

ST. JOSEPH COUNTY HOUSING CONSORTIUM

HOME Investment Partnerships Program

RFP INFORMATION PACKET

PY2025

PROPOSAL DEADLINE:

Monday, September 9, 2024 by 4:45 PM

PLEASE NOTE: The timeframe of any federal budget discussions, modifications, and/or approvals cannot be projected. The City of South Bend will proceed as usual with the RFP/application process for its HUD-funded programs. Please be aware that this is done with the understanding that FY 2025 funding is not confirmed. Recommendations are subject to change.

APPLICATION TECHNICAL **ASSISTANCE**

Staff will provide limited technical assistance to agencies interested in responding to the application. Contact the Department of Community Investment at federalgrants@southbendin.gov.

PUBLIC ENGAGEMENT

Public hearings on the **2024 CDBG, HOME, and ESG RFPs, with the intention of developing the 2024 Action Plan**, will be held on Tuesday, August 27, 2024 at the following times and locations:

2:30 PM, Mishawaka Planning and Community Development
Mishawaka City Hall
100 Lincolnway West, Mishawaka

and

5:30 PM, 14th Floor Dept. of Community Investment Conference Room
County-City Building
227 West Jefferson Boulevard, South Bend

Both locations are ADA accessible.

Emergency Citizen Participation and Consultation Process

When a Declaration of an Emergency has been ordered by the President of the United States, or the Governor of Indiana, or the St. Joseph County Health Department, the City of South Bend will hold virtual public hearings through conference calls or an online video conference call platform. Access information for virtual meetings will be provided in the public hearing notice. The City will make a good faith effort to ensure that attendees of virtual public hearings will be able to comment and have questions answered in real-time. If real-time questions and responses are not feasible, citizens may submit questions via email to federalgrants@southbendin.gov and City staff will provide a response within two (2) business days.

GENERAL REQUIREMENTS

- A. **Minority and Women’s Business Enterprise Outreach:** The subgrantee must comply with the requirements of Executive Orders 11625, 12432, and 12138, concerning Minority and Women's Business Enterprise, and the policy of the City of South Bend which further supports and encourages the participation of minority and women owned businesses in the benefits of the HOME program, by:
- 1) Contacting all minority businesses that offer services needed by the organization in carrying out the HOME program and offering copies of any ads outlining information on where, when and how to submit bids or proposals for such work; and
 - 2) Keeping records on contacts made to minority and women business enterprises and retaining any correspondence (letters, proposals, bids, etc.) received from such businesses for any contracts let through the HOME program and relaying this information to Department of Community Investment staff at least semi-annually.
- F. **Inclusive Staffing Practices:** Where possible and practical, subgrantees must advance inclusive hiring practices for delivery of housing and other community-related projects. Building wealth and inclusive economic opportunities in low-income communities is considered fundamental in the provision of CPD-funded housing and services projects. This is to be achieved through hiring, training, and providing opportunities for growth.
- G. **Equal Access Rule:** Subgrantees must comply with the requirements of 24 CFR § 5.106, Equal Access in Accordance with an Individual’s Gender Identity in Community Planning and Development Programs (CPD). All individuals – regardless of sexual orientation or gender identity – must have equal access to CPD-funded programs, shelters, other buildings and facilities, benefits, services, and accommodations. Additional information and resources may be found through the following links:
- 1) Equal Access to Housing in HUD Programs Regardless of Sexual Orientation or Gender Identity: <https://tinyurl.com/FR-2012-2343>
 - 2) Equal Access in Accordance with an Individual’s Gender Identity in Community Planning and Development: <https://tinyurl.com/FR-2012-22589>
 - 3) Equal Access for Transgender People: Supporting Inclusive Housing and Shelters: <https://tinyurl.com/InclusiveHousingandShelters>
 - 4) Equal Access Expectations: Training Scenarios for Use with Project Staff: <https://tinyurl.com/EqualAccessTrainings>
 - 5) Equal Access Agency Assessment Tool: <https://tinyurl.com/EqualAccessAssessmentTool>

FOR CITY OF SOUTH BEND

PROJECTS ONLY

- Applicant must be a non-profit 501(c)(3) charitable organization or a unit of government.
- To utilize HOME funds most effectively to address priority needs, the City of South Bend will prioritize the award of PY 2025 HOME funds to projects that provide for:
 1. Acquisition/rehabilitation/new construction of Permanent Supportive Housing units for the chronically homeless;
 2. Tenant Based Rental Assistance (TBRA) for special needs populations.
- In addition, Consortium staff time will be subsidized using HOME funds set aside for administration. If funds are available after priority projects and administration are awarded, remaining funds may be allocated to single-family home new construction on existing vacant lots.
- The City of South Bend notes a preference to use HOME in specific geographic areas (please see the “Analysis for Residential Market Potential” on the City’s website at <https://tinyurl.com/2021ResidentialMarketPotential>).

COMMUNITY HOUSING DEVELOPMENT ORGANIZATIONS

The St. Joseph County Consortium, in order to participate in specific development activities, will work with qualified Community Housing Development Organizations (CHDOs).

The HOME Investment Partnerships Program (HOME) was created under Title II of the Cranston-Gonzalez National Affordable Housing Act of 1990. The Act's objectives include (1) promoting partnerships among states, units of local government, and not-for-profit organizations to develop and manage safe, decent, and affordable housing. The St. Joseph County Housing Consortium (PJ) receives a yearly allocation of HOME funds from the U.S. Department of Housing and Urban Development (HUD) as a participating jurisdiction (PJ).

In order to achieve its objectives, the Act requires that PJs "set aside" a minimum of 15% of their annual HOME allocation exclusively for qualified, eligible CHDO projects. A Community Housing Development Organization (CHDO) is a private, community-based nonprofit organization whose primary purpose is to develop affordable housing for the community it serves. To be recognized as a CHDO, an organization must meet the requirements pertaining to the legal status, organizational structure, capacity, and experience as set for in 24 CFR 92.2, and be certified by the PJ as a CHDO

An organization's CHDO status must be certified every three (3) years. Per 24 CFR 92.2, the following guidelines are considered criteria for qualification as a CHDO:

Community housing development organization means a private nonprofit organization that:

1. Is organized under State or local laws;
2. Has no part of its net earnings inuring to the benefit of any member, founder, contributor, or individual;
3. Is neither controlled by, nor under the direction of, individuals or entities seeking to derive profit or gain from the organization. A community housing development organization may be sponsored or created by a for-profit entity, but:

- a. The for-profit entity may not be an entity whose primary purpose is the development or management of housing, such as a builder, developer, or real estate management firm.
 - b. The for-profit entity may not have the right to appoint more than one-third of the membership of the organization's governing body. Board members appointed by the for-profit entity may not appoint the remaining two-thirds of the board members;
 - c. The community housing development organization must be free to contract for goods and services from vendors of its own choosing; and
 - d. The officers and employees of the for-profit entity may not be officers or employees of the community housing development organization.
4. Has a tax exemption ruling from the Internal Revenue Service under section 501(c)(3) or (4) of the Internal Revenue Code of 1986 (26 CFR 1.501(c)(3)-1 or 1.501(c)(4)-1)), is classified as a subordinate of a central organization non-profit under section 905 of the Internal Revenue Code of 1986, or if the private nonprofit organization is an wholly owned entity that is disregarded as an entity separate from its owner for tax purposes (e.g., a single member limited liability company that is wholly owned by an organization that qualifies as tax-exempt), the owner organization has a tax exemption ruling from the Internal Revenue Service under section 501(c)(3) or (4) of the Internal Revenue Code of 1986 and meets the definition of "community housing development organization;"
 5. Is not a governmental entity (including the participating jurisdiction, other jurisdiction, Indian tribe, public housing authority, Indian housing authority, housing finance agency, or redevelopment authority) and is not controlled by a governmental entity. An organization that is created by a governmental entity may qualify as a community housing development organization; however, the governmental entity may not have the right to appoint more than one-third of the membership of the organization's governing body and no more than one-third of the board members may be public officials or employees of governmental entity. Board members appointed by a governmental entity may not appoint the remaining two-thirds of the board members. The officers or employees of a governmental entity may not be officers or employees of a community housing development organization;
 6. Has standards of financial accountability that conform to 2 CFR 200.302, 'Financial Management' and 2 CFR 200.303, 'Internal Controls;'
 7. Has among its purposes the provision of decent housing that is affordable to low-income and moderate-income persons, as evidenced in its charter, articles of incorporation, resolutions or by-laws;
 8. Maintains accountability to low-income community residents by:

- a. Maintaining at least one-third of its governing board's membership for residents of low-income neighborhoods, other low-income community residents, or elected representative of low-income neighborhood organizations. For urban areas, "community" may be a neighborhood or neighborhoods, city, county or metropolitan area; for rural areas, it may be a neighborhood or neighborhoods, town, village, county, or multi-county area (but not the entire State); and
 - b. Providing a formal process for low-income program beneficiaries to advise the organization in its decisions regarding the design, siting, development, and management of affordable housing;
9. Has a demonstrated capacity for carrying out housing projects assisted with HOME funds. A designated organization undertaking development activities as a developer or sponsor must satisfy this requirement by having paid employees with housing development experience who will work on projects assisted with HOME funds. For its first year of funding as a community housing development organization, an organization may satisfy this requirement through a contract with a consultant who has housing development experience to train appropriate key staff of the organization. An organization that will own housing must demonstrate capacity to act as owner of a project and meet the requirements of § 92.300(a)(2). A nonprofit organization does not meet the test of demonstrated capacity based on any person who is a volunteer or whose services are donated by another organization; and
10. Has a history of serving the community within which housing to be assisted with HOME funds is to be located. In general, an organization must be able to show one year of serving the community before HOME funds are reserved for the organization. However, a newly created organization formed by local churches, service organizations or neighborhood organizations may meet this requirement by demonstrating that its parent organization has at least a year of serving the community.

FAITH-BASED ORGANIZATIONS

BACKGROUND/GENERAL GUIDANCE/APPLICABILITY

On December 12, 2002, Executive Order 13279 was issued, requiring federal departments to treat all organizations fairly and without regard to religion in federal programs. It is HUD policy that, within the framework of constitutional church-state guidelines, faith-based organizations should be able to compete on an equal footing with other organizations for federal funding. Accordingly, organizations that are faith-based are eligible, on the same basis as any other organization, to participate in HUD's programs and activities.

The new rule revises HUD regulations to remove barriers to the participation of faith-based organizations in the HOME, CDBG, HOPE 3, HOPWA, Emergency Solutions Grants, St. Joseph County - Region 2a Homeless Regional Planning Council, Supportive Housing, and Youthbuild Programs. In doing so, the preamble to the rule stresses that all program participants should complete on equal footing and be subject to the same requirements. In its implementation, HUD and grantees in the formula programs – HOME, CDBG, ESG and HOPWA, should be conscious that requirements for documentation, reporting, monitoring and use should be applied to all entities across the board. If a formula grant recipient has procedures in place, these procedures should be applied to all sub-recipients without regard to their religious or secular status.

As with any regulatory change, the new rule requires clarification on several fronts in order to ensure a uniform and accurate implementation in the affected programs. This is to provide guidance on certain aspects of the September 30, 2003, final rule. The guidance contained in this notice applies to all eight of the Community Planning and Development programs, as it determines necessary, and as it receives questions and requests for clarification on the new regulatory requirements.

On September 30, 2003, (68 FR 56396), HUD issued a final rule requiring equal treatment of faith-based organizations for eight HUD programs administered by its Community Planning and Development (CPD) Division. In addition, HUD published a final rule on July 9, 2004 (69 FR 41712) requiring, among other things, that states under the CDBG program provide equal treatment of faith-based organizations. Copies of the rules can be assessed online at: <http://archives.hud.gov/initiatives/fbci/Faith-Based.pdf>

CHANGES TO THE HOME INVESTMENT PARTNERSHIPS PROGRAM

BASED ON THE CONSOLIDATED AND FURTHER CONTINUING APPROPRIATIONS ACT OF 2012 AND HOME 2013 FINAL RULE - Updated in ____

The Consolidated and Further Continuing Appropriations Act of 2012 (P.L 112-55) and HOME 2013 Final Rule imposed new requirements on projects that receive funds from the HOME Investment Partnerships Program (HOME). The purpose of these requirements is to improve project and developer selection by participating jurisdictions (PJs) and ensure that there is adequate market demand for HOME projects.

The laws require that:

1. PJs must repay any HOME funds invested in projects that are not completed within four years of the commitment date, as determined by a signature of each party to the written agreement. HUD may grant a one-year extension upon determination that the failure to complete the project is beyond the control of the PJ.
2. PJs may only commit HOME funds to a project after it has underwritten the project, assessed the developer capacity and fiscal soundness of the developer being funded, and examined the neighborhood market conditions to ensure that there is an adequate need for the HOME project. The PJ must certify, at the time HOME funds are committed, that these actions have been taken for each project.
3. PJs must convert any HOME homeownership unit that has not been sold to an eligible home buyer within nine (9) months of construction completion to a HOME-assisted rental unit.
4. PJs may only provide HOME funds for development activities to Community Housing Development Organizations (CHDOs) that have demonstrated that they have staff with demonstrated development experience.

Source: U.S. Department of Housing and Urban Development, Notice CPD 12-007

HOME INCOME LIMITS

FY 2024 HOME Income Limits (Effective 06/01/2024)								
South Bend – Mishawaka, IN HUD Metro FMR Area								
	<i>1 – Person Household</i>	<i>2 – Person Household</i>	<i>3 – Person Household</i>	<i>4 – Person Household</i>	<i>5 – Person Household</i>	<i>6 – Person Household</i>	<i>7 – Person Household</i>	<i>8 – Person Household</i>
<i>30% AMI</i>	18,700	21,400	24,050	26,700	28,850	31,000	33,150	35,250
<i>50% AMI</i>	31,150	35,600	40,050	44,500	48,100	51,650	55,200	58,750
<i>60% AMI</i>	37,380	42,720	48,060	53,400	57,720	61,980	66,240	70,500
<i>80% AMI</i>	49,850	57,000	54,100	71,200	76,900	82,600	88,300	94,000

Please note that HUD Income Limits are subject to change.

AFFORDABILITY PERIOD

HOME projects will be required to have a period of affordability based on the amount of HOME investment in the project. The deed restriction documentation must be approved by DCI Staff. For consistency, the following affordability investment/affordability periods, will be used:

Amount of HOME funds used:	Years of affordability required:
Under \$15,000	5 years
\$15,000 - \$40,000	10 years
Over \$40,000	15 years
New Construction Rental	20 years

EVALUATION CRITERIA

The following criteria and scoring will be used for reviewing proposed housing development activities, however, **the City may award funds outside this criteria at its discretion.** *This is for information purposes only and does not need to be completed.*

Proposals will be evaluated, and preference given to those which address the following:

- Allow for the most efficient and cost-effective use of HOME Program funds so that the greatest number of beneficiaries will be assisted. Priority will be given to projects leveraging project funds. Projects that leverage higher amounts of funding will be more favorably considered.
- Responsiveness to current housing needs and neighborhood plans, including type of housing and period of affordability.
- Sustainable development components including LEED Silver rating, Silver Rating National Green Building Standards, and Enterprise Green Communities.
- Preferences will be given to those applicants/developers that are located within the City of South Bend, City of Mishawaka, St. Joseph County, and the Michiana region.
- Demonstrate a commitment and capacity to implement the project in terms of time, effort, staff and other resources, etc.
- Include a realistic, detailed financial package that documents the ability of the applicant entity to match the HOME funds and demonstrates the ability to leverage financing from other sources. (Expenditures should be explained).
- Prove the ability of the applicant entity to carry out the proposed activities within the specified time frame. All projects must begin within one year of execution of contracts with the City of South Bend. All projects must be completed within four years of contract execution.
- Current or previously funded agencies – timely reimbursement requests/draw request.
- Prove land control in construction/rehab projects.
- Location desirability of the project. Different criteria will be reviewed for project desirability including public transportation availability within 3 blocks of project location, fresh produce store within 1 mile, community center within 1.5 miles, public library within 2 miles, and the walkability of the project location (>50 on walkscore.com).
- Organization's administrative and financial capacity to carry out the proposed activity.
- Eligible with HUD regulations including compliance with a national objective.