage or higher coverage limits, provided that any such change is reasonable in light of past claims against the County, inflation, or any other item reasonably related to the County's risk.

Any change requiring additional types of insurance coverage or higher coverage limits must be made by amendment to this contract. Contractor agrees to execute any such amendment within thirty (30) days of receipt.

Any failure, actual or alleged, on the part of the County to monitor or enforce compliance with any of the insurance and indemnification requirements will not be deemed as a waiver of any rights on the part of the County.

F. Insurance Specifications

The Contractor agrees to provide insurance set forth in accordance with the requirements herein. If the Contractor uses existing coverage to comply with these requirements and that coverage does not meet the specified requirements, the Contractor agrees to amend, supplement, or endorse the existing coverage to do so. The type(s) of insurance required is determined by the scope of the contract services.

Without in any way affecting the indemnity herein provided and in addition thereto, the Contractor shall secure and maintain throughout the contract term the following types of insurance with limits as shown:

Workers' Compensation/Employers Liability - A program of Workers' Compensation insurance or a state-approved, self-insurance program in an amount and form to meet all applicable requirements of the Labor Code of the State of California, including Employer's Liability with \$250,000 limits covering all persons including volunteers providing services on behalf of the Contractor and all risks to such persons under this contract.

If Contractor has no employees, it may certify or warrant to the County that it does not currently have any employees or individuals who are defined as "employees" under the Labor Code and the requirement for Workers' Compensation coverage will be waived by the County's Director of Risk Management.

With respect to Contractors that are non-profit corporations organized under California or Federal law, volunteers for such entities are required to be covered by Workers' Compensation insurance.

Commercial/General Liability Insurance - The Contractor shall carry General Liability Insurance covering all operations performed by or on behalf of the Contractor providing coverage for bodily injury and property damage with a

combined single limit of not less than one million dollars (\$1,000,000), per occurrence. The policy coverage shall include:

- a. Premises operations and mobile equipment.
- b. Products and completed operations.
- c. Broad form property damage (including completed operations).
- d. Explosion, collapse, and underground hazards.
- e. Personal injury.
- f. Contractual liability.
- g. \$2,000,000 general aggregate limit.

Automobile Liability Insurance – Primary insurance coverage shall be written on ISO Business Auto coverage form for all owned, hired, and non-owned automobiles or symbol 1 (any auto). The policy shall have a combined single limit of not less than one million dollars (\$1,000,000) for bodily injury and property damage, per occurrence.

If the Contractor is transporting one or more non-employee passengers in performance of contract services, the automobile liability policy shall have a combined single limit of two million dollars (\$2,000,000) for bodily injury and property damage per occurrence.

If the Contractor owns no autos, a non-owned auto endorsement to the General Liability policy described above is acceptable.

Umbrella Liability Insurance - An umbrella (over primary) or excess policy may be used to comply with limits or other primary coverage requirements. When used, the umbrella policy shall apply to bodily injury/property damage, personal injury/advertising injury and shall include a "dropdown" provision providing primary coverage for any liability not covered by the primary policy. The coverage shall also apply to automobile liability.

Professional Liability – Professional Liability Insurance with limits of not less than one million dollars (\$1,000,000) per claim or occurrence and two million dollars (\$2,000,000) aggregate limits.

or

Errors and Omissions Liability Insurance with limits of not less than one million dollars (\$1,000,000) and two million dollars (\$2,000,000) aggregate limits.

G. Improper Consideration

Applicant shall not offer (either directly or through an intermediary) any improper consideration such as, but not limited to, cash, discounts, service, the provision of travel or entertainment, or any items of value to any officer, employee, group of employees or agent of County in an attempt to secure favorable treatment or consideration regarding the award of HOME Loan Agreement.

Applicant shall immediately report any attempt by a County officer, employee, group of employees or agent to solicit (either directly or through an intermediary) improper consideration from Applicant. The report shall be made to the

supervisor or manager charged with supervision of the employee or to County Administrative Office.

The County, by written notice, may immediately terminate if it determines that any improper consideration as described in the preceding paragraphs was offered to any officer, employee, group of employees or agent of County with respect to the proposal and award process or any solicitation for consideration was not reported. This prohibition shall also apply to any amendment, extension or evaluation process once a HOME Loan Agreement has been awarded.

In the event of a termination under this provision, County is entitled to pursue any available legal remedies.

H. Employment of Former County Officials.

Applicant agrees to provide or has already provided information on former County of San Bernardino administrative officials (as defined below) who are employed by or represent Applicant. The information provided includes a list of former county administrative officials who terminated county employment within the last five (5) years and who are now officers, principals, partners, associates, or members of the business. The information also includes the employment with or representation of Applicant. For purposes of this provision, “county administrative official” is defined as a member of the Board of Supervisors or such officer’s staff, County Administrative Officer or member of such officer’s staff, county department or group head, assistant department or group head, or any employee in the Exempt Group, Management Unit, or Safety Management Unit.

I. Inaccuracies or Misrepresentations

If, in the course of the RFP process or in the administration of a resulting HOME Loan Agreement, County determines that Applicant has made a material misstatement or misrepresentation or that materially inaccurate information has been provided to County, Applicant may be terminated from the RFP process or in the event a HOME Loan Agreement has been awarded, the HOME Loan Agreement may be immediately terminated.

In the event of a termination under this provision, County is entitled to pursue any available legal remedies.

J. American Recovery and Reinvestment Act Funding (ARRA)

Use of ARRA Funds and Requirements

This Contract may be funded in whole or in part with funds provided by the American Recovery and Reinvestment Act of 2009 (“ARRA”), signed into law on February 17, 2009. Section 1605 of ARRA prohibits the use of recovery funds for a project for the construction, alteration, maintenance or repair of a public building or public work (both as defined in 2 CFR 176.140) unless all of the iron, steel and manufactured goods (as defined in 2 CFR 176.140) used in the project are produced in the United States. A waiver is available under three limited

circumstances: (i) Iron, steel or relevant manufactured goods are not produced in the United States in sufficient and reasonable quantities and of a satisfactory quality; (ii) Inclusion of iron, steel or manufactured goods produced in the United States will increase the cost of the overall project by more than 25 percent; or (iii) Applying the domestic preference would be inconsistent with the public interest. This is referred to as the “Buy American” requirement. Request for a waiver must be made to the County for an appropriate determination.

Section 1606 of ARRA requires that laborers and mechanics employed by contractors and subcontractors on projects funded directly by or assisted in whole or in part by and through the Federal Government pursuant to ARRA shall be paid wages at rates not less than those prevailing on projects of a character similar in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act (40 U.S.C. 31). This is referred to as the “wage rate” requirement.

The above described provisions constitute notice under ARRA of the Buy American and wage rate requirements. Contractor must contact the County contact if it has any questions regarding the applicability or implementation of the ARRA Buy American and wage rate requirements. Contractor will also be required to provide detailed information regarding compliance with the Buy American requirements, expenditure of funds and wages paid to employees so that the County may fulfill any reporting requirements it has under ARRA. The information may be required as frequently as monthly or quarterly. Contractor agrees to fully cooperate in providing information or documents as requested by the County pursuant to this provision. Failure to do so will be deemed a default and may result in the withholding of payments and termination of this Contract.

Contractor may also be required to register in the Central Contractor Registration (CCR) database at <http://www.ccr.gov> and may be required to have its subcontractors also register in the same database. Contractor must contact the County with any questions regarding registration requirements.

Schedule of Expenditure of Federal Awards

In addition to the requirements described in “Use of ARRA Funds and Requirements,” proper accounting and reporting of ARRA expenditures in single audits is required. Contractor agrees to separately identify the expenditures for each grant award funded under ARRA on the Schedule of Expenditures of Federal Awards (SEFA) and the Data Collection Form (SF-SAC) required by the Office of Management and Budget Circular A-133, “Audits of States, Local Governments, and Nonprofit Organizations.” This identification on the SEFA and SF-SAC shall include the Federal award number, the Catalog of Federal Domestic Assistance (CFDA) number, and amount such that separate accountability and disclosure is provided for ARRA funds by Federal award number consistent with the recipient reports required by ARRA Section 1512 (c).

In addition, Contractor agrees to separately identify to each subcontractor and document at the time of sub-contract and at the time of disbursement of funds, the Federal award number, any special CFDA number assigned for ARRA purposes, and amount of ARRA funds.

Contractor may be required to provide detailed information regarding expenditures so that the County may fulfill any reporting requirements under ARRA described in this section. The information may be required as frequently as monthly or quarterly. Contractor agrees to fully cooperate in providing information or documents as requested by the County pursuant to this provision. Failure to do so will be deemed a default and may result in the withholding of payments and termination of this Contract.

APPENDIX I

SAMPLE BREAK DOWN OF USES OF FUNDS

| | | | |
|----|--|----------|----------|
| A. | Land | | \$ _____ |
| B. | Land Improvements | | \$ _____ |
| C. | Buildings | | \$ _____ |
| | 1. Purchase Price | | \$ _____ |
| | 2. Demolition | | \$ _____ |
| | 3. Rehabilitation | | \$ _____ |
| | Subtotal | | \$ _____ |
| D. | Fees | | |
| | 1. Builder's Overhead and Profit | \$ _____ | |
| | 2. Bond Premium | | \$ _____ |
| | 3. Architect's Fee | | \$ _____ |
| | Subtotal | | \$ _____ |
| E. | Charges and Financing During Construction | | |
| | 1. Interest During Construction | | \$ _____ |
| | 2. Taxes | | \$ _____ |
| | 3. Insurance | | \$ _____ |
| | 4. Title/Recording | | \$ _____ |
| | Subtotal | | \$ _____ |
| F. | Legal, Organizational and Audit | | |
| | 1. Legal | | \$ _____ |
| | 2. Organization | | \$ _____ |
| | 3. Cost Certification and Audit | | \$ _____ |
| | Subtotal | | \$ _____ |
| G. | Other Fees and Costs | | |
| | 1. Property Appraisal | | \$ _____ |
| | 2. Consultant Fees | | \$ _____ |
| | 3. Relocation Expenses | | \$ _____ |
| | 4. Other _____ | | \$ _____ |
| | a. _____ | | \$ _____ |
| | b. _____ | | \$ _____ |
| | Subtotal | | \$ _____ |
| H. | Project Reserves | | |
| | 1. Operating Reserves | | \$ _____ |
| | 2. Rent-Up Reserves | | \$ _____ |
| | 3. Taxes/Insurance in Escrow (1st Year) | | \$ _____ |
| | Subtotal | | \$ _____ |
| I. | Developer's Fee (includes profit and overhead) | | \$ _____ |

- J. Syndication Fees/Expenses
 - 1. Organizational \$ _____
 - 2. Bridge Loan Fees and Expenses \$ _____
 - 3. Legal Fees \$ _____
 - 4. Accountant's Fees \$ _____
 - 5. Other (Provide breakdown) \$ _____
 - Subtotal \$ _____

K. OTHER (Explain) \$ _____

TOTAL \$ _____

APPENDIX II

SAMPLE OPERATING PRO FORMA INFORMATION TO BE INCLUDED

Specify assumed annual adjustments by percentage. Attach detailed explanation of all projections along with fifteen (15) year cash flow projection.

| Annual | | % |
|--------|---|-----------------|
| I. | <u>Annual Income Adjustment</u> | |
| | Gross Rental Income | \$ _____ |
| | Minus Vacancy (7%) | \$ _____ |
| | Other Income | \$ _____ |
| | TOTAL INCOME | \$ _____ |
| II. | <u>Annual Expenses</u> | |
| | Administrative | \$ _____ |
| | Operating | \$ _____ |
| | Maintenance | \$ _____ |
| | Property Taxes | \$ _____ |
| | Insurance | \$ _____ |
| | Replacement Reserve (____%) | \$ _____ |
| | Miscellaneous | \$ _____ |
| | TOTAL EXPENSES | \$ _____ |
| III. | <u>Annual Net Operating Income</u> | |
| A. | Total Income [item (I) above] | \$ _____ |
| B. | Total Expenses [item (II) above] | \$ _____ |
| C. | Net Operating Income [Subtract Total Expenses from Total Income] | \$ _____ |

IV. Annual Debt Service Coverage

- A. Net Operating Income \$ _____
- B. Annual Debt Service \$ _____
- C. Debt Service Coverage [Divide (A) by (B)] \$ _____

Attach detailed explanation of all expense projections and calculations of annual debt service.

NOTE: The information requested by this form will be utilized in determining the “economic viability” of the project.

1. ESTIMATE OF PROJECT INCOME

| Unit Type | No. of Living Units | Living Area (Sq. ft.) (per unit) | Composition of Units | Unit Rent per Month (\$) | Total Monthly Unit Rent (\$) |
|-----------|---------------------|----------------------------------|----------------------|--------------------------|------------------------------|
| Eff. | | | | | |
| 1 BR | | | | | |
| 2 BR | | | | | |
| 3 BR | | | | | |
| Other | | | | | |

2. a. Total Estimated Monthly Rentals for all Living Units: \$ _____

b. Total Estimated Annual Rentals for all Living Units: \$ _____

3. Total Number of Parking Spaces: _____

_____ Attended _____ Self Park

4. Parking and Other Income (Not Included in Rent):

a. Open Spaces _____ @ \$ _____ per month = \$ _____

b. Covered Spaces _____ @ \$ _____ per month = \$ _____

c. Laundry _____ @ \$ _____ per month = \$ _____

d. Other* _____ @ \$ _____ per month = \$ _____

e. TOTAL PARKING & OTHER \$ _____

{* Attach detailed explanation of “other” income as Exhibit A}

5. Commercial Space (Describe):
 - a. Area-Ground Level _____ sq. ft. @ \$ per sq. ft./mo = \$ _____
 - b. Other Levels _____ sq. ft. @ \$ _____ per sq. ft./month = \$ _____
 - c. Total Commercial \$ _____
6. TOTAL ESTIMATED MONTHLY GROSS PROJECT INCOME AT 100% OCCUPANCY: [Add 2(a) + 4(e) + 5(c)] \$ _____
7. ANNUAL GROSS PROJECT INCOME WITH 7% VACANCY \$ _____

APPENDIX III

SPECIAL TERMS AND CONDITIONS

The County, as the HOME Participating Jurisdiction, is responsible for ensuring the HOME funds are used in accordance with all Program Requirements. The use of Applicant, subrecipients or contractors does not relieve the Participating Jurisdiction of this responsibility. In addition, an Applicant, subrecipient or contractor must also enter into a written agreement before funds can be disbursed. The agreement remains in effect during the period of affordability under 92.252 or 92.254 as applicable, or if the entity is a subrecipient, during any period that the entity has control over HOME funds. Prior to disbursement of HOME funds from County to any entity, the following requirements (Conditions for HOME-funded Projects) must be met by the entity (or its designee) to the satisfaction of County as evidenced by an executed Authorization to Initiate Project Activity. Entity may, at its own discretion, expend its own funds to satisfy these requirements. Reimbursement of cost incurred by the entity, or its designee, from HOME funds to satisfy any of these requirements (with the exception of environmental review requirements found at 92.352) must receive prior approval by County. Any and all Special Terms and Conditions applicable to a project assisted with HOME funds will be made a part of the HOME Agreement entered into between County and the entity.

Conditions for HOME-funded Projects

1. Applicant, or its designee, shall obtain and submit to County, an objective feasibility study/market analysis to determine need and demand for the proposed project.
2. Applicant, or its designee, shall submit written documentation defining the development team and describing roles and responsibilities (ownership structure/site control) of each team member.
3. The County shall prepare an Environmental Review upon receipt of necessary information from the Applicant regarding the proposed project and funding is subject to County obtaining an environmental release of funds.
4. Applicant, or its designee, shall assume responsibility for any relocation and/or displacement activities that occur as a result of the proposed project. This responsibility shall conform to the requirements found at 92.353 of HOME Regulations.
5. Every contract for the new construction or rehabilitation of housing that includes twelve (12) or more units assisted with HOME funds must contain a provision of the payment of prevailing wages to all laborers and mechanics employed in the development of the housing. Applicant or its designee shall assume responsibility for enforcing requirements regarding labor (92.354 of HOME Regulations). The County shall provide technical assistance regarding this requirement.
6. Applicant, or its designee, shall obtain and submit to County a before-rehab and after-rehab appraisal to establish appropriate project values.
7. Applicant, or its designee, shall prepare and submit to County a marketing and management plan consistent with market analysis findings.
8. Applicant, or its designee, shall submit written documentation identifying and verifying sources of funding (construction and permanent) for the proposed project.

9. Applicant, or its designee, shall prepare legal documents which include all applicable HOME Requirements, to be executed by Applicant, or its designee, and all project contractors/developers involved with the HOME-funded project.

At a minimum, written agreements must contain the following:

- a. Use of HOME Funds: Include a description of the use, the tasks to be performed, timeframes and a budget.
- b. Affordability: HOME affordability requirements shall be met. Repayment required if they are not met.
- c. Repayments: Agreements shall state who will receive repayments, interest and other returns on investment.
- d. Uniform Administrative Requirements: Agreement shall state that the entity will comply with all applicable federal requirements (A-87, A-85, etc.).
- e. Project Requirements: Compliance with all HOME Program project requirements.
- f. Housing Quality Standards: (HQS) Rental housing assisted with HOME funds to be maintained in compliance with HQS and local code requirements for the duration of the Agreement (that is, for a period from five (5) to twenty (20) years, or longer if FHA insurance is used).
- g. Other Federal Requirements: All “other federal requirements” shall be met.
- h. Affirmative Marketing: Entity’s affirmative marketing responsibilities to be specified in the Agreement.
- i. Religious Organizations: HOME Program Regulations shall be complied with for use of HOME funds by religious organizations.
- j. Disbursement Requests: Disbursements from the HUD Intergrated Disbursement & Information System (IDIS) will not be made until needed for payment.
- k. Reversion of Assets: If the Agreement is with a subrecipient, it specifies the HOME funds must be transferred to the Participating Jurisdiction (PJ) after term of the Agreement expires.
- l. Records and Reports: Specifies the records that must be maintained and the reports that must be submitted to the PJ.
- m. Enforcement of Agreement: Provides for a means of enforcement by the PJ or other entity. Examples are deed restrictions, property liens, and contractual obligations.

- n. Duration of Agreement: Specifies that the Agreement is in effect for the duration of period of affordability.

**ATTACHMENT IV
AUTHORIZED OFFICIAL CERTIFICATION FORM**

The undersigned certifies, to the best of his or her knowledge and belief, that:

- A.** No federally appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and/or the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement;
- B.** If any funds other than federally appropriated funds have been paid or will be paid to any persons for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions;
- C.** The language in Paragraph A and B above shall be included in the award documents for all sub awards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and all subrecipients shall certify and disclose accordingly;
- D.** No HOME funds shall be used on any units, dwellings or structures which have been, or will be, funded by the Federal Rental Rehabilitation Program, 24 CFR Part 511;
- E.** The information and statements contained in this Application and any of its Attachments are true and correct;
- F.** Any information and/or documentation submitted in connection with this Application may be subject to public disclosure;
- G.** Any HOME funds awarded shall be used in accordance with all laws and regulations governing the HOME Program and other applicable laws;
- H.** Neither the Applicant nor any of its principals is presently debarred, suspended, proposed for debarment or suspension, declared ineligible or excluded from participation in the HOME Program by any federal department or agency;
- I.** No member, employee, officer, agent, consultant or official of the Applicant, nor any member of its immediate family, during his tenure or for one year thereafter, shall have any interest, direct or indirect, in any award of HOME funds made pursuant to this Application;
- J.** Any changes in the facts and information supplied in this Application, or in any of its Attachments, may result in denial or withdrawal of any HOME funding awarded;

- K.** The Applicant will not invest any more HOME funds, in combination with other federal assistance, than is necessary to provide affordable housing;
- L.** The Applicant possesses the legal authority to carry out the HOME Program in accordance with the HOME Regulations;
- M.** Where applicable, the Applicant will comply with the HOME Regulations relating to acquisition and/or rehabilitation, relocation, and to maintaining a drug free workplace.

Executed this _____ day of _____, _____,

By: _____
Print Full Name of Applicant

By: _____
Applicant's Signature

Applicant's Official Title