

Request for Proposals (RFP) HOME Funds – Development

Released _____ 2025

Introduction

The City of Statesville (COS) announces the availability of up to \$1,354,498 in federal funding under the HOME Investment Partnerships Program (HOME) to increase the amount of affordable and attainable housing options for residents residing within the city limits. Proposals are being solicited for the following:

- New construction of affordable and attainable housing (single-family or multifamily)
- Acquisition* and rehabilitation to preserve affordable and attainable housing (single-family or multifamily)
- Conversion of an existing structure from another use to affordable rental housing
- Demolition as it relates to the new construction, acquisition, or rehabilitation of above
- Other HOME-eligible activities, as related to the above

All organizations responding to this RFP must submit their funding proposal(s), including Request Form (Exhibit A) and Statement of Certification (Exhibit B). Each proposal will be considered on a case-by-case basis.

*Acquisition-only proposals will not be accepted.

Background

The HOME Investment Partnerships Program (HOME) provides formula grants to States and localities that communities use – often in partnership with local nonprofit groups – to fund a wide range of activities including building, buying, and/or rehabilitating affordable and attainable housing for rent or homeownership. HOME is the largest Federal block grant to state and local governments designed

exclusively for this purpose. The U.S. Department of Housing and Urban Development (HUD) manages HOME, and the Community Development Department administers these funds on behalf of COS.

More information about HOME, policy guidance, applicable laws and regulations, waivers and suspensions, rent and income limits, frequently asked questions (FAQs), and other useful information can be found online: HOME: HOME Investment Partnerships Program - HUD Exchange.

Please note that this RFP is for HOME entitlement funding only.

Eligible Activities

The City of Statesville will fund eligible activities in accordance with the <u>HOME Final Rule 24 CFR Part 92</u> and the City's affordable housing goals as outlined in this RFP. These activities and costs are eligible only if the housing meets the property standards in § 92.251 upon project completion. Only proposals within the city limits will be considered.

Ineligible Activities

Development teams may not request funding for activities that are not listed in this RFP or activities outside the scope specified in the previous section, however; the COS encourages leveraging and utilizing additional applicable funding sources . Development teams must ensure that funds will not be used for costs that will be reimbursed by other federal funding streams. In addition, development teams should be aware of federal, state, and local laws outside of program requirements. For example, federal civil rights and nondiscrimination laws that prohibit discrimination based on race, color, national origin, sex (including gender and gender identity), religion, disability, age, or familial status (including having children), and any applicable environmental laws, must be followed.

Monitoring

The City of Statesville will conduct monitoring reviews on a quarterly and/or semi-annual basis in accordance with the aforementioned HOME Final Rule 24 CFR Part 92. City Leadership and City Finance staff may require additional reporting requirements in alignment with Audit, Budget and Risk Management, and/or Community Development needs. Development teams must cooperate fully in any review conducted by the City, its authorized representatives, and/or the federal government. If it is determined corrective actions must be taken, COS will request a written Corrective Action Plan (CAP) detailing actions that will be taken to remedy the deficiencies.

Funding Details

This RFP will allocate funding from multiple program years (PYs) due to unallocated funds from previous years, changes in funding priorities, and recaptured funding. As projects are committed through Commitment Agreements, these amounts may be reduced. Development teams are encouraged to confirm funding availability.

All grant funding will be paid on a reimbursement basis. Specific grant terms for selected proposals will be negotiated based on an underwriting review. The maximum per-unit subsidy will vary depending on the number of bedrooms and the program year funding source (i.e., PY 2022 funding will need to use 2022 subsidy limits). For more information on subsidy limits, please visit HOME Maximum Per-Unit Subsidy Limits – HUD Exchange.

Additional Considerations

Please note this is not a comprehensive list of all project requirements; however, it does provide guidance on some common components.

- Applicants are restricted from undertaking any physical or choice-limiting actions, including but
 not limited to property acquisition, demolition, movement, rehabilitation, conversion, repair, or
 construction until satisfactory completion of an environmental review, evaluation by City staff,
 and a receipt of Release of Funds from HUD under CFR Part 58.
- Development applications <u>must be site-specific</u> as funds cannot be committed without an address. Evidence the proposed development is permitted under existing zoning and other development-related documentation may be required. COS planning department will be involved in prioritizing all new project decisions.
- Requirements for the development and implementation of HOME <u>underwriting and subsidy</u> layering must be followed.
- In certain cases, a preliminary or firm <u>financing commitment</u> from a private lender or other financing source may be required prior to award.
- Every contract for construction (rehabilitation or new construction) of housing that includes 12 or more units assisted with HOME funds must contain a provision requiring the payment of not less than the wages prevailing in the locality, as predetermined by the Secretary of Labor pursuant to the Davis-Bacon Act (40 U.S.C. 3141) to all laborers and mechanics employed in the development of any part of the housing. Such contracts must also be subject to the overtime provisions, as applicable, of the Contract Work Hours and Safety Standards Act (40 U.S.C. 3701).
- All construction projects shall be in accordance with <u>Section 3</u> requirements set forth in the Housing and Urban Development Act of 1968 (12 U.S.C. 1701U), as amended.
- All infrastructure projects shall be in accordance with the Build America, Buy America (BABA)
 requirements, as applicable. This means all iron, steel, manufactured products, and construction
 materials used in the infrastructure project have been made in the United States, unless the
 awarding agency has issued a waiver.
- Successful project references of completed projects funded through grant funding.
- Developments that involve temporary relocation must meet the requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970. Projects requiring permanent relocation will not be considered for funding.
- Acquisition and/or rehabilitation of existing housing developments are subject to <u>lead-based</u> paint testing, particularly in units built prior to 1978.

- Organizations must be prepared to meet the following conditions and execute a contract including these provisions:
 - Certify that their insurance coverage is in accordance with North Carolina law and such coverage will remain in effect throughout the period of the contractual agreement.
 Agree to maintain financial records in accordance with Generally Accepted Accounting Principles (GAAP), to substantiate all expenditures made in connection with this proposal and/or amendments.
 - Certify that their organization will comply with all federal, state, and local laws and services will be rendered without discrimination.
 - Demonstrate evidence of organizational and financial stability and the ability to fund eligible activities prior to seeking reimbursement.

Contents of the Proposal

To receive full consideration for funding, proposals must include Exhibits A and B included in this document, as well as clearly state skills and experience completing housing related activity. Additional documentation is welcome and encouraged and should be included, as appropriate.

Please provide a jump drive with all contents of your proposal to: City of Statesville Purchasing Department, PO BOX 1111 Statesville, NC 28677

The organization must be available and able to present the proposal to City staff if requested. This presentation would cover topics related to the proposal and may be expanded.

Invalid Proposals

Submission of proposals from all qualified applicants is encouraged. The COS reserves the right to reject any or all proposals.

Additional Incentives

HOME funding is often layered with other sources and uses of funds. The COS encourages development teams to consider a variety of funding options and incentives, including those listed below. Prior to committing funding, City representatives will assess the agreement to ensure that it does not invest any more HOME funds (alone or in combination with other funds) than are necessary for projects to be successful and the development team's return in excess of the allowable 10% administrative fee is appropriate and reasonable.

Additional information

The prospective applicant certifies by submission of their proposal that neither it nor its principals are presently disbarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal, state, or local department or agency. Any party conducting business with HOME funds as part of the eligible activities cannot be listed on the federal debarred list of contractors. The online debarred list can be found on the System Award Management

(SAM) website: http://www.sam.org. Any agencies currently out of compliance with any Iredell County or City of Statesville contracts are ineligible to apply.

Questions

Questions regarding this RFP should be directed to jhatcher@statesvillenc.net

Exhibit A | Request Summary Form

Please print or type your responses below.

| Organization Name | |
|---|--|
| Organization Address | |
| Organization Unique Entity Identifier (UEI) | |
| Organization Tax ID # | |
| Contact Name | |
| Contact Email | |
| Contact Phone | |
| Date of Application Submittal | |
| | |
| Project Category/Description | |
| Total Project Cost/Proposal Budget | |
| HOME Funding Request (% of | |
| Proposal Budget) | |
| HOME Match Contribution | The City of Statesville provides the 25% match |
| (25% of HOME Funding Request) | provider |
| Uses of HOME Funds | |
| Proposal Timeline, incl. Start Date | |
| # of Households Assisted | |
| To be completed by eligible CHDOs only: | |
| CHDO Operating Expenses | |
| CHDO Operating Fund Request | |
| | • |

Exhibit B | Statement of Certification

I hereby certify that all statements I have provided on this application and in the attachments herein are true; that I am authorized to sign this application and to make these statements on behalf of the applicant organization and that the organization understands that any representation which leads to the improper allocation and expenditure of public funds may result in legal action against the organization for retrieval of any such funds and appropriate penalties.

| Signature | Title | |
|--------------|----------|--|
| | | |
| | | |
| | | |
| Printed Name | Date | |