

Program Year 2025

Online Request For Proposal (RFP) Guidebook for HOME Investment Partnerships Grant

Grants Management Department
City of Arlington

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Introduction to HOME

HOME Investment Partnerships Grant (HOME)

HOME is the largest federal block grant to state and local governments designed exclusively for creating affordable housing to low- to moderate-income households. HOME provides formula grants to states and Participating Jurisdictions (local governments) to use in partnership with local nonprofit organizations, owners, sponsors, and/or developers to fund a wide range of allowable activities located at 24 CFR Part 92.

HOME is authorized under Title II of the Cranston-Gonzalez National Affordable Housing Act, as amended, 42 U.S.C. 12704. Key substantive changes were made in 2013 to the HOME Final Rule including but not limited to:

- Accelerating the timely production and occupancy of assisted housing,
- Strengthening the performance of Participating Jurisdictions and their partners in producing and preserving affordable housing units,
- Providing Participating Jurisdictions with greater flexibility in the design and implementation of their projects, and
- Increasing administrative transparency and accountability.

Detailed information regarding the 2013 HOME Final Rule can be located online at: https://www.hudexchange.info/home/home-final-rule/highlights-of-the-changes-in-the-home-final-rule/. Additional information regarding the HOME program can be located by visiting the HOME program web pages at https://www.hudexchange.info/programs/home/.

Consolidated Plan

The U.S. Department of Housing and Urban Development (HUD) requires all participating jurisdictions to submit a three- to five-year strategic planning document called the Consolidated Plan. The Consolidated Plan describes the housing and community development needs of the City of Arlington for a five-year period. This document represents the City of Arlington's vision for improving the quality of life in the low-income areas of the city and provides details on how specific goals will be accomplished. It is through the Consolidated Plan that the City of Arlington determines its funding priorities each program year. As conditions change, the Consolidated Plan may be amended. The 2025-2029 Consolidated Plan is scheduled for submission by May of 2025. Information related to the previous consolidated plans and other program information may be found by clicking the link here at: Consolidated Plans - City of Arlington (arlingtontx.gov)

Annual Action Plan

The Action Plan is the annual update to the Consolidated Plan. The Consolidated Plan is carried out through Annual Action Plans, which provide a concise summary of the actions, activities, and the specific federal and nonfederal resources that will be used each year to address the priority needs and specific goals identified by the consolidated Plan. The Annual Action Plan describes resources available, how those resources are to be utilized, including funded projects, and the geographic distribution of those resources. The planning process has been specifically created to assist in mapping one-year actions for community development and making good use of available federal, state, and local resources.

City of Arlington Geographic Targeting, Area Amenities, Energy Efficiency

Projects must primarily benefit low- to moderate-income residents and households of the city of Arlington. HOME activities that are provided city-wide include but are not limited to homebuyers' assistance, housing rehabilitation, rental and owner housing development, homeless prevention, and assistance, including tenant-based rental assistance (TBRA).

In the 2025-2029 Consolidated Plan, funds are available to provide assistance city-wide in addition to two target areas:

1.) The Central Arlington Neighborhood Revitalization Strategy Area (NRSA) includes at least 51 percent low-to moderate-income (LMI) individuals. The NRSA boundaries are Sanford/Randol Mill on the North, Collins on the East, Abram on the South, and Crowley Road on the West. HUD has established that eligibility for a designated Neighborhood Revitalization Strategy Area (NRSA) must meet certain criteria to qualify for funding for Community Block Development grants. The Central Arlington Neighborhood Revitalization Strategy Area (NRSA) demographic LMI data from HUD provides that this designated area meets the established criteria. More detailed information on eligibility requirements and information for Neighborhood Revitalization Strategy Areas (NRSA) can be found at the following link: Chapter 10: Revitalization Areas at the HUD exchange website.

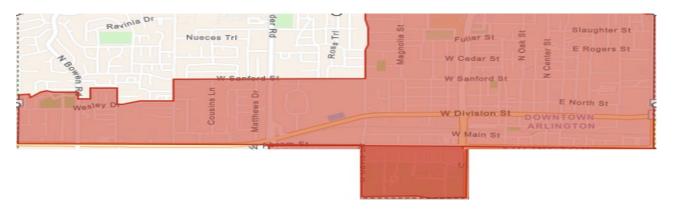


Figure 1:Central Arlington Neighborhood Revitalization Area (NRSA)

2.) The East Arlington Target area (see figure 2) is also targeted for concentrated improvements in the Consolidated Plan. East Arlington meets the requirement for at least a 51 percent low- to moderate-income (LMI) individuals within the designated area. The East Arlington Target area is generally bounded by Cooper on the West, Mitchell on the North, Great Southwest on the East and Arkansas on the South.



Figure 3 East Arlington Target Area

Geographical Targeting

For purposes of proposals, housing units must be located within the city limits of Arlington. Projects located in the Central Arlington Neighborhood Revitalization Strategy Area (NRSA), the East Arlington Promise Zone target area, or other low- to moderate- income target areas are also priority for the City. Proposals should state which target area(s), if any, will be utilized for the proposed project(s).

Area Amenities

Applicants should clearly show how the project will make a substantial impact on neighborhoods. For example, a substantial difference might be projects that include activities such as acquisition, demolition, and new or re-construction on multiple homes in close proximity to each other and adjacent to other grant-funded projects such as parks, sidewalks, and street improvements.

• Energy Efficiency

Applicants should clearly detail any energy efficient designs, materials, or equipment used in the project. This should include, but not be limited to, the use of sustainable construction materials such as insulated concrete forms (ICF), reduced water usage, solar panels, effective storm water management, and/or creation of green space.

Innovative Partnerships

Applications should demonstrate any innovative partnerships with organizations that can contribute lasting resources such as partners who can assist with HOME match and/or other contributions towards the proposed project(s).

2025-2029 Consolidated Plan Measurable Objectives

By regulation, HUD grant funds must be used to meet the measurable objectives of the City of Arlington's Consolidated Plan. Measurable objectives are developed after an analysis of existing conditions, community needs, and an extensive citizen participation process. The City Council priorities and the United Way community assessments provide additional, ongoing direction for community development projects. The priority matrix on page 5 provides an overview of the relationship among these priority areas and the

Consolidated Plan. Plans and studies from a variety of sources were compiled to identify trends and potential partnerships.

The chart below illustrates the priority community development needs outlined in the 2025-2029 Consolidated Plan. A priority classification is assigned to each activity type based on the extent of the community need. High priority indicates activities to address this need will be targeted for funding by the City of Arlington during the five-year strategic planning period. Medium priority indicates that activities to address this need, may be funded by the City of Arlington during the five-year strategic planning period if funds are available. The City will also take action to help groups locate other sources of funds for high and medium priority activities. Low priority indicates that the City of Arlington will not fund activities to address this need during the five-year strategic planning period.

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PRIORITY LEVEL	PRIORITY NEED				
	Quality Housing Opportunities				
High	1.) Homebuyer Assistance				
High	2.) Housing Development				
High	3.) Housing Rehabilitation				
High	4.) Tenant-Based Rental Assistance				
	Neighborhood Development and Revitalization				
High	1.) Infrastructure Improvements				
High	2.) Neighborhood Development and Revitalization				
High	3.) Public Facility Development/Improvement				
	Homeless Services				
High	Support the Tarrant County Continuum of Care Strategic Plan Goals to Reduce Homelessness in Arlington.				
High	2.) Implement recommendations in the 2024 Homelessness Study for Arlington.				
High	3.) Continue to support Shelter Services to the maximum allowed by ESG. Encourage shelter providers to implement programs that target economic self-sufficiency to minimize the shelter stay and address health and safety concerns.				

Application ProcessLimitations of the RFP

The City of Arlington Grants Management Department reserves the right to accept or reject any and all proposals received. In addition, the City of Arlington reserves the right to negotiate with all qualifying organizations, or to cancel in whole or in part a request for proposals if deemed in the best interest of the City of Arlington as it relates to the city priorities.

Eligible Applicants

Non-profit organizations, community housing development organizations, owners, developers, and sponsors who deliver services to low-to-moderate-income households within the City of Arlington's service area may apply for funding. All non-profit organizations must have their non-profit status with supporting documentation from the IRS at the time of application to receive funding through the City of Arlington.

Eligible Activities

Eligible activities include:

- ✓ Acquisition, Demolition, and Reconstruction of housing units for sale or rent to low- to moderate- income households;
- ✓ Acquisition and New Construction of housing units for sale or rent to low- to moderate- income households;
- ✓ Acquisition and Rehabilitation of housing units for sale or rent to low- to moderate- income households.

Minimum Criteria for Receipt of Funding

The proposed project must:

- Provide services that primarily benefit low- to moderate-income households residing in the City of Arlington;
- Meet at least one of the Consolidated Plan Measurable Objectives;
- Meet requirements for HOME Maximum Homeownership Value Limits (as applicable) see <u>Exhibit A;</u>
- Meet requirements for HOME Maximum Per-Unit Subsidy Limits see Exhibit B; and
- Meet HOME Income Limits of 80% or less of Annual Median Income (AMI) for all owner projects and 60% or less of AMI for renter projects (for at least 90% of all tenants) – see Exhibit C

The application must be completed in a professional and accurate manner, with all sections thoroughly completed and sufficient detail to demonstrate knowledge and capacity to carry out the proposed project.

Organizations must demonstrate the financial viability to operate a federally funded project strictly on a reimbursement basis. The City of Arlington funds are awarded to organizations on a reimbursement basis only. This means that funds will be available to the organization after it has paid for eligible project costs. However, no costs incurred prior to contract approval may be reimbursed. A financially viable organization is one that is able to:

- Operate for a minimum of 90 days pending reimbursement without financial hardship;
- Demonstrate an existing and consistent cash flow; and
- Have a separation of duties for internal controls, etc.

Organizations must be in good standing with the City of Arlington, (i.e. have no outstanding reporting delinquencies, outstanding monitoring findings, or program/project capacity issues) in order to be considered for funding.

Environmental Review

An environmental review must be completed on every HOME project per 24 CFR 50.4, 58.5, and 58.6 and the review must result in environmental clearance before the City can commit HOME funds to the project. The review will be completed by the City post application acceptance. Documentation of the environmental clearance must be provided to the City for any projects that have already received environmental clearance. Information on the HOME environmental review requirements can be found at: https://www.hudexchange.info/programs/environmental-review/

Site Visits

The City may perform site visits during the review phase of this RFP process with applicants. Therefore, your organization should be prepared for City staff to tour your facility, observe current project activities, interview, and observe staff members involved in similar activities to the services in which you are requesting funding Proper notice will be provided prior to any onsite visits.

Davis-Bacon and Related Acts

Davis-Bacon Act, as amended (40 U.S.C. 276a to a-7)-When required by Federal program legislation, all construction contracts awarded by the recipients and subrecipients of more than \$2,000 shall include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 276a to a-7) and as supplemented by Department of Labor regulations (29 CFR part 5, "Labor Standards Provisions Applicable to Contracts Governing Federally Financed and Assisted Construction"). Under this Act, contractors shall be required to pay wages to laborers and mechanics at a rate not less than the minimum wages specified in a wage determination made by the Secretary of Labor. In addition, contractors shall be required to pay wages not less than once a week. The recipient shall place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation and the award of a contract shall be conditioned upon the acceptance of the wage determination. The recipient shall report all suspected or reported violations to HUD.

Build America Buy America

The Build America, Buy America Act ("BABA" or "the Act") was enacted on November 15, 2021, as part of the Infrastructure Investment and Jobs Act ("IIJA") (Pub. L. 117-58). The Act establishes a domestic content procurement preference, the BAP, for Federal infrastructure programs. Section 70914(a) of the Act establishes that no later than 180 days after the date of enactment, HUD must ensure that none of the funds made available for infrastructure projects may be obligated by the Department unless it has taken steps to ensure that the iron, steel, manufactured products, and construction materials used in a project are produced in the United States. In section 70912, the Act further defines a project to include "the construction, alteration, maintenance, or repair of infrastructure in the United States" and includes within the definition of infrastructure those items traditionally included along with buildings and real property. Thus, starting May 14, 2022, new awards of HUD FFA, and any of those newly obligated funds by HUD then obligated by the grantee for infrastructure projects, are covered under BABA provisions of the Act, 41 U.S.C. 8301 note, unless covered by a waiver.

Section 3

The Section 3 program requires recipients of HUD funding to direct employment, training, and contracting opportunities to low-income individuals and the businesses that employ these persons within their community. Section 3 is a provision of the HUD Act of 1968 and is found at 12 U.S.C. 1701u. The regulations are found at 24 CFR Part 75.

Available Funds

The City is making approximately over \$1,000,000 available for PY2025 HOME projects through this Request for Proposal. The funds available include at least a 15% minimum set aside for CHDO projects.

HOME funds are used for highly innovative, sustainable, single-family and multi-family housing projects that meet HOME requirements and make maximum use of local partnerships and resources. The funds available through this RFP may be available in the form of a grant for CHDO projects or in the form of a loan for non-CHDO projects. Funding availability is estimated and dependent upon receipt of HUD allocations for PY2025 (July 1, 2025-June 30, 2026) and determination of the projects that best meet local priority needs.

Conflict of Interest

The standards in 2 CFR Part 200, Subpart B Conflict of Interest, provide that no employee, officer, or agent shall participate in the selection, award, or administration of a contract supported by federal funds if a real or perceived conflict of interest would be involved. Such a conflict would arise when an employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein has a financial or other interest in the firm selected for an award.

A Certificate of Interested Parties, Form 1295 is required for City contracts which require Council approval or are \$1 million dollars or more (TEX. GOV'T CODE ANN. § 2252.908). This law became effective for contracts entered after January 1, 2016. All business entities applying for funding through this RFP must provide a signed and notarized 1295 Form prior to entering into a contract. The 1295 Form can be accessed on the Texas Ethics Commission website.

Debarment & Suspension Status

The U.S. Department of Housing and Urban Development requires verification status of all contractors and non-profit agencies via the online System for Award Management (SAM) https://www.sam.gov. Any parties listed by SAM as debarred or suspended are not eligible to apply for HOME funding.

Review Criteria

The review process for proposals requesting grant funds consists of a review by City staff, citizen review by the United Way Arlington (UW-A) Grant Review Committee, review by the Community and Neighborhood Development Committee of the City Council, a 30-day public comment period for citizen input, City Council review and approval, and HUD review and approval.

Staff review verifies that the proposal is an eligible activity as determined by HUD guidelines and includes required information. If a proposal is determined to be ineligible or incomplete, the applicant is informed, and the proposal is withdrawn from consideration. In cases where there is uncertainty as to the proposal's eligibility, the City's HUD representative may be consulted for a decision. Staff will evaluate proposals based on information provided in the submitted application and will not request missing information.

- 2. The UW-A Grant Review Committee (GRC) reviews the proposals. This committee evaluates the content of the proposals, determines the need for services, and evaluates the proposals based on pre-published criteria. The GRC will not request missing information. UW-A/GRC scores and rankings are presented to the City Council's Community and Neighborhood Development Committee along with a proposal summary.
- The Community and Neighborhood Development Committee provides a mechanism by which
 community needs may be recognized, prioritized, and recommended to the City Council for
 funding. Recommendations for grant awards are incorporated into the draft annual Action Plan
 for citizen input.

4. Citizen input is obtained through the public hearing process. Notices are published in local newspapers approximately two weeks in advance of all hearings, specifying date, time, and references to proposed activities. The City Council reviews and approves the Annual Action Plan by resolution following the citizen comment period.

Criteria for Decision Making

United Way-Arlington annually assists the City by providing a citizen review of proposals through the Grant Review Committee. The mission of United Way-Arlington is to provide human service planning for Arlington that encourages cooperation and collaboration and facilitates the implementation of community solutions. The UW-A Grant Review Committee reviews and evaluates grant proposals with confidentiality and objectivity.

The City Council makes the final decisions regarding project funding, which are then incorporated into the overall HOME budget submitted to HUD in the annual Action Plan. Once funds are received from HUD, the City executes contracts with each of the selected organizations. If the approved funding level is different than that requested on the proposed budget, a revised budget and performance measurement system must be submitted before a contract is executed. This RFP does not commit the City to award a contract for any costs incurred in the preparation of this proposal. Furthermore, the City reserves the right to accept or reject any and/or all proposals received because of this request, to negotiate with a qualified source, or cancel in part, or in its entirety this RFP.

Notification and Contract Procedures

Each applicant will be notified in writing regarding the status of their grant application. Final review and approval of the Action Plan is completed by HUD. Contracts will be negotiated individually with City staff.

RFP Process

Request for Proposal (RFP) Workshop 9:00 –	October 24, 2024
11:00 a.m. (CST)	
Deadline for submission of CDBG, HOME, & ESG applications (5:00 p.m. CST)	December 6, 2024
City Staff & United Way Grant Review Committee review proposals	December 2024 – January 2025
City Council Community and Neighborhood Development Committee review	February 2025 – March 2025
Applicants notified regarding preliminary awards	March – April 2025
30-day public comment period and public hearings	March – April 2025
City Council Review of Action Plan	April - May 2025
Applicants notified regarding awards	May 2025
HUD review and approval	June 2025
Subrecipient Workshop	TBD
Contract Year begins	July 1, 2025

HOME Compliance with Project Requirements

The total amount of HOME funding invested on a per unit basis in a project shall not exceed the per-unit dollar limitations established under Section 234 elevator type basic mortgage limit for the corresponding bedroom size multiplied by the High Cost Percentage (HCP) for the Fort Worth, Texas HUB pursuant to CFR 24 Part 92.250 (3) (ii) and HUD Notice CPD-15-003 issued on March 17, 2015 (See Exhibit B)

Before committing funds to a project, CITY will ensure that an evaluation of the project is complete including but not limited to an underwriting review, assessment of applicant capacity and fiscal soundness, and examination of market conditions to ensure there is an adequate need for the project in accordance with CFR Part 92 and the 2013 HOME Final Rule. Prior to entering into a contract with a CHDO the CITY will also ensure the CHDO has adequate development capacity and fiscal soundness by completing a CHDO certification/recertification in conformance with CFR Part 92 and the 2013 HOME Final Rule.

The purchase price or after-rehabilitation value for the single-family unit may not exceed 95 percent of the area median purchase price for the area pursuant to 92.254(a)(2)(iii). (See Exhibit A)

HOME-assisted rental units must be occupied by income eligible tenants and carry rent and occupancy restrictions for varying lengths of time depending upon the amount of HOME funds invested per unit. All rental projects must meet requirements of 24 CFR 92.252. Applicants can reference the Code of Federal Regulations and the HUD HOME Rental Housing Compliance page for additional information on HOME rental housing compliance and requirements.

Monitoring and Recordkeeping

Recordkeeping

Accurate recordkeeping is crucial to the successful management of grant funded activities. Insufficient documentation is likely to lead to monitoring findings, and these findings will be more difficult to resolve if records are missing, inadequate, or inaccurate. Organizations receiving funding must complete an application for each household while maintain supporting documentation in participant files. If it is determined at the time of monitoring that the supporting documentation is incorrect or insufficient, reimbursement will be denied for costs associated with all ineligible expenses. Information regarding HOME Program Administration and Management and information regarding HOME Income Determination can be located by clicking on these links.

Access to Records/Maintenance of Records

City staff, external auditors, HUD and the Comptroller General of the United States or their authorized representatives have the right to access all project records. Recipients of HUD funds must keep documentation on funded projects for the applicable timeframes listed in 24 CFR Part 92.

Inadequate Performance or Non-Compliance

If an organization and/or its HOME-funded project are found to be in non-compliance with federal regulations and/or with any of the terms stipulated in the contract, funding can be withheld until full compliance is achieved or permanently as deemed necessary by the City of Arlington. In the event that compliance cannot be achieved, funding may be terminated, and repayment may be required. Reimbursements, if any, may resume when acceptable reporting procedures are met as required by the City of Arlington.

If project performance is found to be substantially inadequate in meeting the stated objectives and measures, the organization may be required to submit a written explanation. Inadequate project performance may adversely affect funding awards and/or any future HOME funding requests to the City.

City of Arlington Policy and Practices

SAMS Number

On April 4, 2022, the unique entity identifier used across the federal government changed from the DUNS Number to the Unique Entity ID (generated by SAM.gov). HUD requires a SAMS number to track federally funded projects. The SAMS number is a unique twelve-character alphanumeric number that identifies an organization. It is a tool of the Federal government to track how Federal money is distributed. Ask your grant administrator or chief financial officer to provide your organization's SAMS number.

If your organization does not have a SAMS number, use the SAM.gov online registration which can be found at https://sam.gov/content/home to receive one free of charge.

Online RFP Guidance

Applications must be submitted electronically through Neighborly. The Program Year 2025 HOME Request for Proposal is located at the <u>Neighborly Participant Portal</u>. All HOME proposals must be submitted through Neighborly before the 5:00 PM deadline on December 6, 2024. All supporting documentation must be submitted electronically as part of the Neighborly application process.

For questions contact:

City of Arlington Grants Management Department grantsmanagement@arlingtontx.gov

Office: 817-459-6221

Exhibit A - HOME Homeownership Value Limits

City of Arlington HOPME Homeownership Value Limits Effective September 1, 2024							
	1 -unit	2 -unit	3 -unit	4 -unit			
Existing Homes	\$309,000	\$395,000	\$479,000	\$593,000			
New Homes	\$329,000	\$422,000	\$511,000	\$633,000			

HOME Homeownership Value Limits are subject to change and will be verified prior to entering a contract with an applicant.

The Limits can be accessed at:

HOME Homeownership Value Limits - HUD Exchange

Exhibit B - HOME Maximum Per-Unit Subsidy Limits

City of Arlington HOME Maximum Per-Unit Subsidy Limits						
Effective February 13, 2024						
Bedrooms	Section 234 Elevator	High Cost	HOME Maximum Per-			
	Limits	Percentage *	Unit Subsidy			
0	\$75,620	240%	\$181,488			
1	\$86,687	240%	\$208,049			
2	\$105,414	240%	\$252,996			
3	\$136,372	240%	\$327,293			
4+	\$149,693	240%	\$359,263			

HOME Maximum Per-Unit Subsidy Limits are subject to change and will be verified prior to entering a contract with an applicant.

The Limits can be accessed at:

HOME Per-Unit Subsidy Limits - HUD Exchange

Exhibit C - HOME Income Limits

City of Arlington 2024 HOME Income Limits Effective June 1, 2024								
%AMI	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
30%								
AMI	\$21,400	\$24,450	\$27,500	\$30,550	\$33,000	\$35,450	\$37,900	\$40,350
50%								
AMI	\$35,700	\$40,800	\$45,900	\$50,950	\$55,050	\$59,150	\$63,200	\$67,300
60%								
AMI	\$42,840	\$48,960	\$55,080	\$61,140	\$66,060	\$70,980	\$75,840	\$80,760
80%								
AMI	\$57,050	\$65,200	\$73,350	\$81,500	\$88,050	\$94,550	\$101,100	\$107,600

HOME Income Limits are subject to change and will be verified prior to entering a contract with an applicant. The Limits can be accessed at:

HOME Income Limits - HUD Exchange