

Bidder Name: _____
Bidder Address: _____



Request for Proposal 6517

2010/11 Affordable Housing RFP Washtenaw Urban County

HOME Investment Partnerships Program Community Development Block Grant

Prepared By:

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WASHTENAW COUNTY

Finance Department

Purchasing Division

220 N. Main, Ann Arbor, MI 48104
Phone (734) 222-6760, Fax (734) 222-6764

REQUEST FOR PROPOSAL 6517

January 6, 2010

Washtenaw County Purchasing Division on behalf of the Office of Community Development is requesting proposals for affordable housing projects. These projects will be funded through the HOME Investment Partnerships Program (HOME) and Community Development Block Grant (CDBG) programs, which are federal grants that Washtenaw County administers for the Washtenaw Urban County. All proposals must address the needs of the jurisdictions that currently participate in the Washtenaw Urban County.

Sealed Proposals: Vendor will deliver one (1) original and two (2) copies to:

**Washtenaw County
Administration Building
Purchasing Division
220 N. Main St. Room B-35
Ann Arbor, MI 48107**

By 3:00pm on Wednesday, February 17th, 2010.

A voluntary pre-bidders conference is scheduled for **Wednesday, January 13th, 2010 from 2:00 pm-3:30 pm** at 110 North Fourth Ave, Ann Arbor MI 48104, 1st Floor Conference Room. It is highly encouraged to attend.

This submission shall include the entire response to this Request for Proposal and any addendums if issued. Proposals received after the above-cited time will be considered a late bid and are not acceptable unless waived by the Purchasing Manager.

- Proposals must be submitted in hard copy with original signatures. Faxed or e-mail versions will not be accepted.
- Please ensure that **the envelope is clearly marked "SEALED RFP 6517"**
- All proposals must include all of the information and documents listed in the appropriate Proposal Submission Checklist (failure to include all of the information may result in disqualification).
- Please direct questions regarding the content of this RFP to Jennifer Hall at (734) 622-9006 or hallj@ewashtenaw.org
- Please direct purchasing and procedural questions regarding this RFP, or requests for a Microsoft Word version of this RFP to Anne Strieter at (734) 222-6749 or strietera@ewashtenaw.org. Excel versions of the pro formas are also available.

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I. GENERAL INFORMATION FOR THIS RFP

Definitions: “**County**” is Washtenaw County in Michigan.
“**Bidder**” is an individual or business submitting a bid to Washtenaw County.
“**Contractor**” One who contracts to perform work or furnish materials in accordance with a contract.

A. Purpose of Request for Proposal

Washtenaw County recognizes a growing need for affordable and decent housing and wishes to preserve the diverse economic character of the community. The HOME Investment Partnerships Program (HOME) and Community Development Block Grant (CDBG) federal funds were awarded to Washtenaw County on behalf of the member jurisdictions of the Urban County. The 2009-2013 Urban County Consolidated Strategy and Plan¹ and Affordable Housing Needs Assessment provide an analysis of the need for housing projects within the boundaries of the following jurisdictions: Ypsilanti Township, City of Ypsilanti, Pittsfield Township, Superior Township, Northfield Township, Scio Township, York Township, Salem Township, Bridgewater Township, City of Ann Arbor and Ann Arbor Township. Washtenaw County seeks proposals for affordable housing projects, which are consistent with this plan.

Washtenaw County encourages both nonprofit and for profit developers to produce income-targeted housing units by offering these federal subsidies. Applicants must demonstrate the ability to carry out the proposed activity and will be evaluated on experience, administrative capacity and financial management. Applicants must have at least 3 years experience administering federal funds. ***This RFP is not intended for individuals to apply for housing funds for their own benefit. Individuals and families in need of affordable housing must work directly with the affordable housing developers and property owners to purchase or rent housing funded under this RFP.***

B. General Conditions

- 1) Washtenaw County reserves the right to reject any and all proposals received as a result of this RFP. If a proposal is selected, it will be the most advantageous regarding price, quality of service, the Vendor’s qualifications and capabilities to provide the specified service, and other factors which Washtenaw County may consider. The County does not intend to award a bid fully on the basis of any response made to a proposal.
- 2) The County reserves the right to reject any and all bids, to waive or not waive informalities or irregularities in bids or bidding procedures, and to accept or further negotiate cost, terms, or conditions of any bid determined by the County to be in the best interest of the County even though it is not the lowest bid.
- 3) An official authorized to bind the provider to its provisions for at least a period of 90 days must sign proposals. Failure of the successful bidder to accept the obligation of the bid may result in the cancellation of any award.
- 4) In the event it becomes necessary to revise any part of the RFP, an addendum will be provided. Deadlines for submission of the RFPs may be adjusted to allow for revisions.

¹ A copy of these plans can be downloaded at
http://www.ewashtenaw.org/government/departments/community_development/plans_reports_data

- 5) Proposals should be prepared simply and economically providing a straightforward, concise description of the vendor's ability to meet the requirements of the RFP. Proposals shall be written in ink or typewritten. No erasures are permitted. Mistakes may be crossed out and corrected and must be initialed in ink by the person **signing** the proposal.
- 6) Developers and contractors are not eligible if they are presently debarred, suspended, proposed for debarment, declared ineligible, voluntarily excluded from participation in federal housing programs or have had a professional license suspended or revoked which is required to provide services for a project under this RFP.
- 7) Complete applications must be received by the County Purchasing Department by **3:00 pm on Wednesday, February 17th, 2009**. Late or incomplete proposals will not be accepted! Proposals received after the deadline will not be reviewed or considered for funding. Regardless of the delivery method the Submitter is responsible for the actual delivery of the proposals to the Purchasing Department.
- 8) Acceptance of a proposal does not constitute a grant agreement and does not obligate the County to award funds. All proposals become the property of Washtenaw County after the deadline whether awarded or rejected.
- 9) All costs of proposal preparation are the responsibility of the applicant. Washtenaw County shall not, in any event, be liable for pre-contractual expenses incurred by the bidder in the preparation and/or submission of the proposal. The applicant shall not include any such expense as part of the budget in the proposal.
- 10) Submission of a proposal shall constitute acknowledgement and acceptance of all terms and conditions contained in this RFP.
- 11) Additional information may be required by the County for determination of the applicant's qualification to successfully complete the project. The Manager of the Purchasing Division reserves the right before making an award to have the premise of the bidder inspected, or to take any other action necessary to determine the fitness, reliability, and ability to perform. The inspection could check the physical location, facilities, equipment, spare parts, and/or for ability to comply with conditions of the bid.
- 12) All information in a Submitter's proposal is subject to disclosure under the provisions of Public Act No. 442 of 1976, as amended (known as the Freedom of Information Act).
- 13) Should any prospective Submitter be in doubt as to the true meaning of any portion of this RFP, or should the Submitter find any ambiguity, inconsistency, or omission therein, the Submitter shall make a written request for an official interpretation or correction. All questions concerning the solicitation and specifications shall be submitted in writing via e-mail or fax to Anne Strieter in the Washtenaw County Purchasing Department.
- 14) Questions must be submitted no later than Thursday, February 11th, 3:00 p.m. (7 business days prior to the submission deadline).
- 15) Any oral responses to any questions shall be unofficial and not binding on Washtenaw County. The County's staff will make such interpretation or correction, as well as any additional RFP provisions that the County may decide to include, only as an RFP addendum. Staff will mail or deliver addendums to each prospective Submitter recorded as having received a copy of the RFP. Any addendum issued by the County shall become a part of the RFP. Submitters should consider issued addendums in preparing his or her proposal.

16) In the event, the County receives two or more bids from responsive, responsible bidders, one or more of whom are Washtenaw County vendors and the bids are substantially equal in price, quality and service, the County shall award the contract to the most responsive, responsible Washtenaw County vendor. For purposes of this section, Washtenaw County vendor means a company which has maintained its principal office in Washtenaw County for at least six (6) months. Maintaining a Washtenaw County P.O. Box, is not, in and of itself, sufficient to establish a company as a Washtenaw County vendor. The County shall have sole discretion under this section to determine if a company qualifies as a Washtenaw County vendor and if two or more bids are substantially equal.

C. Summary of Estimated Available Funds

CDBG **\$285,000**

Ann Arbor City Rental Rehabilitation	(\$125,000)
Ann Arbor City Down Payment Assistance	(\$160,000)

HOME **\$1,432,940**

Urban County (including the City of Ann Arbor) Rental, homebuyer and/or cooperative Acquisition, rehabilitation and new construction	(\$1,322,940)
Ann Arbor City Cooperative Down Payment Assistance	(\$110,000)

D. Criteria for Ranking of Proposals

The Office of Community Development will review each proposal for content, responsiveness, conciseness, clarity, and relevance, consistency with the goals and objectives outlined in the Five-Year Consolidated Plan, and for full adherence to the instructions in this RFP. The applicant will be notified in writing if the proposal is ineligible or incomplete and will not receive further consideration for funding.

The County is working to act as an investor, selecting projects with the greatest potential for a return on the investment of HOME and CDBG funds. As a result, the County will review applications to determine the range of results promised by the applicant, the likelihood that these results will actually be accomplished, and an evaluation of whether a particular project represents the best potential use of funds.

Community Development staff will provide recommendations for funding to the Urban County Executive Committee along with a brief analysis of each project. The Urban County will make the final decision about which projects are approved and the level of funding awarded.

In particular, the Office of Community Development intends to consider the following criteria when awarding contracts for these funds:

- 1) Proposal contains sufficient information to complete all of the required sections identified in RFP.
- 2) Proposal demonstrates the ability, capacity and skill of the bidder to perform the contract.
- 3) Proposal compares favorably with others submitted on cost per unit and/or level of services.
- 4) Bidder shows evidence of other reliable sources of funding on budget form.
- 5) Bidder demonstrates feasible timeline for project completion.
- 6) Project to serve a defined number of low-income households in the Urban County.
- 7) Bidder shows evidence of collaboration with other agencies in proposal.

II. Compliance with Federal Regulations

The Office of Community Development has the responsibility to ensure adherence to federal regulations. Prospective applicants should review federal rules and regulations governing HOME and CDBG funds (as applicable) for additional terms, conditions, restrictions and/or requirements that may apply. The Office of Community Development will provide assistance as needed through technical support and monitoring.

A. HOME Funds Summary

a. REGULATORY AUTHORIZATION

- i. Federal HOME Investments Partnership Program pursuant to Title II of the Cranston-Gonzalez National Affordable Housing Act of 1990, 42 U.S.C. §12701 et seq. ("Program") and the HOME Investment Partnership Program Rule, 24 C.F.R., all as may be amended from time to time.
- ii. Copies of the federal regulation can be downloaded at: <http://www.hud.gov/offices/cpd/affordablehousing/programs/home/index.cfm>

b. NATIONAL GOAL

- i. To expand the supply of decent, permanently affordable housing, with primary attention to rental housing, for very-low and low income Americans;
- ii. To mobilize and strengthen the abilities of states and units of general local government throughout the United States to design and implement strategies for achieving an adequate supply of decent, safe, sanitary and affordable housing;
- iii. To provide participating jurisdictions, on a coordinated basis, with the various forms of Federal housing assistance needed to expand the supply of decent, safe, sanitary and affordable housing.

c. GENERAL requirements

- i. Eligible Expenses: Acquisition, rehabilitation, professionals/consultants such as architects and engineers, soft costs such as building permits and appraisals, developer fee
- ii. Eligible Jurisdictions: Urban County jurisdictions of City of Ypsilanti, Ypsilanti Township, Pittsfield Township, Superior Township, Salem Township, Northfield Township, Bridgewater Township, York Township, Scio Township, City of Ann Arbor and Ann Arbor Township
- iii. Property Standard: All housing units must be inspected and meet Housing Quality Standards prior to closing and the 2006 International Property Maintenance Code before the property is occupied
 1. Energy Efficiency, Accessibility, Green Construction and Healthy Home standards are encouraged.
- iv. Minimum Affordability Period: is based on the per unit subsidy amount, however, the County has adopted a longer affordability period than the minimum required by HOME regulations. (See Appendix B for County Affordability Provisions)
 1. 5 years – under \$15,000/unit
 2. 10 years - \$15,000 to \$40,000/unit
 3. 15 years – Over \$40,000/unit and all refinancing of rental projects
 4. 20 years for all new construction projects
- v. Household Income: Subsidies are only available for units that are affordable to households that are at or below **80% of Area Median Income (AMI)** (See Appendix A).

- vi. **Enforcement:** Affordability shall be implemented through the execution of an affordability agreement, mortgage and note and the affordability agreement and mortgage shall be recorded with the Washtenaw County Register of Deeds.
- d. **HOMEOWNERSHIP:** Specific Project Requirements
 - i. Homebuyer eligibility information and income verification documentation must be provided to the County on approved forms prior to closing date(s).
 - ii. Owner-occupied units shall be subject to a recapture formula to ensure continued housing availability for low-income households. (See Appendix B)
 - iii. The County is requiring the homebuyer to take a minimum of 8 hours of homeownership counseling through the Washtenaw Housing Education Partners (WHEP), or equivalent program, including a home maintenance class. Classes can be found at www.ewashtenaw.org/homeownership
- e. **RENTAL:** Specific Project Requirements
 - i. 90% of the County's annual HOME allocation funds for HOME-assisted rental units must be rented to families that are 60% or less of Area Median Income.
 - ii. In projects of 5 or more HOME-assisted units, at least 20% of the HOME-assisted units must be occupied by families at or below 50% of AMI and must not exceed the HOME Low Rent limit. All rents must not exceed the HOME High Rent limits. (See Appendix A).
 - iii. The HOME subsidy may be applied as gap financing to the entire cost of the project or to subsidize/buy down the cost of a specific number of units
 - iv. The County will enforce a minimum of 30 year affordability period, but HOME funds can be reinvested after the minimum HOME affordability period (see above) has ended.
 - v. Section 8 Vouchers may not be refused as a payment method.
 - vi. Tenant income's shall be verified before tenant leases are signed. Annual income re-certifications and housing inspections will be required for the life of the contract.

B. Community Development Block Grant (CDBG) Funds Summary

- a. **REGULATORY AUTHORIZATION**
 - i. Federal Community Development Block Grant pursuant to Title I of the Housing and Community Act of 1974, and the Code of Federal Regulations at 24 CFR Part 570, as may be amended from time to time.
 - ii. Copies of the federal regulation can be downloaded at: <http://www.hud.gov/offices/cpd/communitydevelopment/programs/entitlement/index.cfm>
- b. **NATIONAL OBJECTIVE**
 - i. Provide decent, safe, and sanitary housing
 - ii. Provide a benefit to low and moderate-income persons
- c. **GENERAL requirements**
 - i. **Eligible Expenses:** Acquisition, rehabilitation, professionals/consultants such as architects and engineers, soft costs such as building permits and appraisals, and developer fee
 - ii. **Eligible Jurisdictions:** City of Ann Arbor ONLY under this Request for Proposal
 - iii. **Property Standard:** All housing units must be inspected and meet Housing Quality Standards prior to closing and 2006 International Property Maintenance Code before the property is occupied
 - 1. Energy Efficiency, Accessibility, Green Construction and Healthy Home standards are encouraged.

- iv. Minimum Affordability Period: none under the CDBG program, however, the County has adopted an affordability period for CDBG funds. (See Appendix B)
 - v. Household Income: All CDBG funds shall be used to benefit individuals and families whose income does not exceed 80 percent of area median income. (See Appendix A)
 - vi. Enforcement: Affordability shall be implemented through the execution of an affordability agreement, mortgage and note and shall be filed with the Washtenaw County Register of Deeds.
- d. **HOMEOWNERSHIP**: Specific Project Requirements
- i. Down payment and closing cost assistance for “The Village”, “Ashley-Mews” and “Stone School Townhomes” under the Request for Proposal.
 - ii. Homebuyer eligibility information and income verification documentation must be provided to the County on approved forms prior to closing date(s).
 - iii. Owner-occupied units shall be subject to a recapture formula to ensure continued housing availability for low-income households. (See Appendix B)
 - iv. The County is requiring the homebuyer to take a minimum of 8 hours of homeownership counseling through the Washtenaw Housing Education Partners (WHEP), or equivalent program, including a home maintenance class. Classes can be found at www.ewashtenaw.org/homeownership
- e. **RENTAL**: Specific Project Requirements
- i. Rehabilitation of existing subsidized affordable rental housing
 - ii. At least 50% of the CDBG-assisted units must be occupied by families at or below 50% of AMI and must not exceed the HOME Low Rent limit. (See Appendix A).
 - iii. The County will enforce a minimum of a 30 year affordability period, but CDBG funds can be reinvested during the 30-year affordability period.
 - iv. Section 8 Vouchers may not be refused as a payment method.
 - v. The County has adopted the HOME rent standards for CDBG rents, which must not exceed HUD’s HOME High Rent limits.
 - vi. Tenant income’s shall be verified before tenant leases are signed. Annual income re-certifications and housing inspections will be required for the life of the contract.

III. NOTICE OF HOMEOWNERSHIP FUNDING AVAILABLE

HOMEOWNER PROGRAM TYPES

A. Common Program Requirements

- ❖ ADMINISTRATION: Homeowner programs will be administered by a Nonprofit Corporation or Community Development Corporation, with at least 3 years of experience administering federal funds.
- ❖ CONTRACT TERM:
 - FY 10/11 HOME & CDBG funds are available July 1, 2010 until expended
- ❖ NEIGHBORHOOD REVITALIZATION: Preference for projects that are part of a larger community revitalization plan and/or that positively impact the condition of a neighborhood.
- ❖ AFFIRMATIVE MARKETING: An affirmative marketing plan must be in place to ensure that the available funding is marketed to a diverse range of eligible households.
- ❖ CHDO PREFERENCE: The County has a preference for funding Community Housing Development Organizations (CHDO).
- ❖ EDUCATION: All potential homebuyers must go through the WHEP homebuyer education program, or equivalent program, prior to purchase.
- ❖ ELIGIBLE PROPERTIES: Single family home, condominium, and manufactured homes less than 10 years old with fee simple ownership with a purchase price that does not exceed \$160,000 in all jurisdictions except the City of Ann Arbor and Ann Arbor Township (\$180,000 maximum purchase price).
- ❖ PROPERTY STANDARDS: All housing units must be inspected and meet Housing Quality Standards prior to closing and meet the 2006 International Property Maintenance Code and Model Energy Code before the property is occupied.
- ❖ HEALTHY HOMES: Green Construction and Healthy Home standards are encouraged to ensure that people with health issues are minimally impacted by the construction materials in their homes.
 - Residential hazards can include mold and moisture, lead-based paint, radon, asbestos, allergy triggers, combustible materials, chemical off-gassing, pests and pesticides, and poor indoor air quality
- ❖ ENERGY EFFICIENCY: Reducing the long-term operating costs is a high priority. Rehabilitation that maximizes energy efficiency is required.
- ❖ INCOME QUALIFICATION: Income/asset verification is required for all participants.
- ❖ DOWN PAYMENT ASSISTANCE: The buyer's subsidy is based on the income of the homebuyer and the buyer's debt to income ratio. The affordability of the property is determined by the mortgage payment, property taxes, utilities, insurance, and other regular costs associated with homeownership.
- ❖ LOAN TERMS: 0% Interest, deferred payment, 20-year loan. If the owner remains in the home as the primary residence for 20 years, the principal and appreciation will be forgiven after 20 years.
- ❖ RECAPTURE FORMULA: The County will be repaid the principal or a percent of appreciation (based on the County's subsidy as a percent of the home's after rehab value), at the time of sale or transfer. If at the time of sale or transfer, the home has not appreciated in value or the proceeds are insufficient to repay the principal or shared appreciation, the balance of the owner's unpaid lien shall be forgiven. (See Appendix B)

B. Down Payment Assistance (DPA) Funding as a Stand Alone Program

- ❖ PROGRAM DESCRIPTION: A qualified buyer applies to the Nonprofit/Community Development Corporation for down payment and closing cost assistance to purchase a home. The NP/CDC works with the buyer to find a home that meets the program guidelines, a loan product that is appropriate, and any additional assistance to close on the home. The NP/CDC provides the buyer's information, appraisal, loan documents, and a closing date to the Office of Community Development (CD). CD provides funding and a mortgage and note for the closing.
- ❖ SUBSIDY AMOUNT: Up to \$15,000 in homebuyer down payment and closing cost assistance to purchase a home.
- ❖ INCOME LIMITS: Households with incomes at 31-50% of AMI for Habitat approved buyers only. Households at 50% to 80% AMI for other households..
- ❖ DEVELOPER FEE: Up to 15% developer fees to cover the cost of providing services and processing the paperwork for eligible participants.

C. Homebuyer Purchase & Rehabilitation (HPR) Program

- ❖ PROGRAM DESCRIPTION: A qualified buyer applies for down payment and closing cost assistance to purchase a home. The home also needs rehabilitation. The NP/CDC works with the buyer to find a home that meets the program guidelines, a loan product that is appropriate, and any additional assistance to close on the home. The NP/CDC provides the buyer's information, appraisal, loan documents, and a closing date to the Office of Community Development (CD). CD provides funding and a mortgage and note for the closing. In addition, the NP/CDC works with the buyer and Community Development on a scope of work, and the NP/CDC bids out and oversees the rehab work.
- ❖ INCOME LIMITS: Households with incomes at 50% to 80% AMI.
- ❖ SUBSIDY AMOUNT: Up to \$60,000 to assist a homebuyer with down payment and closing cost assistance to purchase a home and rehabilitate the house.
 - \$22,500 for acquisition and rehabilitation hard and soft costs
 - \$12,500 for energy efficiency and green rehabilitation hard costs
 - \$15,000 for up to 50% of lender required down payment and all of the closing costs OR the developer can use these funds for additional acquisition and rehabilitation hard and soft costs
 - \$10,000 developer fee (20%)
- ❖ DEVELOPER FEE: Up to 20% developer fee to cover the cost of providing services, performing required inspections, managing the procurement process, overseeing the rehabilitation contractors and processing the paperwork for eligible participants.

D. Acquisition, Development, Resale (ADR) Program

- ❖ PROGRAM DESCRIPTION: Habitat purchases and rehabilitates a house that is sold to an eligible buyer. This program is only available to Habitat, because Habitat has a homebuyer ready to purchase the home as soon as the rehabilitation is completed. Habitat provides specs to the Office of Community Development (CD) for approval before the house is purchased. Habitat oversees the bidding and rehabilitation of the house. A qualified buyer purchases the home and may or may not also need down payment and closing cost assistance. Habitat provides the primary mortgage to the buyer as a 0% interest loan. Habitat provides the buyer's information, appraisal, loan documents, and a closing date to CD before the closing. CD provides funding and a mortgage and note for the closing.
- ❖ SUBSIDY AMOUNT: Up to \$60,000 to assist a homebuyer with down payment and closing cost assistance to purchase a home and rehabilitate the house.

- \$22,500 for acquisition and rehabilitation hard and soft costs
 - \$12,500 for energy efficiency and green rehabilitation hard costs
 - \$15,000 for up to 50% of lender required down payment and all of the closing costs OR the developer can use these funds for additional acquisition and rehabilitation hard and soft costs
 - \$10,000 developer fee (20%)
- ❖ INCOME LIMITS: Households with incomes at 30-60% of AMI for Habitat approved buyers only.
 - ❖ DEVELOPER FEE: Up to 20% developer fee to cover the cost of providing services, performing required inspections, managing the procurement process, overseeing the rehabilitation and processing the paperwork for eligible participants.

E. Evaluation Criteria

All proposals will be reviewed and ranked on the basis of the evaluation criteria below:

40 points	Professional qualifications of development team – based on previous projects and verified by references
15 Points	Implementation Process and ability to complete the work within the prescribed time.
20 points	Financial package including appropriate funding sources, leveraging of funds, per unit funding request, and cost analysis.
40 Points	Construction including amenities, impact on the neighborhood, and commitment to energy efficiency, green construction and healthy homes
10 points	Homebuyer Education Plan
5 Points	Collaboration with real estate professionals, nonprofits and governmental agencies.
5 Points	Marketing Plan including affirmative marketing and outreach to real estate professionals
135 points maximum	

F. HOMEOWNERSHIP PROPOSAL SUBMISSION REQUIREMENTS

Submit one (1) original and two (2) copies of your completed proposal in the order shown below. **Do not staple your request; use a paper clip to join the pages. Incomplete funding requests and/or requests received after the deadline will not receive consideration for funding.**

- _____ Complete this Submission Requirements Checklist (with 1 original signature and 2 copies)
- _____ Cover page of this RFP with completed bidder information
- _____ HOMEOWNERSHIP Proposal Cover Sheet (with 1 original signature and 2 copies)
- _____ Development Team Narrative
- _____ Implementation Process and Financial Narrative
- _____ Timeline of Project Milestones
- _____ Homebuyer Education Narrative
- _____ Construction Check-off List
- _____ Project Development Budget with Sources and Uses & Whether Funds Secured (Section VII)
- _____ Affirmative Marketing Plan (Sample HUD Form 935.2b <http://www.hud.gov/offices/adm/hudclips/forms/>)
- _____ Signed Legal Status Form (Appendix C)
- _____ Signed Release for Credit Check Form (Appendix D)
- _____ Organizational Documents (below)
 - _____ Organizational Chart*
 - _____ Current Organizational Operating Budget and Balance Sheet*
 - _____ Letters of Agreement/Memorandums of Understanding (if applicable)
 - _____ 2010 Board Roster (Appendix F)
 - _____ Most Recent Independent Audit & Management Letter (and A-133 Audit, if applicable)*
 - _____ IRS 990 Exempt Organization Return* (if applicable)
 - _____ Organization Bylaws**
 - _____ Proof of 501(c) 3 or other Tax Exempt Status (if applicable) **
 - _____ Articles of Incorporation**
 - _____ Certificate of Good Standing with State of Michigan

*Submit this document if you have not done so already this calendar year.

** Submit this document if you are a new applicant to the Office of Community Development or if you have revised these documents from previous submissions.

I certify that the documents indicated on this checklist are included in this proposal.

Signature

Date

Print Name

Title

G. HOMEOWNERSHIP PROPOSAL COVER SHEET			
Name of Applicant/Organization: _____			
Address: _____			
Federal Tax ID Number: _____		DUNS #: _____	
Partner Organization(s): _____ _____ _____			
(Attach Letter of Agreement or Memorandum of Understanding to describe relationship)			
Target Neighborhood/s? _____ _____			
Total Project Cost: \$_____ Total Amount of Request: \$_____			
Amount of Request by program and funding source:			
	DPA	ADR	HPR
HOME	\$ _____	\$ _____	\$ _____
CDBG	\$ _____		
Executive Director: _____		Telephone: _____	
E-mail: _____		Website: _____	
Contact Person for Application:			
Name: _____		Telephone: _____	
Email: _____		Fax: _____	

I have read the request for proposals and to the best of my knowledge and belief, all information is true and documentation complete. I also certify that the submission of this application has been approved by the Board of Directors. I recognize that the County reserves the right to accept or reject this proposal, seek additional information, and to negotiate regarding the services to be provided or awards of funding.

Authorized Signature²: _____ Date: _____

Printed Name: _____ Title: _____

² Proposals must be signed by an official authorized to bind the provider to its provisions for at least a period of 90 days. Any individual that provides the official signature for the proposing organization must read and agree to the Washtenaw County standard contract provisions, terms, and conditions, which are outlined in this document.

H. Additional Homeownership Submission Requirements

Provide a brief narrative or bullet points addressing the following issues, as applicable:

1. Development Team Narrative:
 - Provide a short summary of each member of the development team and their role.
 - Include the resumes of key development team members.
 - Include a list of similar housing projects developed by key development members, including location and number of units
 - Include a memorandum of understanding or similar document between partner organizations. Please *do not* include general letters of support or endorsement.
2. Implementation Process and Financial Narrative
 - Describe how your program operates
 - Include a description of processes that are in place to ensure that your proposal will be successful
 - Indicate whether your organization is targeting a specific neighborhood as part of a neighborhood revitalization plan and describe the activities.
 - Describe how the construction will be managed
 - Describe or attach procurement procedures
 - Provide evidence of ability to secure leveraged development funds on previous projects
 - Provide evidence of leveraging additional funds for homebuyers by providing 3 settlement statements with the client information redacted
 - Describe any requirements of other funding sources in the development budget that will impact implementation of this proposal
 - Describe any property, materials, or labor that will be donated
3. Include a timeline of projected milestones (with dates), including the following, as applicable:
 - Secure each funding source
 - Marketing of program
 - Property acquisition
 - Send out bids for construction
 - Complete rehabilitation
 - Homebuyer purchase
4. Homebuyer Education Narrative
 - Describe how your organization will ensure that potential homeowners will receive at least 8 hours of homeownership education before purchase by a HUD or MSHDA certified agency
 - Include a detailed description of the homeownership education program and the qualification of the agency or person's providing the education
 - Provide the fee schedule for the education program
 - If the homebuyer education is free or a reduced cost, include the sources of funding for the program

I. Homeownership Check-Off List: Construction

Community Development recognizes that each house is unique and has different rehabilitation needs. The following checklist is a commitment checklist. If the applicant checks a box off, then the applicant is committing to the item indicated and will be expected to incorporate that item into every property address. **(40 points maximum)** Please check all that apply:

- Rehabilitation of existing homes (10 pts)
- New Construction (0 pts)

Energy Efficiency Commitments

- Install or replace appliances to Energy Star Standard (1 pt)
- Install or replace HVAC to Energy Star Standard (1 pt)
- Install or replace hot water supply to Energy Star Standard (1 pt)
- Install daylight sensors or timers on all outdoor lighting (0.5 pt)
- Install Energy Star labeled lighting fixtures for a minimum of 50% of interior (1 pt)
- Install and/or replace windows and glass doors with Energy Star windows and doors with a U-value of .35 or less (1 pt)
- New Construction ONLY: Use passive solar heating and cooling by orienting the building to make the greatest use of passive solar heating and cooling (1 pt)
- Rehab ONLY: Remove vegetation that blocks passive solar heating/cooling (1 pt)
- New Construction/Gut Rehab ONLY, R Values for building envelope will be a minimum of: Exterior Walls R-21; Roof R-49; slab R-10 for continuous basements, R-11 for cavity insulation (2 pts)
- Moderate Rehabilitation ONLY, R Values for building envelope will be a minimum of: Exterior Walls R-19; Roof R-38; slab R-10 for continuous basements, R-11 for cavity insulation (2 pts)

Healthy Living Commitments

- All interior paints, primers, adhesives and sealants are low or no VOC (0.5 pt)
- No composite wood that has exposed particleboard will be used unless the exposed area has been sealed (0.5 pt)
- No carpets installed in basements, entryways, laundry rooms, bathrooms or kitchens (1 pt)
- Install conventional water heaters in rooms with drains or catch pans piped to the exterior of the dwelling with a non-water sensitive floor covering (1 pt)
- Tub and shower enclosures will be one piece fiberglass or similar enclosure OR if using any form of grouted material, use backing materials such as a cement board, fiber cement board, fiberglass reinforced board or cement plaster (1 pt)
- Clothes dryers will be exhausted directly to the outdoors (1 pt)
- Install roof with 24" overhang (2 pts)
- Units with attached garages ONLY: install a CO alarm inside the unit on the wall that is attached to the garage or is outside the sleeping area (1 pt)
- Bathroom fans exhaust to the outdoors and have a humidistat sensor or timer (1 pt)
- Power ventilated fans or range hoods exhaust to the outdoors (1 pt)
- A certified energy rater will perform an energy audit and install the amount of mechanical ventilation required according to the results (1 pt)

Additional Green Commitments

- Develop and implement a construction waste management plan to reduce the amount of materials sent to the landfill by at least 50% (1 pt)
- Installation of tank-less hot water heaters (0.5 pt)
- Use of non-vinyl, non-carpet floor coverings in all rooms (2 pts)
- Select native trees and plants that are appropriate to the site's soils and microclimate and locate to provide shading in the summer and allow for heat gain in the winter (1 pt)
- Install water conserving fixtures with the following minimum specifications: toilets 1.6 gallons per flush; faucets and showerheads 2.0 gallons per minutes (1 pt)
- Provide a guide to homeowners that explains the intent, benefits, use and maintenance of green building features, and encourages additional green activities such as recycling, gardening and use of healthy cleaning materials (1 pt)

Accessibility and Visitability Commitments

- Install or significantly repair walkways and driveways with porous concrete material, fly ash, slurry, rubber or other innovative green materials (2 pts)
- Install or significantly repair walkways and driveways with concrete or asphalt (1 pt)

IV. NOTICE OF RENTAL FUNDING AVAILABLE

A. Common Program Requirements

- ❖ **ADMINISTRATION:** Rental projects will be developed by either for profit or non-profit affordable housing developers with at least 3 years of experience administering federal funds.
- ❖ **MIXED INCOME:** The County encourages mixed-income neighborhoods and will carefully evaluate the addition of low-income housing in existing low-income neighborhoods. The County does encourage improving the existing low-income housing stock in low-income neighborhoods.
- ❖ **RELOCATION:** The federal Uniform Relocation Act (URA) is applicable. If residents will be permanently or temporarily displaced, a relocation plan and budget is required.
- ❖ **CHDO PREFERENCE:** The County has a preference for funding Community Housing Development Organizations (CHDO).
- ❖ **ELIGIBLE PROPERTIES:** Acquisition & rehabilitation of existing multi-family units with a preference for at least 12 units. Rehabilitation of existing subsidized rental projects to preserve the long-term affordability of existing units. New construction of rental properties that include a minimum of 10% supportive housing units.
- ❖ **PROPERTY STANDARDS:** All housing units must meet the 2006 International Property Maintenance Code and Model Energy Code and receive a Certificate of Occupancy before the property is occupied.
- ❖ **ENERGY EFFICIENCY:** Reducing the long-term operating costs is a high priority. Rehabilitation that maximizes energy efficiency is required.
- ❖ **ACCESSIBILITY:** The County encourages the creation of barrier free, accessible and visitable units to the greatest extent possible. The Fair Housing Act, the Americans with Disabilities Act, the Architectural Barriers Act and Section 504 standards apply to all federally funded projects.
- ❖ **HEALTHY HOMES:** Green Construction and Healthy Home standards are encouraged to ensure that people with health issues are minimally impacted by the construction materials in their homes.
 - Residential hazards can include mold and moisture, lead-based paint, radon, asbestos, allergy triggers, combustible materials, chemical off-gasing, pests and pesticides, and poor indoor air quality
- ❖ **INCOME QUALIFICATION:** Income/asset verification with source documentation is required for all tenants at initial occupancy as well as annual re-certifications by affidavit or source documentation.
- ❖ **AFFIRMATIVE MARKETING:** An affirmative marketing plan must be in place to ensure that the available funding is marketed to a diverse range of eligible households.
- ❖ **LOAN TERMS:** 0% interest, deferred payment, 30-year loan. If the property continues to provide affordable housing after 30 years, the loan will be forgiven.
- ❖ **RECAPTURE FORMULA:** The County will be repaid both the principal and a percent of appreciation (based on the County's subsidy as a percent of the property's after rehab value), at the time of sale or transfer. If at the time of sale or transfer, the property has not appreciated in value or the proceeds are insufficient to repay both the principal and shared appreciation, the balance of the owner's unpaid lien shall be forgiven.
- ❖ **DAVIS BACON:** HUD requires that all contractors and subcontractors comply with Davis-Bacon Labor Standards for housing projects that include 12 or more units in HOME funded projects and 8 or more units in CDBG funded projects.
- ❖ **MARKET STUDY:** A market study will be required for projects with 24 or more units. The market study must support the development of the site.

B. City Of Ann Arbor CDBG Rental Rehabilitation Requirements

- ❖ PRESERVATION: The City of Ann Arbor supports the preservation of existing subsidized housing projects to ensure long-term, safe and decent affordable housing.
- ❖ CONTRACT TERM: FY 10/11 funds are available July 1, 2010 until funds are expended.
- ❖ POPULATION TARGETING OBJECTIVES
 - The City of Ann Arbor supports the Blueprint to End Homelessness goal of adding 500 units of permanently affordable supportive housing for homeless persons in the community. Therefore, the highest priority for City funding is rental projects that serve these individuals or families in all or a portion of the units in the development.
 - The City's second highest priority is rental housing for households at 30% of the Area Median Income or less. Rental projects requesting funds must set aside some of the units for this income level with appropriately low rental rates.
 - The City's third highest priority is rental housing for households at 60% of the Area Median Income or less.

C. Evaluation Criteria

All proposals will be reviewed and ranked on the basis of the evaluation criteria below:

45 points	Professional qualifications of development team – based on previous projects and verified by references
15 Points	Population Targeting Objectives including homeless, special needs & 30% AMI rental
30 points	Financial package including appropriate funding sources, leveraging of funds, per unit funding request and cost analysis.
10 Points	Proposed work plan and ability to complete the work within the prescribed time.
15 Points	Development Impact including the size of the project, location, amenities, impact on the neighborhood, impact on existing residents and environmental impact
40 Points	Construction including scope of work, and commitment to energy efficiency, green construction and healthy homes
10 Points	Property Management Plan
15 Points	Support Services Plan
180 points maximum	

D. RENTAL PROPOSAL SUBMISSION REQUIREMENTS

Submit one (1) original and two (2) copies of your completed proposal in the order shown below. **Do not staple your request; use a paper clip to join the pages. Incomplete funding requests and/or requests received after the deadline will not receive consideration for funding.**

- _____ Complete this Submission Requirements Checklist (with 1 original signature and 2 copies)
- _____ Cover Page of this RFP with completed bidder information
- _____ RENTAL Proposal Cover Sheet (with 1 original signature and 2 copies)
- _____ Development Team Narrative
- _____ Implementation Process and Financial Narrative
- _____ Timeline of Project Milestones
- _____ Check list for Support Services, Development Impact and Construction
- _____ Environmental & SHPO Review Maps <http://gisapp.ewashtenaw.org/comdev/>
- _____ Project Development Budget with Sources and Uses & Whether Funds Secured (Section VII)
- _____ Operating Budget (Section VII)
- _____ Supportive Services 1 year revenue and expense budget (if permanent supportive housing)
- _____ Affirmative Marketing Plan (Sample HUD Form 935.2a <http://www.hud.gov/offices/adm/hudclips/forms/>)
- _____ Signed Legal Status Form (Appendix C)
- _____ Signed Release for Credit Check Form (Appendix D)
- _____ Organizational Documents (below)
 - _____ Organizational Chart*
 - _____ Current Organizational Operating Budget and Balance Sheet*
 - _____ Letters of Agreement/Memorandums of Understanding (if applicable)
 - _____ 2010 Board Roster (if applicable) (Appendix E)
 - _____ Most Recent Independent Audit & Management Letter (and A-133 Audit, if applicable)*
 - _____ IRS 990 Exempt Organization Return* (if applicable)
 - _____ Organization Bylaws** (if applicable)
 - _____ Proof of 501(c) 3 or other Tax Exempt Status (if applicable)**
 - _____ Articles of Incorporation/Organization**
 - _____ Certificate of Good Standing with State of Michigan

*Submit this document if you have not done so already this calendar year.

** Submit this document if you are a new applicant to the Office of Community Development or if you have revised these documents from previous submissions.

- _____ Deed (rehab) OR Purchase Agreement/Option to Purchase (acquisition)
- _____ Appraisal (acquisition)
- _____ Property Survey (acquisition)
- _____ Title Search
- _____ Phase I & Phase II Environmental Assessment (5 or more units)
- _____ Market Study (if acquisition/construction of 24 or more units)
- _____ Completed Unit Chart (Appendix E)
- _____ BS&A Data on Property if Municipality uses BS&A
- _____ Property Inspection by Licensed Property Inspector (for acquisitions)
- _____ Capital Needs Assessment (for rehabilitation of existing projects)
- _____ Lead Based Paint Assessment (Acquisition)
- _____ Rehabilitation Specs and Cost Estimate or architectural drawings for new construction
- _____ Property Management and Maintenance Plan
- _____ Relocation Plan (if applicable)

I certify that the documents indicated on this checklist are included in this proposal.

Signature _____ Date _____

Print Name _____ Title _____

E. RENTAL PROPOSAL COVER SHEET	
Name of Applicant/Organization: _____	
Address: _____	
Federal Tax ID Number: _____ DUNS #: _____	
Partner Organization(s): (Attach Letter of Agreement or Memorandum of Understanding to describe relationship)	
Property Address: _____	
Total Project Cost: \$ _____ Total Amount of Request: \$ _____	
Total Units: _____	
Amount of Request by funding source:	
Urban County HOME	\$ _____
Ann Arbor CDBG	\$ _____
Executive Director/Senior Officer/Owner: _____ Phone: _____	
E-mail: _____ Website: _____	
Contact Person for Application:	
Name: _____	Telephone: _____
Email: _____	Fax: _____

I have read the request for proposals and to the best of my knowledge and belief, all information is true and documentation complete. I also certify that the submission of this application has been approved by the Board of Directors (for organizations that have a Board). I recognize that the County reserves the right to accept or reject this proposal, seek additional information, and to negotiate regarding the services to be provided or awards of funding.

Authorized Signature³: _____ Date: _____

Printed Name _____ Title: _____

³ Proposals must be signed by an official authorized to bind the provider to its provisions for at least a period of 90 days. Any individual that provides the official signature for the proposing organization must read and agree to the Washtenaw County standard contract provisions, terms, and conditions, which are outlined in this document.

F. Additional Rental Proposal Submission Requirements

Provide a brief narrative or bullet points, addressing the following issues, as applicable:

1. Development Team Narrative
 - Provide a short summary of each member of the development team and their role.
 - Include the resumes of key development team members.
 - Include a list of similar housing projects developed by key development members, including location, number of units, funding sources and target population (i.e. market rate without any restrictions and/or income restrictions or special needs populations)
 - Include a memorandum of understanding or similar document between partner organizations. Please *do not* include general letters of support or endorsement.
2. Implementation Process and Financial Narrative
 - Is the property zoned appropriately?
 - If needed, what is the status of site plan approval?
 - Indicate whether the target population includes special needs populations such as people with disabilities, veterans, the elderly, or youth.
 - Include a description of processes that are in place to ensure that your proposal will be successful, including construction management
 - Describe or attach procurement procedures
 - Describe any requirements of other funding sources in the development budget that will impact implementation of this proposal
 - Indicate whether project based vouchers are secured or applying for
 - Indicate the terms requested for the HOME or CDBG funds (years, interest rate, amortized? Etc.)
 - Indicate whether a PILOT (payment in lieu of taxes) is secured or will be applied for and what the PILOT terms are
 - Describe any property, materials, or labor that will be donated
 - Permanent Supportive Housing must provide a separate budget showing how support services will be paid for.
3. Include a timeline of projected milestones (with dates), including the following, as applicable:
 - Secure each funding source
 - Property acquisition
 - Approval of specs/drawings/site plan
 - Send out bids for construction
 - Complete rehabilitation/construction
 - Certificates of Occupancy
 - Lease up of Units
4. Signed Purchase Agreement or Option for each parcel. Property can be acquired before applying for County funds. However, all expenses that occur before an Environmental Assessment is completed by the County are ineligible for reimbursement with County funds except purchase options and soft costs related to determining project feasibility.
5. Relocation: If there are residents living in any of the units to be acquired, a list of all existing residents, their addresses and a copy of their lease (if they are renters) must be provided. Relocation estimates must be included in the development pro forma/sources and uses. For Rehabilitation applicants only, if the residents will be temporarily displaced, please describe the temporary relocation plan and cost.
6. Operating Proforma / Budget: Include revenue and expense projections for 15 years.

- A minimum of \$300/unit/year is required for replacement reserves for all units with 1 bedroom or greater. A minimum of \$100/unit is required for replacement reserves for SRO units.
- 2% maximum annual rent increases
- 3% minimum annual operating increases (except replacement reserves can be 2%)
- 7% minimum vacancy rate
- 1.2 minimum debt service coverage
- Indicate in a footnote the number of units by bedroom size and rent targets
- Indicate in a footnote all projected refinancing and estimated terms

G. Rental Check-Off List: Supportive Services, Development Impact And Construction

Supportive services on-site: If the project includes homeless, special needs, or extremely low-income households, are there appropriate support services to ensure that the tenants stay housed? **(15 points maximum)** Please check all that apply:

- Dedicated service staff, utilized as needed by residents (5 pts)
- Substance abuse counseling offered on site (1 pt)
- ESL or literacy programs offered on site (1 pt)
- Employment training or job preparedness offered on site (1 pt)
- Financial literacy or budget counseling offered on site (1 pt)
- On-site day care (1 pt)
- After school programming (1 pt)
- Resident council (1 pt)
- Security guard or front desk screening (5 pts)
- Other _____(1 pt each)

Development Impact: Is the project in an area with an existing infrastructure, services and amenities? **(15 points maximum)** Please check all that apply:

- Rehabilitation of existing property (5 pts)
- Within ¼ mile of bus stop (2 pts)
- OR Within ½ mile of bus stop (1 pt)
- Brownfield redevelopment or adaptive reuse of commercial or industrial property (1 pt)
- Located within ½ mile of a public park or school (1 pt)
- Includes community room, recreational space or play area (1 pt)
- Mixed-use development (2 pts)
- 12-24 units (1 pt)
- Over 24 units (2 pts)
- Historic preservation through certification as a historic property on the national, state or local historic register (2 pts)

Construction: For existing projects, is the scope of the rehabilitation supported by a Capital Needs Assessment? For acquisition, is the scope of work supported by an inspection report? **(40 points maximum)** Please check all that apply:

Energy Efficiency

- Install or replace appliances to Energy Star Standard (1 pt)
- Install or replace HVAC to Energy Star Standard (1 pt)
- Install or replace hot water supply to Energy Star Standard (1 pt)
- Install daylight sensors or timers on all outdoor lighting (0.5 pt)
- Install Energy Star labeled lighting fixtures for a minimum of 50% of interior (1 pt)
- Install and/or replace windows and glass doors with Energy Star windows and doors with a U-value of .35 or less (1 pt)
- New Construction ONLY: Use passive solar heating and cooling by orienting the building to make the greatest use of passive solar heating and cooling (1 pt)
- Rehab ONLY: remove vegetation that blocks passive solar heating/cooling (1 pt)
- New Construction/Gut Rehab ONLY, R Values for building envelope will be a minimum of: Exterior Walls R-21; Roof R-49; slab R-10 for continuous basements, R-11 for cavity insulation (2 pts)

- Moderate Rehabilitation ONLY, R Values for building envelope will be a minimum of: Exterior Walls R-19; Roof R-38; slab R-10 for continuous basements, R-11 for cavity insulation (2 pts)

Healthy Living

- All interior paints, primers, adhesives and sealants are low or no VOC (0.5 pt)
- No composite wood will be used that has exposed particleboard unless the exposed area has been sealed (0.5 pt)
- No carpets installed in basements, entryways, laundry rooms, bathrooms or kitchens (1 pt)
- Install conventional water heaters in rooms with drains or catch pans piped to the exterior of the dwelling with a non-water sensitive floor covering (1 pt)
- Tub and shower enclosures must be one piece fiberglass or similar enclosure OR if using any form of grouted material, use backing materials such as a cement board, fiber cement board, fiberglass reinforced board or cement plaster (1 pt)
- Clothes dryers exhaust directly to the outdoors (1 pt)
- Install roof with 24" overhang (2 pts)
- Units with attached garages, install a CO alarm inside the unit on the wall that is attached to the garage or is outside the sleeping area (0.5 pt)
- Bathroom fans exhaust to the outdoors and have a humidistat sensor or timer (1 pt)
- Power ventilated fans or range hood exhaust to the outdoors (1 pt)
- A certified energy rater perform an energy audit and install the amount of mechanical ventilation required according to the results (1 pt)

Additional Green Options

- Use of construction material with recycled content. Type of materials must be specified. Provide calculation for recycled content percentage based on cost or value of recycled content in relation to total materials for project – at least 10% materials with recycled content (3 pt)
- Develop and implement a construction waste management plan to reduce the amount of materials sent to the landfill by at least 50% (2 pt)
- Installation of tank-less hot water heaters (0.5 pt)
- Use of non-vinyl, non-carpet floor coverings in all rooms (2 pts)
- Select native trees and plants that are appropriate to the site's soils and microclimate and locate to provide shading in the summer and allow for heat gain in the winter (1 pt)
- Install water conserving fixtures with the following minimum specifications: toilets 1.6 gallons per flush; faucets and showerheads 2.0 gallons per minutes (1 pt)

Quality of Life

- Continuous sidewalks along all street fronts (2 pts)
- Sidewalks or paths linking to all adjacent public spaces (1 pt)
- Hard-wired alarm system in every unit (1 pt)
- Internet access provided for each unit (2 pt)
- OR Internet access and computers provided in Community Room (1 pt)
- Community garden on site (1 pt)
- Laundry hook-up in each unit (2 pts)
- Laundry facilities in each building (1 pt)
- Individual porch or balcony for each unit (1 pt)
- Card access security control system at entrance (1 pt)

V. NOTICE OF COOPERATIVE FUNDING AVAILABLE

HOME PROGRAM FUNDING:

- \$110,000 City of Ann Arbor only

A Cooperative is a modified homeownership model, where the home buyers own a share of the cooperative. Cooperatives may apply for funds to subsidize the initial membership fee so that units are affordable to low-income buyers. The Limited Equity Cooperatives in the City of Ann Arbor provide the largest number of affordable housing units reserved for low-income households in the City. The City wishes to help very low-income households move into these Cooperatives by eliminating the barrier of providing a membership fee to move in. The City also wishes to help Cooperatives maintain financial stability by keeping vacancies rates to a minimum.

A. Common Program Requirements

- ❖ ADMINISTRATION: Cooperatives may apply for funding to enable households at 50% of Area Median Income (see Appendix A) pay for the membership fee.
- ❖ CONTRACT TERM: July 1, 2010 until funds expended
- ❖ SUBSIDY AMOUNT: The applicant/owner must pay a minimum of \$500 for the membership fee.
- ❖ AFFIRMATIVE MARKETING: An affirmative marketing plan must be in place to ensure that the available funding is marketed to eligible households.
 - Partnering with a non-profit/s is strongly encouraged to ensure that households that income qualify and have high barriers to affordable housing are able to access the program.
- ❖ PROPERTY STANDARDS: All housing units must meet Housing Quality Standards before the property is occupied.
 - Energy Efficiency, Accessibility, Green Construction and Healthy Home standards are encouraged.
- ❖ INCOME QUALIFICATION: Income/asset verification is required for all applicants.

B. Permanent Unit Set-Aside Requirements

- ❖ ADMINISTRATION: Cooperatives may apply for funding to permanently set-aside a portion of its units for households at 50% of Area Median Income (see Appendix A) by using the funds to purchase the membership fees of those units.
- ❖ GRANT TERMS: Cooperatives that permanently set-aside units for households at 50% AMI or less through a deed, covenant or other permanent method will be a grant.

C. Revolving Loan Fund Requirements

- ❖ ADMINISTRATION: Cooperatives or non-profits may apply for a revolving loan fund to help applicants at 50% AMI or less pay for the membership fee.
- ❖ REVOLVING LOAN FUND: The member/owner will repay the Cooperative the amount paid with HOME funds for the membership fee. The owner will recoup the amount of the membership fee the owner paid as well as any equity increase in the membership fee. The Cooperative will track all loan repayments and re-loan the funds to another applicant/owner to buy a membership fee. The new applicant/owner must also income qualify.
- ❖ LOAN TERMS: 0% interest, 20-year loan for the revolving loan fund.

D. Evaluation Criteria

All proposals will be reviewed and ranked on the basis of the evaluation criteria below:

30 points	Professional qualifications of team – based on previous projects and verified by references
35 Points	Proposed work plan and ability to complete the work within the prescribed time.
10 points	Financial package including appropriate funding sources, leveraging of funds, per unit funding request, and cost analysis.
10 Points	Collaboration with nonprofits, governmental agencies and others.
10 Points	Marketing Plan including affirmative marketing
25 points	Quality of Life including walkability, energy efficiency and on-site services
120 Points Maximum	

E. COOPERATIVES PROPOSAL SUBMISSION REQUIREMENTS

Submit one (1) original and two (2) copies of your completed proposal in the order shown below. **Do not staple your request; use a paper clip to join the pages. Incomplete funding requests and/or requests received after the deadline will not receive consideration for funding.**

- _____ Complete this Submission Requirements Checklist (with 1 original signature and 2 copies)
- _____ Cover Page of this RFP with completed bidder information
- _____ COOPERATIVE Proposal Cover Sheet (with 1 original signature and 2 copies)
- _____ Key People Narrative
- _____ Implementation Process Narrative
- _____ Property Management Plan
- _____ Check off list for Quality of Life
- _____ Project Budget
- _____ Operating Budget
- _____ Affirmative Marketing Plan (Sample HUD Form 935.2b <http://www.hud.gov/offices/adm/hudclips/forms/>)
- _____ Signed Legal Status Form (Appendix C)
- _____ Organizational Documents (below)
 - _____ Organizational Chart*
 - _____ Current Organizational Operating Budget and Balance Sheet*
 - _____ Letters of Agreement/Memorandums of Understanding (if applicable)
 - _____ 2010 Board Roster* (Appendix F)
 - _____ Most Recent Independent Audit & Management Letter* (and A-133 Audit, if applicable)
 - _____ IRS 990 Exempt Organization Return** (if applicable)
 - _____ Organization Bylaws**
 - _____ Proof of 501(c) 3 or other Tax Exempt Status** (if applicable)
 - _____ Articles of Incorporation**

*Submit this document if you have not done so already this calendar year.

** Submit this document if you are a new applicant to the Office of Community Development or if you have revised these documents from previous submissions.

I certify that the documents indicated on this checklist are included in this proposal.

Signature Date

Print Name Title

F. COOPERATIVE PROPOSAL COVER SHEET
Name of Applicant/Organization: _____ Federal Tax ID Number: _____ DUNS #: _____
Partner Organization(s): _____ _____ _____
(Attach Letter of Agreement or Memorandum of Understanding to describe relationship)
Total Project Cost: \$_____ Total Amount of Request: \$_____
Executive Director/Senior Officer/Owner: _____ Telephone: _____ E-mail: _____ Website: _____
Contact Person for Application: Name: _____ Telephone: _____ Email: _____ Fax: _____

I have read the request for proposals and to the best of my knowledge and belief, all information is true and documentation complete. I also certify that the submission of this application has been approved by the Board of Directors. I recognize that the County reserves the right to accept or reject this proposal, seek additional information, and to negotiate regarding the services to be provided or awards of funding.

Authorized Signature⁴: _____ Date: _____

Printed Name : _____ Title: _____

⁴ Proposals must be signed by an official authorized to bind the provider to its provisions for at least a period of 90 days. Any individual that provides the official signature for the proposing organization must read and agree to the Washtenaw County standard contract provisions, terms, and conditions, which are outlined in this document.

G. Additional Cooperative Submission Requirements

Provide a brief narrative or bullet points addressing the following issues:

1. **Key People:**
 - Provide a short summary of each key person and their role.
 - Include the resumes of key persons
 - Include a memorandum of understanding or similar document between partner organizations, if applicable. Please *do not* include general letters of support or endorsement.

2. **Implementation Process**
 - Describe how your program will operate
 - Include a description of processes that are in place to ensure that your proposal will be successful
 - Include the cooperative membership fee structure
 - Describe any requirements of other funding sources in the development budget that will impact implementation of this proposal
 - Indicate the income target of the recipients
 - Provide a copy of the member application
 - Provide a breakdown of the number and type of units (bedroom number, floor plans, square footage etc.)
 - Indicate the year HUD's affordability requirement expires

3. **Budget:**
 - The Budget will be a 12 month budget based on the organization's budget year

4. **Property Management**
 - Provide a property management plan (annual and ongoing maintenance, work order process)

H. Cooperative Check-off List: Quality Of Life

30 points maximum, please check all that apply

- Continuous sidewalks along all street fronts (2 pts)
- Sidewalks or paths linking to all adjacent public spaces (1 pt)
- Hard-wired alarm system in every unit (1 pt)
- Internet access provided for each unit (2 pts)
- Internet access in Community Center (1 pt)
- Individual porch or balcony for each unit (1 pt)
- ESL or literacy programs offered on site (1 pt)
- Employment training or job preparedness offered on site (1 pt)
- Financial literacy or budget counseling offered on site (1 pt)
- After school programming (2 pts)
- Resident council with input on the operations of the property (2 pts)
- Community Garden on site (1pt)
- Other _____ (1 pt each)

Energy Efficiency (Units)

- Appliances are Energy Star Standard (1 pt)
- HVAC is Energy Star Standard (1 pt)
- Hot water supply is Energy Star Standard (1 pt)
- Daylight sensors or timers on all outdoor lighting (0.5 pt)
- Energy Star labeled lighting fixtures for a minimum of 50% of interior (1 pt)
- Energy Star windows and glass doors with a U-value of .35 or less (1 pt)
- R Values for building envelope are a minimum of: Exterior Walls R-19; Roof R-38; slab R-10 for continuous basements, R-11 for cavity insulation (2 pts)

Healthy Living (Units)

- All interior paints, primers, adhesives and sealants are low or no VOC (0.5 pt)
- No carpets in basements, entryways, laundry rooms, bathrooms or kitchens (1 pt)
- Conventional water heaters are in rooms with drains or catch pans piped to the exterior of the dwelling with a non-water sensitive floor covering (1 pt)
- Tub and shower enclosures are one piece fiberglass or similar enclosure OR if using any form of grouted material, use backing materials such as a cement board, fiber cement board, fiberglass reinforced board or cement plaster (1 pt)
- Clothes dryers exhaust directly to the outdoors (1 pt)
- Bathroom fans exhaust to the outdoors and have a humidistat sensor or timer (1 pt)
- Power ventilated fans or range hood exhaust to the outdoors(1 pt)
- A certified energy rater performed an energy audit and installed the amount of mechanical ventilation required according to the results (1 pt)
- Tank-less hot water heaters (0.5 pt)
- Non-vinyl, non-carpet floor coverings in all rooms (2 pts)
- Water conserving fixtures with the following minimum specifications: toilets 1.6 gallons per flush; faucets and showerheads 2.0 gallons per minutes (1 pt)

VI. SAMPLE BUDGETS

A. Development Budget (Rental & Homeownership Projects)

Sample Project Development Budget			
Hard Costs		Total	Per Unit
Acquisition		\$	\$
Rehabilitation		\$	\$
Rehab Contingency			
Total hard costs		\$0	\$0
Soft Costs		Total	Per Unit
Architectural/Engineering		\$	\$
Environmental		\$	\$
Appraisal		\$	\$
Survey		\$	\$
Taxes		\$	\$
Market Study		\$	\$
Legal		\$	\$
Transition Insurance		\$	\$
Transition Utilities		\$	\$
Relocation		\$	\$
Financing Charges		\$	\$
Inspection Fees		\$	\$
Tax Credit Fees		\$	\$
Developer Fee (percent)	%	\$	\$
Operating Reserves		\$	\$
Rent Up Reserves		\$	\$
Other:		\$	\$
Soft Cost Contingency (percent)	%		
Total soft cost		\$0	\$0
Total project cost		\$0	\$0
Revenue Sources (indicate terms & whether secure)		Total	Per Unit
		\$	\$
		\$	\$
		\$	\$
		\$	\$
Total Revenue		\$0	\$0

B. Sample Operating Pro Forma (Rental Projects Only)

Operating Pro Forma																
Project Name:																
		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15
Operating Income																
Gross rents																
less: vacancies																
Other income																
Gross Income																
Operating Expenses																
Management fee																
Contracted Services																
Legal																
Insurance																
Maintenance staffing																
Maintenance/Repair																
Utilities - electric																
Utilities - heating																
Utilities - water/sewer																
Property Insurance																
Property taxes																
Replacement Reserves																
Operating Reserves																
Total Operating Expenses																
Net Operating Income																
Debt Service																
Debt Service Ratio																
Cash Flow																
Percent annual increase																
Rent																

VII. STANDARD PROVISIONS FOR COUNTY CONTRACTS

If a contract is awarded, the selected vendor will be required to adhere to a set of general contract provisions, which will become a part of any formal agreement. These provisions are general principles, which apply to all contractors of service to Washtenaw County such as the following:

AGREEMENT is made this _____ day of _____, 2009, by the COUNTY OF WASHTENAW, a municipal corporation, with offices located in the County Administration Building, 220 North Main Street, Ann Arbor, Michigan 48107("County") and (**NAME OF CONTRACTOR**) located at (**CONTRACTOR'S ADDRESS**) ("Contractor").

In consideration of the promises below, the parties mutually agree as follows:

ARTICLE I - SCOPE OF SERVICES

The Contractor will (**SPELL OUT SCOPE OF SERVICE**)

ARTICLE II - COMPENSATION

Upon completion of the above services and submission of invoices the County will pay the Contractor an amount not to exceed (**SPELL OUT DOLLAR AMOUNT**).

ARTICLE III - REPORTING OF CONTRACTOR

Section 1 - The Contractor is to report to (**DEPARTMENT HEAD TITLE**) and will cooperate and confer with him/her as necessary to insure satisfactory work progress.

Section 2 - All reports, estimates, memoranda and documents submitted by the Contractor must be dated and bear the Contractor's name.

Section 3 - All reports made in connection with these services are subject to review and final approval by the County Administrator.

Section 4 - The County may review and inspect the Contractor's activities during the term of this contract.

Section 5 - When applicable, the Contractor will submit a final, written report to the County Administrator.

Section 6 - After reasonable notice to the Contractor, the County may review any of the Contractor's internal records, reports, or insurance policies.

ARTICLE IV - TERM

This contract begins on (**MONTH, DAY, YEAR**) and ends on (**MONTH, DAY, YEAR**).

ARTICLE V - PERSONNEL

Section 1 - The contractor will provide the required services and will not subcontract or assign the services without the County's written approval.

Section 2 - The Contractor will not hire any County employee for any of the required services without the County's written approval.

Section 3 - The parties agree that the Contractor is neither an employee nor an agent of the County for any purpose.

Section 4 - The parties agree that all work done under this contract shall be completed in the United States and that none of the work will be partially or fully completed by either an offshore subcontractor or offshore business interest either owned or affiliated with the contractor. For purposes of this contract, the term, "offshore" refers to any area outside the contiguous United States, Alaska or Hawaii.

ARTICLE VI - INDEMNIFICATION AGREEMENT

The contractor will protect, defend and indemnify Washtenaw County, its officers, agents, servants, volunteers and employees from any and all liabilities, claims, liens, fines, demands and costs, including legal fees, of whatsoever kind and nature which may result in injury or death to any persons, including the Contractor's own employees, and for loss or damage to any property, including property owned or in the care, custody or control of Washtenaw County in connection with or in any way incident to or arising out of the occupancy, use, service, operations, performance or non-performance of work in connection with this contract resulting in whole or in part from negligent acts or omissions of contractor, any sub-contractor, or any employee, agent or representative of the contractor or any sub-contractor.

ARTICLE VII - INSURANCE REQUIREMENTS

The Contractor will maintain at its own expense during the term of this Contract, the following insurance:

1. Workers' Compensation Insurance with Michigan statutory limits and Employers Liability Insurance with a minimum limit of \$100,000 each accident for any employee.
2. Commercial General Liability Insurance with a combined single limit of \$1,000,000 each occurrence for bodily injury and property damage. The County shall be added as "additional insured" on general liability policy with respect to the services provided under this contract.
3. Automobile Liability Insurance covering all owned, hired and nonowned vehicles with Personal Protection Insurance and Property Protection Insurance to comply with the provisions of the Michigan No Fault Insurance Law, including residual liability insurance with a minimum combined single limit of \$1,000,000 each accident for bodily injury and property damage.

Insurance companies, named insureds and policy forms may be subject to the approval of the Washtenaw County Administrator, if requested by the County Administrator. Such approval shall not be unreasonably withheld. Insurance policies shall not contain endorsements or policy conditions which reduce coverage provided to Washtenaw County. Contractor shall be responsible to Washtenaw County or insurance companies insuring Washtenaw County for all costs resulting from both financially unsound insurance companies selected by Contractor and their inadequate insurance coverage. Contractor shall furnish the Washtenaw County Administrator with satisfactory certificates of insurance or a certified copy of the policy, if requested by the County Administrator.

No payments will be made to the Contractor until the current certificates of insurance have been received and approved by the Administrator. If the insurance as evidenced by the certificates furnished by the Contractor expires or is canceled during the term of the contract, services and related payments will be suspended. Contractor shall furnish the County Administrator's Office with certification of insurance evidencing such coverage and endorsements at least ten (10) working days prior to commencement of services under this contract. Certificates shall be addressed to the County Administrator, P. O. Box 8645,

Ann Arbor, MI, 48107, and shall provide for 30 day written notice to the Certificate holder of cancellation of coverage.

ARTICLE VIII - COMPLIANCE WITH LAWS AND REGULATIONS

The Contractor will comply with all federal, state and local regulations, including but not limited to all applicable OSHA/MIOSHA requirements and the Americans with Disabilities Act.

ARTICLE IX - INTEREST OF CONTRACTOR AND COUNTY

The Contractor promises that it has no interest which would conflict with the performance of services required by this contract. The Contractor also promises that, in the performance of this contract, no officer, agent, employee of the County of Washtenaw, or member of its governing bodies, may participate in any decision relating to this contract which affects his/her personal interest or the interest of any corporation, partnership or association in which he/she is directly or indirectly interested or has any personal or pecuniary interest. However, this paragraph does not apply if there has been compliance with the provisions of Section 3 of Act No. 317 of the Public Acts of 1968 and/or Section 30 of Act No. 156 of Public Acts of 1851, as amended by Act No. 51 of the Public Acts of 1978, whichever is applicable.

ARTICLE X - CONTINGENT FEES

The Contractor promises that it has not employed or retained any company or person, other than bona fide employees working solely for the Contractor, to solicit or secure this contract, and that it has not paid or agreed to pay any company or person, other than bona fide employees working solely for the Contractor, any fee, commission, percentage, brokerage fee, gifts or any other consideration contingent upon or resulting from the award or making of this contract. For breach of this promise, the County may cancel this contract without liability or, at its discretion, deduct the full amount of the fee, commission, percentage, brokerage fee, gift or contingent fee from the compensation due the Contractor.

ARTICLE XI – DEBARMENT AND SUSPENSION

By signing this Contract, Contractor assures the County that it will comply with Federal Regulation 45 CFR Part 76 and certifies that to the best of its knowledge and belief the Contractor and any subcontractors retained by Contractor:

1. Are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from covered transactions by any federal department or contractor;
2. Have not within a three-year period preceding this Contract been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements or receiving stolen property;
3. Are not presently indicted or otherwise criminally or civilly charged by a government entity (federal, state or local) with commission of any of the offenses enumerated in section 2, and ;
4. Have not within a three-year period preceding this Contract had one or more public transactions (federal, state or local) terminated for cause or default.

ARTICLE XII – LOBBYING

By signing this contract, Contractor assures the County that it will comply with Section 1352, Title 31 of the U.S. Code (pertaining to not using federal monies to influence federal contracting and financial transactions). The Contractor assures the County that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the Contractor, 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 making of any Federal grant, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal grant or cooperative agreement;
2. If any funds other than Federal appropriated funds have been paid or will be paid 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 this Federal grant or cooperative agreement, the Contractor shall complete and submit Standard Form - LLL, "Disclosure of Lobbying Activities," in accordance with its instructions;
3. This language shall be included in the award documents for all subawards at all tiers (including subgrants, contracts under grants and cooperative agreements, and subcontracts) and that all sub-recipients shall certify and disclose accordingly.

ARTICLE XIII - DRUG-FREE WORKPLACE

Grantees Other Than Individuals

- A. As required by the Drug-Free Workplace Act of 1988, the Contractor assures the County that it will or will continue to provide a drug-free workplace by:
- a) Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
 - b) Establishing an on-going drug-free awareness program to inform employees about—
 - 1) The dangers of drug abuse in the workplace;
 - 2) The grantee's policy of maintaining a drug-free workplace;
 - 3) Any available drug counseling, rehabilitation, *and* employee assistance programs; and
 - 4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
 - c) Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);
 - d) Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will—
 - 1) Abide by the terms of the statement; and
 - 2) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
 - e) Notifying the County, in writing, within 10 calendar days after receiving notice under subparagraph (d)(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to the County;

- f) Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph (d)(2), with respect to any employee who is so convicted—
 - 1) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
 - 2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
- g) Making a good faith effort to continue to maintain a drug- free workplace through implementation of paragraphs (a), (b), (c), (d), (e), and (f).

Grantees Who Are Individuals

As required by the Drug-Free Workplace Act of 1988:

- A. As a condition of the grant, the Contractor assures the County that it will not engage in the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance in conducting any activity with the grant; and
- B. If convicted of a criminal drug offense resulting from a violation occurring during the conduct of any grant activity, the Contractor agrees to report the conviction, in writing, within 10 calendar days of the conviction, to the County.

ARTICLE XIV - FEDERAL PROCUREMENT STANDARDS

The Contractor assures the County that it will follow federal procurement standards as described in the Code of Federal Regulations section 2 CFR Part 215.4 when procuring goods or services with federal funds to insure that procurement decisions are made ethically and with free and open competition among those providing the goods or services.

ARTICLE XV - EQUAL EMPLOYMENT OPPORTUNITY

The Contractor will not discriminate against any employee or applicant for employment because of race, creed, color, sex, sexual orientation, national origin, physical handicap, age, height, weight, marital status, veteran status, religion and political belief (except as it relates to a bona fide occupational qualification reasonably necessary to the normal operation of the business).

The Contractor will take affirmative action to eliminate discrimination based on sex, race, or a handicap in the hiring of applicant and the treatment of employees. Affirmative action will include, but not be limited to: Employment; upgrading, demotion or transfer; recruitment advertisement; layoff or termination; rates of pay or other forms of compensation; selection for training, including apprenticeship.

The Contractor agrees to post notices containing this policy against discrimination in conspicuous places available to applicants for employment and employees. All solicitations or advertisements for employees, placed by or on the behalf of the Contractor, will state that all qualified applicants will receive consideration for employment without regard to race, creed, color, sex, sexual orientation, national origin, physical handicap, age, height, weight, marital status, veteran status, religion and political belief.

ARTICLE XVI - LIVING WAGE

The parties understand that the County has enacted a Living Wage Ordinance that requires covered vendors who execute a service or professional service contract with the County to pay their employees under that contract, a minimum of either \$10.88 per hour with benefits or \$ 12.75 per hour without benefits. Contractor agrees to comply with this Ordinance in paying its employees. Contractor understands and agrees that an adjustment of the living wage amounts, based upon the Health and Human

Services poverty guidelines, will be made on or before April 30, 2010 and annually thereafter which amount shall be automatically incorporated into this contract. County agrees to give Contractor thirty (30) days written notice of such change. Contractor agrees to post a notice containing the County's Living Wage requirements at a location at its place of business accessed by its employees

ARTICLE XVII - EQUAL ACCESS

The Contractor shall provide the services set forth in Article I without discrimination on the basis of race, color, religion, national origin, sex, sexual orientation, marital status, physical handicap, or age.

ARTICLE XVIII - OWNERSHIP OF DOCUMENTS AND PUBLICATION

All documents developed as a result of this contract will be freely available to the public. None may be copyrighted by the Contractor. During the performance of the services, the Contractor will be responsible for any loss of or damage to the documents while they are in its possession and must restore the loss or damage at its expense. Any use of the information and results of this contract by the Contractor must reference the project sponsorship by the County. Any publication of the information or results must be co-authored by the County.

ARTICLE XIX - ASSIGNS AND SUCCESSORS

This contract is binding on the County and the Contractor, their successors and assigns. Neither the County nor the Contractor will assign or transfer its interest in this contract without the written consent of the other.

ARTICLE XX - TERMINATION OF CONTRACT

Section 1 - Termination without cause. Either party may terminate the contract by giving thirty (30) days written notice to the other party.

ARTICLE XXI - PAYROLL TAXES

The Contractor is responsible for all applicable state and federal social security benefits and unemployment taxes and agrees to indemnify and protect the County against such liability.

ARTICLE XXII- PRACTICE AND ETHICS

The parties will conform to the code of ethics of their respective national professional associations.

ARTICLE XXIII- CHANGES IN SCOPE OR SCHEDULE OF SERVICES

Changes mutually agreed upon by the County and the Contractor, will be incorporated into this contract by written amendments signed by both parties.

ARTICLE XXIV - CHOICE OF LAW AND FORUM

This contract is to be interpreted by the laws of Michigan. The parties agree that the proper forum for litigation arising out of this contract is in Washtenaw County, Michigan.

APPENDIX A: INCOME LIMITS, RENT & SALE REQUIREMENTS

HUD determines the annual Area Median Income (AMI), which is used to determine the income eligibility of renters or owners. Following is a 2009 chart indicating the % of AMI for various family sizes. The 2010 income limits will be published in the spring of 2010

Household Size	1	2	3	4	5	6
120% Median	\$71,600	\$81,800	\$92,000	\$102,200	\$110,400	\$118,600
Median income	\$59,600	\$68,200	\$76,700	\$85,200	\$92,000	\$98,800
*Low income (80% 75%)	\$44,800	\$51,200	\$57,600	\$64,000	\$69,100	\$74,250
Low income (60%)	\$35,800	\$40,900	\$46,000	\$51,100	\$55,200	\$59,300
Very low income (50%)	\$29,800	\$34,100	\$38,350	\$42,600	\$46,000	\$49,400
Extremely low income (30%)	\$17,900	\$20,450	\$23,000	\$25,550	\$27,600	\$29,650

*Note: the 80% median income level may not exceed the U.S. median income level, consequently it is actually 75% of median

Rental Projects:

- The 2009 high and low HOME rent levels are listed below. Rents can be lower than the low rent level but not higher than the high rent level.
- Group Homes use the Fair Market Rent (FMR) for the # of bedrooms in the home and tenants pay no more than the pro rata share of monthly rent.
- FMR is calculated by HUD as the rental rate in the 40th percentile for units rented in past 15 months not including public housing and units less than 2 years old
- Rents include utilities (water, sewer, electricity, heat).

HOME Rents	Studio	Efficiency	1 Bedroom	2 Bedroom	3 bedroom	4 bedroom
High	\$517	\$689	\$773	\$940	\$1183	\$1217
Low	\$517	\$689	\$773	\$940	\$1107	\$1217
FMR	\$517	\$689	\$773	\$940	\$1183	\$1217

Ownership Projects:

The Maximum monthly housing costs should not exceed 30% of the household income and includes a utility allowance, mortgage payment, taxes, insurance and condominium fees, if applicable.

Max Monthly Housing Costs	1	2	3	4	5	6
120% Median	\$1,790	\$2,045	\$2,300	\$2,555	\$2,760	\$2,965
Median income	\$1,490	\$1,705	\$1,918	\$2,130	\$2,300	\$2,470
*Low income (80% 75%)	\$1,120	\$1,280	\$1,440	\$1,600	\$1,728	\$1,856
Low income (60%)	\$895	\$1,023	\$1,150	\$1,278	\$1,380	\$1,483
Very low income (50%)	\$745	\$853	\$959	\$1,065	\$1,150	\$1,235
Extremely low income (30%)	\$448	\$511	\$575	\$639	\$690	\$741

APPENDIX B: AFFORDABILITY PROVISIONS

Recapture Provisions

HOMEOWNERSHIP PROGRAMS

- a) A 20-year 0% interest, deferred lien shall be placed on the property in the amount that the homeowner borrowed (“Subsidy Amount”). If the OWNER sells or transfers Property or an interest therein or discontinues use of Property as a primary residence on or before the 20 year term, the Subsidy Amount shall be repaid according to the following:
 - i) County Appreciation Percentage. The County Appreciation Percentage shall be determined by taking the Subsidy Amount and dividing it by the After Rehab Value. The County Appreciation Percentage shall then be multiplied times the total amount of Appreciation; and
 - ii) Appreciation. Appreciation of Property shall be the difference between the Owner’s original After Rehab Value and the appraised value at the time Owner sells, transfers, or discontinues using Property as a primary residence. Owner expenses such as after acquired liens, equity liens, or other encumbrances shall not be considered in computing appreciation; and
 - iii) County Repayment Amount. The County Appreciation Percentage shall be multiplied times the Appreciation to determine the amount that must be repaid to County (“County Repayment Amount”). In the event that the County Repayment Amount is equal to or greater than the lien, then that amount shall be repaid to the County. In the event that the County Repayment Amount is less than the lien, then the Owner shall be responsible for the balance of the Subsidy Amount at the time of closing. In the event that the total amount available to the Owner at the time of closing after paying the first mortgage, closing costs, realtor commissions, and recovering the initial owner cash investment is less than the Subsidy Amount, then that amount shall be paid to County and Owner shall be relieved of any further obligation under the terms of this Lien Agreement.
 - iv) Forgiveness of Subsidy Amount. In the event Owner retains and resides in the Property continuously for a period of twenty (20) years, all obligations to repay the Subsidy Amount shall be forgiven and this Lien shall be discharged.

Recapture Formula:

Initial Appraised After Rehab Value (IARV)	\$90,000
Initial Purchase Price (IPP)	\$75,000
NSP investment (\$15K DPA & \$20K Rehab)	\$35,000
NSP investment as percent of IARV	39%
Sold 10 years later with significant increase in value	
Appraised Value (AV)	\$200,000
Increase in Appraised Value (AV-IARV)	\$110,000
39% of Increase in Value	\$42,900

\$42,900 is greater than \$35,000, so the homeowner repays \$42,900

Sold 10 years later with moderate increase in value	
Appraised Value (AV)	\$150,000
Increase in Appraised Value (AV-IARV)	\$60,000
39% of Increase in Value	\$23,400
Net proceeds	\$80,000

\$23,400 is less than \$35,000 and the net proceeds are greater than \$35,000, so the homeowner repays \$35,000

Sold 10 years later with decrease in value	
Appraised Value/Sales Price	\$85,000
Owner Private Mortgage Lien repayment	-\$60,000
Owner initial cash investment	-\$1,000
Closing Costs and Realtor	<u>-\$6,000</u>
Balance	\$19,000

\$19,000 is repaid instead of \$35,000

RENTAL PROGRAMS

A 30-year lien will be placed on all rental housing projects. The lien will be equal to the amount of assistance provided to the buyer (acquisition and rehabilitation). At the time of sale or transfer of the property or discontinuation as a rental property, the lien must be repaid in full or based on a formula, whichever is greater. The formula is based on a shared increase in the appraised value at the time of sale or transfer. At the time of initial purchase, the percent of subsidy funds as a percent of the appraised value will be calculated. At the time of sale or transfer, the same percent of increase in the appraised value between the initial purchase and the new appraised value will be repaid to Washtenaw County. The greater of this formula and the actual lien amount will be repaid out of net sales proceeds (after paying all liens, closing costs, realtor fees and deducting the initial owner cash investment).

If the property remains a rental property for 30 years, then the lien will be forgiven. Funds can be applied to the entire project cost or designated to specific units. All units funded with these funds will be occupied by the target income households at the time of initial occupancy.

APPENDIX C: LEGAL STATUS OF PROPOSER

Washtenaw County
Procurement Department
PO Box 8645
Ann Arbor, Michigan 48107-8645

Ladies and Gentlemen:

The undersigned declares that this Proposal is made in good faith, without fraud or collusion with any person or persons submitting a proposal on the same Contract; that the undersigned has carefully read and examined the "Request for Proposal" documents, including Information and Instructions, information required, all Addenda (if any), and understands them. Further, the undersigned declares that it has extensive experience in successfully providing the services required under the specifications of this Request for Proposal.

The undersigned acknowledges that it has not received or relied upon any representations or warrants of any nature whatsoever from Washtenaw County, its agents or employees, and that this Proposal is based solely upon the undersigned's own independent business judgment.

If the County accepts this Proposal and the undersigned fails to contract and furnish the insurance documentation by October 1, 2010 then the undersigned shall be considered to have abandoned the Contract.

In submitting this Proposal, it is understood that the right is reserved by the County to accept any Proposal, to reject any or all Proposals, to waive irregularities and/or informalities in any Proposal, and to make the award in any manner the County believes to be in its best interest.

COMPANY NAME: *
STREET/P. O. BOX:
CITY, STATE, AND ZIP CODE:
DATE:
TELEPHONE:
FAX:
TAX IDENTIFICATION:

AUTHORIZED SIGNATURE:
PRINTED NAME OF SIGNER:
TITLE OF SIGNER:
EMAIL OF SIGNER:

* NOTE: If the PROPOSER is a corporation, the legal name of the corporation shall be set forth above together with the signature of authorized officer or agents. If PROPOSER is a partnership, the true name of the firm shall be set forth with the signature of the partners authorized to sign contracts on behalf of the partnership. If PROPOSER is an individual, his signature shall be placed above.

*NOTE: Interested Organizations may establish a partnership of more than one Organization to provide the services identified in the Scope of Services.

APPENDIX D: AUTHORIZATION FOR RELEASE OF CREDIT INFORMATION

Authorization for Release of Credit Information

I hereby authorize the Washtenaw County to verify and further investigate any of the information hereby provided. I understand and agree that the County may conduct credit checks and review with federal, state and local public sources to obtain such verification, and to obtain further information and that any of the sources named herein may be contacted in order to obtain verification and further information. I certify that all information provided is true, correct and complete to the best of my knowledge.

Signature Date

Name Title

Company/Agency Name

Address

Social Security Number or Tax ID#

APPENDIX F: BOARD MEMBER ROSTER
--

Name of Organization: _____

Name	Board Position	Address and Phone	Current Job and/or experience related to development	Race*	Gender M/F	Term on Board

*RACE (as defined by HUD): American Indian or Alaska Native; Asian; Black or African American; Native Hawaiian or Other Pacific Islander; White; American Indian/Alaska Native and White; Asian and White; Black/African American and White; American Indian/Alaskan Native and Black/African American; Other. In addition, please indicate Hispanic if it also applies.