State of Maine

Community Development Block Grant Program

2012 Development Fund Housing Loan Program

Application Package

Applications are due at the OCD by 4:00 PM on the first Friday of each month

Office of Community Development
111 Sewall Street
59 State House Station
Augusta, ME 04333-0059
Phone: (207) 624-7484
TTY: 1-800-437-1220

www.meocd.org

Development Fund Housing Loan Program

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Application Timetable & Requirements

The timeframe for the Application Process is as follows:

Applications Due – **NO LATER THAN 4:00 P.M., on the first Friday of each month**
Late submissions will be considered in the following month.
FAXED OR E-MAILED COPIES WILL NOT BE ACCEPTED.

Applications must be received at the:

OFFICE OF COMMUNITY DEVELOPMENT
DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT
59 STATE HOUSE STATION
111 SEWALL STREET
AUGUSTA, MAINE 04333-0059
FOR FURTHER INFORMATION: (207) 624-9819 FAX: (207) 287-8070

SUBMISSION REQUIREMENTS

See Page 5 for packaging instructions.
Include only those attachments requested by OCD

ONE ORIGINAL – Packaged in this exact order containing the Signed Cover Sheet with Certifications, Public Hearing Record, Documentation of Status of Non-Profit Developer, Verification of Property Ownership by Non-Profit Developer, Downtown Designation if applicable, Project Summary (with mandatory photo, etc), Project Timeline (with mandatory attachment), Matching Funds Table with letters of commitment and Budget Summary.

FOUR COPIES – Packaged in this exact order containing **only** the Project Summary (with mandatory photo, etc), LMI Job Summary, Project Timeline (with mandatory attachment), Matching Funds Table with letters of commitment and Budget Summary.

MARGIN AND TYPE SIZE for all Applications must contain margins consistent with those in this Application document and be typed using a minimum size 12 Arial font on 8 1/2 x 11 inch paper.

NON-CONFORMING APPLICATIONS OR THOSE EXCEEDING THE ALLOWABLE PAGE LIMITS IN SECTION II (D) WILL NOT BE SCORED.

This Application Package is available electronically at:

www.meocd.org

Non-Profit Development Grant Program

A STEP-BY-STEP GUIDE FOR SUCCESSFUL APPLICATION SUBMISSION

1. **Read the entire Application Package carefully! Be sure to follow instructions on Page 3 as to due date, number of copies submitted, font size, and paper size, and margins. For additional information on all CDBG programs consult the 2012 CDBG Program Statement available on the OCD web site.**

2. **Complete the Application Cover Sheet on Pages 10-12. The Cover Sheet contains places for signatures and lists specific state and federal regulations that applicants certify they will follow if awarded CDBG funds. Make sure all required signatures are obtained. At a minimum, each applicant *and* Non-Profit Development Organization will need the signature of their Chief Executive Officer (CEO). In addition, signatures are required from each CEO for multi-jurisdictional Applications.**

3. **Complete the necessary information for the Threshold Review Analysis on Pages 8 & 9. This includes documentation of bona-fide status of Non-Profit Development Organization, site control of the project, verification that project site is in a designated downtown area if applicable.**

4. **Complete the responses to the Review Team Analysis on Pages 8&9. Use only the maximum pages allowable for each response and *be sure to include all mandatory attachments.***

5. **Complete the Matching Funds Table on Page 13. Include *all* commitments and be sure to attach a letter of commitment for *each* source listed on the table. See Page 14 for requirements regarding letters of commitment.**

6. **Complete the Budget Summary on Page 15. Include all cash and in-kind commitments. Be sure the final amount indicated equals the total project amount.**

7. **Attach documentation of local public hearing to the original and all four copies of the Application. This must be in compliance with the requirements set forth on Page 6. *Please remember all public hearing notices must comply with the Title VI requirements set forth in the sample notice contained on page 17 of this application package. Any applicant submitting a non-compliant public hearing notice will have five points deducted from their final application score.***

8. **Package your Application *exactly* in the order specified on Page 5 and be sure to submit 1 original and 4 copies that meet the requirements contained on Page 3. *Do not include binders, report covers, or folders, as they will be discarded prior to scoring.***

Contact us or download an electronic version of this Application at:

www.meocd.org

or call (207) 624-7484.

Development Fund Housing Loan Program
Application Checklist & Packaging Requirements

Use this to make sure your Application contains all required submissions and is packaged in the proper order!

A complete original application consists of *all* the following items packaged in this exact order. The four copies must *only include* everything below the double line in *exact order* starting with the Maximum 2-Page Project Summary.

- ☐ **Cover Sheet with original signatures of Applicant and Non-Profit Developer;**
- ☐ **Public hearing record including published public notice, attested hearing minutes and attendance list - – Notice must comply with sample notice contained on page 16 of this application package**
- ☐ **Documentation of bona-fide status of Non-Profit Housing Developer;**
- ☐ **Verification of site control DF project site by Non-Profit Housing Developer;**
- ☐ **Maximum 2-page Project Summary with mandatory photo, drawing or map;**
- ☐ **Assurances that a minimum of 51% of the housing units created with DF assistance will be occupied by LMI persons;**
- ☐ **Maximum 2-page assurance that DF activities will be completed within 18 months of CDBG contract award with mandatory (maximum 10 pages) engineering report and professionally produced cost estimate;**
- ☐ **Matching Funds Table with attached letters of commitment (see Pages 13-14); and**
- ☐ **Budget Summary (see Page 15).**

Incomplete or improperly packaged applications will not be reviewed.

Include only materials requested by OCD; do not provide additional attachments!

SECTION I. DEVELOPMENT FUND HOUSING LOAN PROGRAM APPLICATION OVERVIEW

A. Introduction

The Development Fund Housing Loan (DFHLP) provides funding for communities forming partnerships with local non-profit housing development organizations to carry out activities leading to the development of affordable housing opportunities for low-to-moderate income (LMI) persons.

B. Public Hearing Requirements

Each applicant is required to hold a duly authorized public hearing during the Application process with a minimum of 10 pays prior notice which meets the requirements of the sample public hearing notice on Page 17 of this application package. The hearing must be advertised in local newspapers and posted according to local requirements. **Applicants must attach a copy of the Title VI compliant published hearing notice, attested copy of the minutes and attendance list to the original and all four copies of the Application.**

C. Approval by Local Legislative Body

The applicant's local legislative body must approve the project by formally voting to apply for, accept and expend CDBG Funds. The warrant or resolution must be specific to the CDBG funds. A "blanket warrant" accepting all state or federal funds is not acceptable. **Applicants must attach a copy of a certified town warrant or council resolution to accept funds. It must specifically name the CDBG Program and indicate the Development Fund Housing Loan Program as the program from which funds will be received and the amount of funding**. Go to www.meocd.org for a Sample Council Resolution and a Sample Warrant Article.

D. Documentation of CDBG National Objective:

Applicants must demonstrate at the time of application that the project will meet the National Objective.

E. Financial Commitments as a Threshold Requirement:

Applications for projects not demonstrating a firm financial commitment as required in the application materials will be removed from the scoring process during the threshold review.

F. Maximum DFHLP Loan Amount: $300,000

G. Matching Funds Requirements

Communities applying for DFHLP funds must demonstrate they will provide a direct cash match of **at least 10% of the total CDBG grant award.** This must be reflected on the Matching Funds Table contained on Page 13 of this Application Package. Firm letters of commitment for all cash matching funds must be attached to the table. Requirements for commitment letters are contained on Page 14.

H. Project Implementation:

Implementation of all project activities must be carried out by a bona-fide non-profit housing development organization meeting the requirements of I (H) below, which has established a contractual relationship with the applicant community.

I. Bona-fide Non-Profit Housing Development Organization:

DFHLP activities may only be carried out by bona-fide non-profit housing development organizations that meet the Internal Revenue Service definition as a non-profit and include but are not limited to: Neighborhood-Based Non-Profit Organizations, Local Development Corporations, SBA Section 504 Certified Development Companies, Small Business Investment Companies organized under 15 USC

Section 681 and Community Action Agencies. Final determination on the bona-fide status of Non-Profit Housing Development Organizations as eligible participants in the NPDG program will be solely up to OCD.

J. Site Control of DFHLP Project Site:

The non-profit housing development organization must have site control of the site on which the DFHLP will take place.

K. Applicant Prohibitions

All DFHLP applicants must meet the past performance criteria contained in the 2012 Program Statement on page 8, Section 1 (H) (2) (f).

L. Multi-Jurisdictional Applications

A multi-jurisdictional application is one submitted from two or more communities joining together to create a single DFHLP program to meet shared problems in the respective communities.

M. Application Process

The selection process for the DFHLP Program consists of two phases - an Application Phase and a Project Development Phase.

1. Competitive Application

The applicant must complete all the required sections of the Application and may only attach additional information if specifically requested. The focus of the review is to assess the readiness, feasibility, impact, health and safety issues and need for funding from the basic facts of the situation and proposed solution. Each application will be rated on its own merit and in relation to all other applications. After the scoring process is completed, successful communities will be invited into the project development phase.

2. Project Development

An invitation into the Project Development Phase reserves funds for the project. Program funding is contingent upon the Office of Community Development's (OCD) receipt of funds from HUD and successful completion of Project Development criteria. All aspects of the Project Development Phase must be completed prior to the execution of a contract with OCD and include:

1) environmental review;
2) cost analysis and justification;
3) non CDBG project funds commitments;
5) management plan development; and
6) specific state and federal requirements.

The emphasis during the Project Development Phase is on development of the best project to meet the community's DFHLP needs. A Development Project Manager will be assigned to work with each community to assist in the finalization of their project. **Applicants have *four months* to complete the project development phase process or notice of award may be rescinded.**

3. Project Implementation

Following contract execution, the community will be awarded DFHLP funds and will begin to implement their project. The Development Program Manager will remain involved with the community throughout project implementation providing technical assistance and to monitor for compliance with federal and state regulations.

SECTION II. DEVELOPMENT FUND HOUSING LOAN PROGRAM APPLICATION INSTRUCTIONS AND SCORING CRITERIA

A. Introduction

Scoring criteria are described below. Each application will be rated in relation to all others as described below.

All application pages must be on 8 1/2 x 11 inch paper with a print size no smaller than that in this application package. *Please refer to Page 5 of this application package for required packaging instructions.* All Nonconforming applications will be returned unscored.

Eligible activities in the DFHLP are acquisition, demolition, site work, construction, renovations, public infrastructure and funding mechanisms directly related to the creation of affordable LMI housing units.

B. Cover Sheet

On Page 10 in this Application Package is the Cover Sheet. The Cover Sheet consists of three sections:

1. Applicant and Non-Profit Developer Identification
Community's and Non-Profit Housing Developer's name, address, Chief Executive Officer (CEO), contact person, and phone numbers. The Cover Sheet must be completed, signed, and attached to the front of the application.

In multi-jurisdictional applications, one unit of local government must be identified as the lead applicant. Signature of the Chief Executive Officer of **each other participating unit** of general local government signifies approval for the lead applicant to apply on its behalf.

2. State Certifications
List of State Certifications that applicants agree to follow if they are awarded NPDG Program funds.

3. Federal Certifications
List of Federal Certifications that communities agree to follow if they are awarded NPDG Program funds.

C. Application

The OCD Review Team will review each DFHLP application for compliance under the criteria listed below, and will rate each application in relation to all others.

Documentation of bona-fide status for Non-Profit Housing Development Organization carrying out DFHLP activities. This documentation must clearly demonstrate the Non-Profit Development Organization meets the requirements set forth in Section I (F) of this application such as copies of articles of incorporation, legislation, etc: **10 points**

Verification of site control of DFHLP project site by Non-Profit Housing Development Organization. Applicant must submit copy of deed, purchase and sales agreement, etc.: **10 points**

Applicants must submit a maximum **2-page** Project Summary of all activities to be funded with DFHLP and matching funds. In addition to the summary the applicant ***must*** submit a photo of the project site (arial, etc) and/or a detailed project drawing or map: **25 points**

Verification that at least 51% of the housing units created as a result of DFHLP assistance will be occupied by LMI persons: **10 points**

Applicants must submit a maximum **2-page** assurance that DFHLP activities will be **completed within 18 months** of CDBG contract award; including a summary of any financial, permitting, political, environmental or contracting concerns which could delay the project. In addition to the summary the applicant ***must*** submit professionally produced cost estimates: **25 points**

Applicants must submit the Budget Summary and Matching Funds table with letters of commitment demonstrating that the project is fully funded and ready to proceed.. These documents are contained on Pages 13 and 14 of this application: **15 points**

DFHLP applications supporting project activities taking place in a designated downtown area shall receive a bonus of **5 points**. The applicant must submit written documentation of consisting of either an adopted comprehensive plan or downtown plan making this designation.

D. Final Application Score

A minimum Final Application Score of 75 points will be required for an application to be considered for funding. Starting at the top of the scoring list, applicants will be invited to proceed to the Project Development Phase as funds allow.

STATE OF MAINE
COMMUNITY DEVELOPMENT BLOCK GRANT
COVER SHEET AND CERTIFICATIONS

Development Fund Housing Loan Program

A. Applicant and Non-Profit Developer Identification

Applicant:			
Address:			
Town/City/County:			
Zip Code:			
Chief Executive Officer:			
Phone Number:		**E-mail:**	
Non-Profit Developer:			
Address:			
Town/City/County:			
Zip Code:			
Chief Executive Officer:			
Phone Number:		**E-mail:**	

DUNS #:	Applicant DUNS (Dunn & Bradstreet) #: (visit www.nea.gov/grants/apply/DUNS.html if applicant needs to obtain a number)

B. The Applicant Certifies That:

1. State Certifications

a. To the best of my knowledge and belief, the information in this Phase I application is true and correct;

b. the governing body of the applicant has duly endorsed the document;

c. a local cash match that directly relates to the proposed activity and is the equivalent of 50 percent of the DFHLP grant amount must be provided if the applicant is invited to proceed;

d. the proposed project has been reviewed and it complies with the Community's comprehensive plan and/or applicable state and local land use requirements;

e. it will work with the Office of Community Development to develop a detailed project if it receives a conditional award; and

f. it will comply with all applicable State laws and regulations.

2. Federal Certifications

a. it will take actions to affirmatively further fair housing and implement CDBG activities in compliance with Title VI of the Civil Rights Act of l964 and Title VIII of the Civil Rights Act of 1968;
b. it will not attempt to recover capital costs for the construction of public improvements, assisted in whole or in part with CDBG funds, by charging special assessments or fees against properties owned and occupied by persons of low and moderate income, including any fee, charge or assessment made as a condition of obtaining access to such public improvements, unless:

(i) CDBG funds are used to pay the proportion of such fee or assessment that relates to the capital costs of such public improvements that are financed from revenue sources other than CDBG funds; or

(ii) for purposes of assessing any amount against properties owned and occupied by persons of low and moderate income who are not persons of very low income, and the applicant certifies that it lacks sufficient CDBG funds to comply with the requirements of clause (i) above.

c. prior to expenditure of CDBG funds, it will establish a local community development plan that identifies the Community's housing and community development needs, including the needs of low and moderate income, and the activities to be undertaken to meet them;

d. it will provide in a timely manner for citizen participation, public hearings, and access to information with respect to the Maine CDBG Program and the proposed local CDBG project/program. Indicate in public notices and at public hearings that the State program is competitive, the maximum grant amount that can be requested, and the general type of activities contained in the proposed local program. Also announce in public notices the availability of the local program plan/application, describe the Community's previous CDBG performance (if any), and how the Community will collect, consider and maintain all oral and written comments received on the proposal;

e. it will adopt and follow a residential anti-displacement and relocation assistance plan which complies with Section 104 (d) of the Housing and Community Development Act of 1974, as amended, that at a minimum provides for the replacement of all low/moderate income dwelling units that are demolished or converted to a non-LMI housing use as a direct result of CDBG assistance, and a relocation assistance component;

f. it is not listed on U. S. Dept of Labor’s Debarred and Suspended Contractor’s List and will not employ contractors or subcontractors on this list;

g. it will comply with the requirements of Section 319 of Public Law 101-119 regarding government-wide restrictions on lobbying; and

h. with the exception of administrative or personnel costs, it will verify that no person who is an employee, agent, consultant, officer, or elected official or appointed official of state or local government or of any designated public agencies, or subrecipients which are receiving CDBG funding may obtain a financial interest or benefit, have an interest in or benefit from the activity, or have an interest in any contract, subcontract or agreement with respect to CDBG activities.

Applicant

Signature of Chief Executive Officer	Name of Community	Date: mm/dd/year

Non-Profit Housing Development Organization

Signature of Chief Executive Officer	Name of Non-Profit	Date: mm/dd/year

Community Development Block Grant

Development Fund Housing Loan Program

Matching Funds Table

(Include Fully Secured Commitments Only)

Funding Source	Grant/Loan	Amount	Terms of borrowing or bond sale
	TOTAL:	$	

Letters of Commitment for all Cash Matching Funds listed must be attached to this table.

Submit a copy of this Matching Funds Table and all letters of commitment with the original and all four copies of the application.

DEVELOPMENT FUND HOUSING LOAN PROGRAM
INSTRUCTIONS FOR COMMITMENT LETTERS

DFHLP applicants must provide sufficient evidence that all other financial commitments are in place for this project. To meet this requirement, letters of commitment must be submitted with the application and must include the following elements as appropriate to the type of project being considered:

1. The individual signing the commitment letter must identify their authority to commit the resources necessary to this proposal.

2. Indication that the loan has been approved by the individuals or committees, corporate board etc., empowered to lend the stated commitment.

3. Indication that the institution/entity will lend the funds subject to any conditions such as:
   - Loan amount
   - Term of loan
   - Loan interest rate
   - Guarantee and insurance requirements
   - Collateral or security for loan
   - Use of loan funds
   - Expiration date of commitment
   - Reasons why additional funds will not be provided

Commitments from public financing sources must approximate as closely as possible the content of a commitment letter from a private financial source. If the public source requires a formal acceptance of the loan or grant conditions, an executed acceptance notice must be included with the commitment letter.

Development Fund Housing Loan Program

Budget Summary (Include Cash & In-Kind)

Cost Category	Column 1 CDBG	Column 2 Local	Column 3 State	Column 4 Utility	Column 5 Non-CDBG Federal	Column 6 Other	Column 7 Cost Category Total
Acquisition							
Demolition							
Site Work							
Renovation							
Environmental Cleanup							
Construction							
Landscaping							
Legal Expenses							
Inspection							
Architectural							
Engineering							
Administration							
Other (List)							
1.							
2.							
3.							
TOTAL COSTS							

Directions for Completing Budget Summary

1. For each applicable cost (cash and in-kind) in the Cost Category column, list the projected dollar amount for all applicable funding sources in columns 1-6.
2. List the total dollar amount for each cost category in column 7, Cost Category Total
3. Enter the total of all Cost Category amounts in column 7 in the TOTAL COSTS box directly under column 7.
4. **Submit a copy of this Summary with the original and *all four copies* of the application.**

STATE OF MAINE
COMMUNITY DEVELOPMENT BLOCK GRANT
Development Fund Housing Loan Application

FINANCIAL SUMMARY STATEMENT

Provide the following information on the proposed obligation of the Developer to be assisted for the following:

Proposed Debt	Debt Holder	Rate/Term	Payment	Collateral

Please attach proposed cash flow analysis of the project when fully occupied.

Public Hearing Notice to Comply with Title VI Requirements

Public Hearing Notice
The City/Town of _____

The City/Town of _____ will hold a Public Hearing on ___(date)___, at __(time)__, at the ___(location)_ to discuss an application being submitted to the State of Maine CDBG program for a (specific name of grant program)__. The purpose of the grant application is to _state purpose). Public comments will be solicited at this Hearing and will be submitted as part of the application. All persons wishing to make comments or ask questions about the grant application are invited to attend this Public Hearing. Comments may be submitted in writing to: _(name of contact, address)_ at any time prior to the Public Hearing. TDD/TTY users may call __(list local TTY number or 711)__. If you are physically unable to access any of the City's/Town's programs or services, please call __(list local contact and phone number), so that accommodations can be made.

EQUAL HOUSING OPPORTUNITY

Any applicant submitting a non-compliant public hearing notice will have five points deducted from their final application score.

THIS MATERIAL IS AVAILABLE IN ALTERNATIVE FORMAT UPON REQUEST

BY CONTACTING:

OFFICE OF COMMUNITY DEVELOPMENT
111 SEWALL STREET, 3RD FLOOR
59 STATE HOUSE STATION
AUGUSTA, MAINE 04333-0059
TELEPHONE (207) 624-7484
TTY: 1-800-437-1220

ALSO AVAILABLE ON THE OFFICE OF COMMUNITY DEVELOPMENT WEB SITE:

www.meocd.org

The Maine State CDBG Program is Funded by: