



Orange County Affordable Housing Bond Program 2020 Funding Application

Orange County Department of Housing
and Community Development

919-245-2490

<http://orangecountync.gov/Housing>

GENERAL INFORMATION AND APPLICATION INSTRUCTIONS

Overview

Thank you for your interest in the Orange County Affordable Housing Bond Program. The \$5 million Affordable Housing Bond was passed by the Orange County Board of Commissioners in the fall of 2016. Half of the Bond funds (\$2.5 million) were awarded in 2017. This application is for the remaining half of the Bond funds.

Eligible Applicants

Eligible applicants for the Affordable Housing Bond Program include: nonprofit organizations involved in affordable housing and community development (including faith-based organizations), for-profit developers, and joint ventures between eligible nonprofit and for-profit entities.

Applicants' past performance, experience, and partnerships will be considered in reviewing applications. Incomplete or late applications may not be considered.

Eligible Projects

Eligible projects are new construction and/or acquisition/rehabilitation for homeownership and/or rental development affordable to low-income households earning no more than 80% of area median income, adjusted by family size, as defined by the U.S. Department of Housing and Urban Development (HUD).

Projects may be mixed-use and/or mixed-income. No more than 20% of residential units may be set aside for people with disabilities, in compliance with best practices outlined in the State of North Carolina's *Olmstead* settlement agreement. For rental developments, households applying for tenancy may not be denied based on source of income (i.e., rental assistance vouchers).

Land banking is not an eligible use. Construction must begin within six months of the date of funding award, and must be completed within 18 months of award. Extensions may be granted at the discretion of the Orange County Board of Commissioners and should be submitted at least four months prior to the original project completion deadline.

Application Evaluation Criteria

The evaluation criteria in the Attachments section will be used in reviewing and ranking applications. The County reserves the right to add additional guidelines, terms, and/or requirements that may be needed depending on the location and nature of proposed projects.

Once applications are received, they will be reviewed by staff and the Affordable Housing Advisory Board and funding recommendations will be made to the County Manager and the Orange County Board of Commissioners. The Board of Commissioners will approve or deny funding recommendations and project proposals.

Project Reporting and Monitoring

During development, organizations awarded Affordable Housing Bond Program funds must submit progress reports to the County quarterly to monitor progress and performance, financial and administrative management, and compliance with the terms of the performance agreement. Please submit reports using the template in the Attachments section by email to Erika Brandt at ebrandt@orangecountync.gov.

After project completion, County staff and/or the Affordable Housing Advisory Board will review funded projects at least annually for performance and compliance. Monitoring may involve site and/or office visits.

Application Submission Instructions

The application deadline is **July 31, 2020 at 5:00 pm**. Submit applications in PDF form by email to Erika Brandt at ebrandt@orangecountync.gov. Pro formas and project budgets should be submitted as an Excel file. All application materials should be clearly labeled with the name of the applicant organization, year, and name of the document.

Applications may not be considered for the following reasons:

1. Projects that do not align with the eligibility criteria for this application
2. Applicant has demonstrated poor past performance or compliance with funding guidelines
3. Incomplete or late applications

Checklist of Required Application Materials

- Section 1:** Applicant and Project Overview
- Section 2:** Project Description
 - Project Timeline
 - Site map showing lot boundaries, locations of structure(s), and other site features
 - General location map (at least ½ mile radius)
 - Photographs of site
 - Floor plan(s)
 - Elevation(s)
 - List of Energy Efficiency measures included in the project (if applicable)
 - List of Universal Design features included in the project (if applicable)
- Section 3:** Project Budget and Pro forma
 - Detailed Project Budget
 - Pro Forma (Rental Only)
- Section 4:** Agency Description
 - Nonprofit Organizations
 - Current list of Board of Directors, including addresses, phone numbers, terms of service, and relevant affiliations
 - Current Bylaws and Articles of Incorporation
 - Last 2 years' operating budgets
 - Most recent independent audit
 - IRS Form 990
 - IRS tax determination letter
 - NC Solicitation License
 - Certificate of Liability Insurance
 - For-profit Organizations
 - Current list of Board of Directors, including addresses, phone numbers, terms of service, and relevant affiliations

- Current Bylaws and Articles of Incorporation
- Last 2 years' operating budgets
- YTD profit and loss statement and balance sheet
- Most recent independent audit
- Last 2 years' corporate tax returns
- Last 2 years' personal tax returns and financial statements for all persons who have more than 19.9% ownership interest in the organization
- Signed "Authorization to Release Information" for each persons who has more than 19.9% ownership interest in the organization
- Completed W-9 Form
- Certificate of Liability Insurance
- Section 5:** Disclosure of Potential Conflicts of Interest

SECTION 1: APPLICANT AND PROJECT OVERVIEW

Applicant Information

Full Legal Name: _____

Tax ID Number: _____

Physical Address: _____

Mailing Address: _____

Website: _____

Date of Incorporation: _____

Executive Director: _____

Telephone Number: _____

Email Address: _____

Project Information

Project Name: _____

Primary Project Contact and Title: _____

Total Project Cost: _____

Total Funds Requested: _____

Total Number of Units in Project: _____

Please specify the **type** and **amount** of funding requested:

Affordable Housing Bond Program: \$_____ Grant Loan

Proposed Use of Funds Requested (*provide a concise description of proposed project*): _____

To the best of my knowledge, all information and data in this application are true and current. The document has been duly authorized by the governing board of the applicant.

Signature: _____

Board Chairperson

Date

Signature: _____

Executive Director

Date

SECTION 2: PROJECT DESCRIPTION

Project Name: _____

Project Beneficiaries

Target Population(s): _____

Who is the target population to be served and how will their needs be addressed through this project? Describe any specific targeting of the following populations (including the approximate number of households to be served) through services provided, locations, design features, etc.:

- Individuals or families experiencing homelessness
- People with disabilities
- Housing Choice and other voucher holders
- Survivors of domestic violence
- Veterans

Incomes: Please indicate the incomes of the households to be served through the proposed project.

Income Group	Number of Households	% of Total Households
0-30% of AMI		
31-60% of AMI		
61-80% of AMI		
>80% of AMI		
TOTAL		

The 2020 HUD Income Limits are listed below:

Income Level	1 person	2 people	3 people	4 people	5 people	6 people	7 people	8 people
30% AMI	\$19,100	\$21,800	\$24,500	\$27,250	\$30,680	\$35,160	\$39,640	\$44,120
50% AMI	\$31,850	\$36,400	\$40,950	\$45,450	\$49,100	\$52,750	\$56,400	\$60,000
60% AMI	\$38,220	\$42,680	\$49,140	\$54,540	\$58,920	\$63,084	\$67,680	\$72,000
80% AMI	\$50,900	\$58,200	\$65,450	\$72,700	\$78,550	\$84,350	\$90,150	\$96,000

Local Residency: _____

Please indicate the number of households who currently reside and/or work in Orange County who you expect to serve in the proposed project.

Project Staff

Please provide names of all persons and/or consultants, etc., that will be involved with the project. Describe their responsibilities with the project and experience in successful completion of similar projects in the past. _____

Project Details

Type of Activity: Please check all the categories that apply to your project.

- Acquisition
- Demolition
- Predevelopment costs
- Infrastructure/site improvements
- New construction for homeownership
- New construction for rental
- Non-residential construction (mixed-use projects)
- Other (specify): _____

Project Description: _____

Please provide a general overview of your project, including what you are planning to produce and how you are planning to carrying out the project. Include answers to the following:

- Will the project pay property taxes?
- Will the project repay bond funds? If so, principal only, or principal and interest?
- Will the project be mixed-income?
- Will the project be mixed-use?

Project Location: _____

Please be as specific as possible.

Size of the Project Site (if applicable): _____ acres

Project Site Attachments:

- Site map showing lot boundaries, locations of structure(s), and other site features
- General location map (at least ½ mile radius)
- Photographs of site

Project Timeline:

- Attach a **detailed** timetable showing when each work task will be completed (e.g., planning, obtaining financial commitments, design, environmental review, bidding; loan closing, construction milestones, marketing, final inspection, occupancy, etc.)

Site Control and Zoning:

- Has your agency acquired or optioned property in order to carry out the project? _____
- Will the project require rezoning/zoning variance/etc.? _____

Construction Detail:

- How many units will be newly constructed? _____
- What is the square footage of each unit? _____
- What is the number of bedrooms in each unit? _____
- What is the number of bathrooms in each unit? _____
- How many units will be fully ADA accessibility? _____

- Is the proposed project located in a Neighborhood Conservation District? (Neighborhood Conservation Districts apply only to projects located in Chapel Hill) _____
- Describe any notable building, community, and/or site design elements (see evaluation criteria scorecard in the Attachments section for description of elements and their point values):

- Please attach the following:
 - Floor plan(s)
 - Elevation(s)
 - List of Energy Efficiency measures included in the project (if applicable)
 - List of Universal Design features included in the project (if applicable)

Affordability, Marketing, and Supportive Services

- Describe any methods to ensure long-term affordability of housing units, including subsidy recapture, equity sharing, deed restrictions, etc.: _____

(Note: Recipients of County funding must agree to the terms and conditions of the Orange County Long-Term Housing Affordability Policy)
- What are the proposed rents (including utility costs) or sales prices for completed units? _____
- Describe your agency's process for marketing to ensure an adequate pool of income-eligible renters to buyers: _____
- What supportive services, if any, will be provided in this project? _____
- Describe your affirmative marketing plan to market your project to people of color, female heads of household, and people with disabilities: _____

Community Sponsorship/Support

Describe community partnerships, consultation, inclusive planning processes, engagement/outreach efforts, etc.: _____

Alignment with Goals and Adopted Affordable Housing Policy

Please explain how the proposed project aligns with local goals and adopted affordable housing strategies and policies: _____

SECTION 3: PROJECT BUDGET AND PRO FORMA

Project Budget

- Attach a **detailed project budget** showing all sources and uses of funds. Attach funding commitment letters where available or a list of funding applications to other sources previously submitted.

Pro forma (for rental property only)

- If you are developing a property for rent, please attach a 20-year pro forma showing estimated income, expenses, net operating income, debt service, and cash flow.

Cost per Unit

Cost per dwelling unit: _____

Cost per square foot: _____

SECTION 4: AGENCY DESCRIPTION

Agency Information

Mission statement: _____

Estimated total agency budget for this fiscal year: \$ _____

Does your agency budget show a surplus or deficit? Please explain: _____

Is there a significant change in your budget from the previous year? Please explain: _____

Total number of agency staff (full-time equivalents): _____

Please include the following attachments:

Nonprofit Organizations

- Current list of Board of Directors, including addresses, phone numbers, terms of service, and relevant affiliations
- Current Bylaws and Articles of Incorporation
- Last 2 years' operating budgets
- Most recent independent audit
- IRS Form 990
- IRS tax determination letter
- NC Solicitation License
- Certificate of Liability Insurance

For-profit Organizations

- Current list of Board of Directors, including addresses, phone numbers, terms of service, and relevant affiliations
- Current Bylaws and Articles of Incorporation
- Last 2 years' operating budgets
- YTD profit and loss statement and balance sheet
- Most recent independent audit
- Last 2 years' corporate tax returns
- Last 2 years' personal tax returns and financial statements for all persons who have more than 19.9% ownership interest in the organization
- Signed "Authorization to Release Information" for each persons who has more than 19.9% ownership interest in the organization
- Completed W-9 Form
- Certificate of Liability Insurance

Agency Experience

Please provide a brief description of your organization’s past achievements in carrying out similar projects and evidence of successful record of meeting proposed budgets and timetables.

For all projects for which you have received County funding within the last 5 years, please provide the information below. If you have not received County funding within the last 5 years, please complete for comparable projects. Copy and paste the chart below as needed for additional projects.

Project Name	_____
Total Project Cost	_____
Amount and Source of County Funding	_____
Date of Funding Award Approval	_____
Date of Project Completion	_____
Project completed on schedule?	<input type="checkbox"/> Yes <input type="checkbox"/> No
Project completed within budget?	<input type="checkbox"/> Yes <input type="checkbox"/> No
If no, how much over/under budget?	_____
Other Comments:	_____

SECTION 5: DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

Are any of the Board Members or employees of the agency carrying out this project, or members of their immediate families, or their business associates who are:

- Employees of/or closely related to employees of the Towns of Carrboro, Chapel Hill, Hillsborough, Mebane, or Orange County?

Yes No

- Members of/or closely related to members of the governing bodies of the Towns of Carrboro, Chapel Hill, Hillsborough, Mebane, or Orange County?

Yes No

- Potential beneficiaries of the project/program for which funds are requested?

Yes No

- Paid providers of goods or services to the program or having other financial interest in the program?

Yes No

If you answered “yes” to any of the preceding questions, **please explain below**. The existence of a potential conflict of interest does not necessarily make the project ineligible for funding, but the existence of an **undisclosed** conflict may result in the termination of any grant awarded.

ATTACHMENTS



Orange County Affordable Housing Bond Program 2020 Scorecard

Threshold Requirements:

- The application is complete with all required attachments and was submitted by the established deadline
- The project aligns with local affordable housing goals, strategies, and/or adopted policies
- Funding is for an eligible activity

1. Income Targeting and Special Needs (45 points): _____

What income range(s) and population(s) will the proposed project serve? *If serving multiple ranges, score will be prorated.*

Household Income Range	Maximum Points
0 to ≤ 30% AMI	25
>30% to ≤ 60% AMI	15
> 60% to ≤ 80% AMI	10
People with special housing needs ¹	20

¹Defined as people with disabilities, veterans, individuals or families experiencing homelessness, holders of Housing Choice or other vouchers, and survivors of domestic violence

2. Local Residency (5 points): _____

Will the proposed project provide housing for Orange County residents?

Percent of Current Orange County Residents ² at Sale or Lease-up	Maximum Points
80% to 100%	5
50% to 80%	2
0 to 50%	1

²Defined as households currently residing or working in Orange County or having resided in Orange County

3. Leveraging (52 points): _____

To what degree does the proposed project include other sources of funds?

Percent Funded by Bonds and Other County Funding	Maximum Points
60% to 80%	3
40% to 59%	6
20% to 39%	9
10% to 19%	15
< 10%	20
Other Criteria	

Project pays property taxes ³	2
Project repays bond funds (principal only) ³	3
Project repays bond funds (principal and interest) ³	10
Project is mixed-income, meaning it serves more than one income category (including market-rate) and minimizes geographic concentration of affordable units	10
Project is mixed-use, meaning it includes non-residential uses that offer access to employment, daily needs, and health and human services	10

³These criteria are not applicable to nonprofit sponsored projects

4. Building and Site Design (20 points): _____

Scoring Criteria	Maximum Points
Project incorporates sustainable design elements, such as smaller building sizes, use of local/recycled building materials, energy efficient features, LED lighting, water conservation fixtures, efficient HVAC systems, etc. (for energy efficient features, the project meets or exceeds the NC Housing Finance Agency's energy efficiency criteria)	5
Project provides handicap accessibility and/or incorporates Universal Design	3
Project incorporates sustainable community and environmental design elements, such as flexible lot design, low impact development, storm water controls, reduced impervious surface areas, natural or drought-resistant landscaping or any additional element that would serve to minimize negative environmental impacts, as Orange County regulations allow	5
Project is connected to water and sewer service, will connect to existing service, or will use a community well and sewer system consistent with water and sewer boundary agreements and local standards	5

5. Community Design (20 points): _____

Scoring Criteria	Maximum Points
Project contributes to a mix of housing within an existing neighborhood	3
Additional points may be awarded for building appearance, quality of construction, compatibility with surrounding housing, ability to foster a sense of a secure community, and contribution to neighborhood revitalization and or affordable housing preservation (details must be provided by applicant)	5
Project is accessible to services such as healthcare, schools, grocery shopping, etc.	4
Public transportation, to include a bus route or on-demand service (or equivalent) and related facilities are available (e.g., bus shelters, accessible stops, etc.)	5
Project is located in an area of the county traditionally underserved by housing development	3

6. Community Sponsorship/Support (20 points): _____

Scoring Criteria	Maximum Points
Applicant can show evidence that they coordinated with other organizations to complement/support the proposed project	6
Applicant can show evidence that they involved the intended beneficiaries of the project in the planning process and that the outreach and marketing plan is inclusive	6
Applicant can demonstrate it has been actively involved, or describe the steps it will take to become actively involved, in the County's Consolidated Planning process to identify and address a housing need related to the proposed project	4
Applicant has developed, or can demonstrate plans to develop, links with other community activities to provide holistic community services	4

7. Project Feasibility (30 points): _____

Scoring Criteria	Maximum Points
Applicant can demonstrate site control, zoning compliance, and timely and feasible construction schedule	10
Funding (other than County funding) is in place at time of application	10
Applicant's proposal is complete and presents a proposed budget and financial model that is appropriate based on reasonable assumptions	10

8. Developer Experience (42 points): _____

Scoring Criteria	Maximum Points
Applicant has experience carrying out comparable projects to that proposed and has met regulatory compliance for previous projects	10
Applicant has a proposed team with demonstrated development, managerial, and financial management capabilities in prior projects	10
Applicant and team members have a successful record of meeting proposed budgets and timelines	10
Project sponsor is a nonprofit housing provider	12

Total Points: _____ out of 234



Orange County Affordable Housing Bond Program Quarterly Report

Year: _____

Q1 Q2 Q3 Q4

Project Name: _____

Funded Organization: _____

Budget/Leveraging

Current Total Development Cost: \$ _____

Total Expenditures this Quarter: \$ _____ Cumulative Total Expenditures: \$ _____

Amount Leveraged this Quarter: \$ _____ Cumulative Total Leveraged: \$ _____

Please list each funding source you have leveraged this quarter and the amount of each source:

Progress to Date

Total Number of Units Proposed: _____

Number of Units Under Construction This Quarter: _____

Number of Units Completed This Quarter: _____ Cumulative Units Completed: \$ _____

Have there been any changes in the project timeline since your last Quarterly Report? If so, please explain.

Please describe any challenges encountered this quarter.

Beneficiaries

Total Number of Households Proposed: _____

Number of Households This Quarter: _____

Cumulative Number of Households Served: _____

Please describe any marketing and outreach activities to date related to lease-up and sale to proposed beneficiaries.

Please list the number of households in each income category:

0-30% AMI: _____

31-60% AMI: _____

61-80% AMI: _____

> 80% AMI: _____

Please list any other beneficiary details, such as households with special housing needs served.
