City of Richmond
FY 2021 Federal Funds &
Current Funding for Affordable Housing Trust Fund
Request for Funding Application Guidelines

I. Purpose

The purpose of the Request for Funding (RFF) Combined Application is to solicit applications from various organizations to address unmet critical needs in both human services, economic, housing and community development. Funding to support eligible programs available through the City’s Affordable Housing Trust Fund (AHTF) and the following federal funds – Community Development Block Grant (CDBG), Home Investment Partnership (HOME), Emergency Solutions Grant (ESG) and Housing Opportunity for Persons with AIDS/HIV (HOPWA).

For Federal Funds the amount of each grant is determined by the total dollars appropriated by Congress for the fiscal year and a formula set by legislation. These funds are allocated annually on a competitive basis to the following types of organizations: non-profit organizations, Community Housing Development Organizations (CHDOs), for-profit developers, government agencies and authorities, economic development, housing or human service agencies and/or organizations with federal tax-exempt status, for activities that benefit low- and moderate-income areas or low and moderate-income persons.

The goals of the Affordable Housing Trust Fund are to create and preserve housing units with long-term affordability, and to support housing services to Richmond’s low-income households. The AHTF achieves these goals by providing financing for projects and programs that will address the City’s affordable housing needs.

The City’s FY19 budget allocated $1,000,000 to find activities through the Affordable Housing Trust Fund, and there is an additional $200,000 available from previously unallocated funds. 70% of the AHTF is available for affordable rental and homeownership development and preservation, and 30% of the Trust Fund may be used to provide grants for to reduce homelessness and other housing services for low-income Richmonders.

II. City Strategic Priorities

The City of Richmond has developed the Mayor’s Priorities as the tool to improve the key processes for planning, budgeting, and performance management. The Mayor’s Priorities is an approach to strategic management that links the City’s mission and vision to the development of strategies intended to achieve specific performance objectives. (see Attachment C):
1. Adult & Youth Education
2. Economic Empowerment
3. Vibrant, Inclusive & Mobile Communities
4. Public Safety, Health, & Wellness
5. Efficient & High Quality Service Delivery

A. Consolidated Plan (see Attachment C-1)

The Consolidated Plan is a document which assesses needs, sets goals and objectives, and allocates funds from Federal sources for housing and community development purposes over a three or five year planning period. All recipients of HUD funds are required to submit a Consolidated Plan and an Annual Action Plan. To read City of Richmond’s Five Year Consolidated Plan, please visit the following link:


B. Neighborhood Revitalization Strategy

The Richmond City Council and the City Administration have approved a Neighborhood Revitalization Strategy for the targeting of Federal HUD funds in tandem with the City’s Affordable Housing Trust Fund (AHTF), Capital Improvement Program (CIP), and General Fund Budget. The award-winning, nationally renowned Neighborhoods in Bloom (NIB) program is designed to strengthen communities, increase homeownership, promote attractive affordable housing, and reduce blight. Beginning in 2019, the Department of Housing and Community Development will adopt a revised set of NIB areas:

- Carver
- North Highland Park
- Swansboro West
- Blackwell
- Oak Grove
- Bellemeade
- Church Hill

The NIB program does the following:

- Prioritizes strategies that ensure long-term affordability
- Creates affordable multifamily developments
- Buy vacant or blighted properties, working with area non-profit development groups to rehabilitate structures or build new construction on vacant lots, and sell them to qualifying homeowners
- Educates and counsels potential homebuyers
- Provides down-payment assistance
- Assists with owner-occupant repair needs

The City is particularly interested in applications from organizations for housing rehabilitation and related activities. Also, the City encourages applications that wi
implement other targeted strategies for housing and comprehensive neighborhood revitalization, including strategies to address vacant and/or abandoned housing, and strategies for job creation and business development; particularly those that focus on improvements to the City’s commercial corridors.

C. Affordable Housing Trust Fund – Development Activities (see Attachment B-3 for priorities)

D. Affordable Housing Trust Fund – Housing Services (see Attachment B-4 for priorities)

E. Organizational Threshold Criteria (see Attachment D)
   The Organizational Threshold Criteria are the minimum standards an applicant must meet.
III. Description of Federal Funds and Requirements

All organizations applying for federal funds are required to have a DUNS number. To obtain a DUNS number you may go to Dunn and Bradstreet website or by calling the DUNS number request line at (866) 705-5711. www.grants.gov/applicants/request_duns_number.jsp. The website indicates a 24-hour e-mail turnaround time on requests for DUNS numbers; however, registering at least 30 days in advance of the application due date is suggested. Expedited DUNS numbers may be obtained by following instructions found here: http://mycredit.dnb.com/get-a-duns-number/. Organizations receiving federal funds must also provide evidence of registration with the System for Award Management (SAM). Organizations can register with the SAM at www.sam.gov. SAM registration is only valid for one year and must be updated and renewed annually.

Crime Prevention – All agencies that receive federal funding from the City, (even those not specifically targeted at crime reduction), must contribute to crime prevention. The policies and programs of the agency must specifically include mechanisms to help reduce crime in the City. These should be reflected in the objectives and accomplishments for each project item plan.

Community Development Block Grant – is a flexible program that provides communities with resources to address a wide range of unique community development needs.

HOME Investment Partnerships Program – grants provided to fund a wide range of activities including building, buying, and/or rehabilitating affordable housing for rent or homeownership or providing direct rental assistance to low-income people. HOME is the largest Federal block grant to state and local governments designed exclusively to create affordable housing for low-income households.

ESG – to fund projects that serve homeless individuals and families with supportive services, emergency shelter/transitional housing, assisting persons at risk of becoming homeless with homelessness prevention assistance, and providing permanent housing to the homeless population. The Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act of 2009 places new emphasis on assisting people to quickly regain stability in permanent housing after experiencing a housing crisis and/or homelessness.

HOPWA – the only Federal program dedicated to the housing needs of people living with HIV/AIDS. HOPWA makes grants for projects that benefit low-income persons living with HIV/AIDS and their families.

Each of these programs has specific regulations, which the City must follow in the expenditure of the funds. The basic overall objective of the Federal funds is to benefit low- and moderate-income persons, which are those households with an income of 80% or less of the area median income.

Section 3 of the HUD Act of 1968 – Congress established the Section 3 policy to guarantee that the employment and other economic opportunities created by Federal financial assistance for housing and community development programs should, if possible, be directed toward low- and very-low income persons, particularly those who are recipients of government assistance for housing.
Section 3 Resident

- Public housing residents
- Low and very-low income persons who live in the metropolitan area or non-metropolitan county where a HUD-assisted project for housing or community development is located
- Low income is defined as 80% or below the median income of that area
- Very low income is defined as 50% or below the median income of that area

Section 3 Business

- At least 51% or more owned by Section 3 residents
- Permanent, full-time employees include persons, at least 30 percent of whom are currently section 3 residents, or within three years of the date of first employment with the business concern were Section 3 residents
- More than 25 percent of their work is sub-contracted to businesses that meet either of the first two conditions

Affirmatively Furthering Fair Housing (AFFH) – Requires communities to address historic patterns of segregation, promote fair housing choice and foster inclusive communities that are free of discrimination. All housing providers must comply with AFFH for more information see https://www.hudexchange.info/programs/affh/

IV. Planning and Submission

A. Distribution – Application documents can be downloaded from the City’s website at http://www.richmond.gov.com on Tuesday, November 5, 2019. If you have problems accessing the application, please contact Daniel Mouer at Daniel.Mouer@richmondgov.com or call 646-7025. Paper copies of the application documents can be obtained by calling 646-1766, visiting Main Street Station located at 1500 E. Main Street Suite 400, City Hall located at 900 E. Broad Street 1st Floor or the Richmond City Main Library located at 101 E. Franklin Street.

B. Staff Consultation - Staff members are available to discuss applications, the application process, and other issues over the phone or in person. Projects must be linked to comparable services throughout the City and related services in the same service area. Listed below are staff members and their areas of expertise:

<table>
<thead>
<tr>
<th>Program</th>
<th>Contact Person</th>
<th>Phone Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Affordable Housing Trust Fund</td>
<td>Nacole Mason</td>
<td>646-1514</td>
</tr>
<tr>
<td>CDBG Program</td>
<td>Daniel Mouer</td>
<td>646-7025</td>
</tr>
<tr>
<td>Economic Development Projects</td>
<td>Rick Winston</td>
<td>646-5036</td>
</tr>
<tr>
<td>Housing Projects/ HOME Program</td>
<td>Daniel Mouer</td>
<td>646-7025</td>
</tr>
<tr>
<td>ESG Program</td>
<td>Patrick Odehnal</td>
<td>646-6711</td>
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<tr>
<td>HOPWA Program</td>
<td>Patrick Odehnal</td>
<td>646-6711</td>
</tr>
<tr>
<td>Neighborhoods in Bloom Program</td>
<td>Mary Blow</td>
<td>646-7426</td>
</tr>
<tr>
<td>Language Assistance Information</td>
<td>Office of Multicultural Affairs</td>
<td>646-0145</td>
</tr>
<tr>
<td></td>
<td>Wilken Fernandez</td>
<td>646-0361</td>
</tr>
</tbody>
</table>
C. Deadline for Submission – Request for Funding Applications (RFF) for Federal Funds and the Affordable Housing Trust Fund must be submitted no later than 4:00 p.m. on Thursday, December 19, 2019. Applications for Federal Funds and the Affordable Housing Trust Fund must be delivered to Main Street Station, 1500 E. Main Street, Suite 400, Richmond, VA, 23219.

Applicants must submit three (3) copies of the Request for Funding application forms punched with three holes and 2 USB Flash Drives of the Request for Funding application and all attachments and supporting documentation. RFF’s received after the deadline will not be considered.

D. Informational workshops – There will be two informational workshop for Federal Funds (Community Development Block Grant, Home Investment Partnership Program, Emergency Solutions, and Housing Opportunities for Persons with AIDS) and Affordable Housing Trust Fund (AHTF) on November 14, 2019 from 10 am – 11:30 am in the Auditorium of the Franklin Street Library, 101 E. Franklin Street. There will be a second session on November 14, 2019 from 6 pm – 7 pm at the Police Academy, 1202 W. Graham Road.

The goal of the workshops is to discuss the City’s priorities for these Federal funds and the Affordable Housing Trust Fund in relation to the application process. The information in this meeting will be made accessible to Limited English Population (LEP) with prior request of an interpreter as advertised on the notice of the event.

E. Request for Funding Application Instructions – In an effort to simplify the preparation and review of RFFs, there is one application format for all proposals. One RFF Packet must be submitted for each project for which an applicant proposes to receive funding. A separate application must be submitted for each funding source. Please read the following section before submitting a request for funding packet.

   a. Checklist - The Request for Funding Application Checklist should be used to ensure that a completed application has been submitted.

   b. Budget Summary - Budget Summary sheets must be prepared for all RFFs. The first sheet requires that the project budget be provided for two years and be organized by activity categories (consult Staff to ensure proper classification). Attachment F, for Federal Funds only, contains a detailed summary of the eligible activities. See Attachment G, for Federal Funds overall budget definitions.

   c. Attachments – A list of all attachments must be provided and the attachment should be kept to a minimum. All necessary information should be placed on the RFF forms. Other documents cannot replace the RFF. All attachments should be provided on 2 USB Flash Drives labeled with the Organization’s name.
F. Evaluation and Criteria (Attachment A)

Staff Evaluation - Each RFF proposal for Federal Funds will be evaluated by staff. The evaluation consists of a four-part, 130-point evaluation form. The evaluation form (see Attachment A) measures RFF against the Community Impact (10 points), Organizational Threshold Criteria & Capacity (50 points), Objectives and Linkages (40 points), Consistency with the Mayor’s Priorities and Consolidated Plan (30 points), Crime Prevention (3 bonus points), Neighborhood/Partnership Support (4 bonus points), Sustainable/Green Design (3 bonus points) and Access and Services to Multicultural Communities (5 bonus points).

RFF proposals for Affordable Housing Trust Fund projects will be evaluated using Attachments B-1, B-2, B-3, and B-4. Awards for Affordable Housing Trust Fund projects will be made.

Consolidated Plan - The intent of the Consolidated Plan, as required by HUD and in keeping with the City’s Strategic Plan, is to set the priorities for addressing critical needs in the City and to allocate Federal funds to productive organizations that can implement those priorities.

City Strategic Priorities - In addition, each proposal for funds will be evaluated by City staff in terms of its compatibility with the Mayor’s Priorities (see Attachment C) and Housing & Community Development Priorities (see attachment C-1).

Organizational Threshold Criteria - The Organizational Threshold Criteria are the minimum standards that an applicant must meet. The criteria are listed in Attachment D.

V. Post Approval

Workshop for Federal Funds – November 19, 2020, the Housing and Community Development staff will conduct workshops for all approved sub-recipients to review Federal regulations and to prepare work plans and contracts for the 2020-2021 fiscal year which begins July 1, 2020. All approved sub-recipients will be notified of this meeting and accommodations for language accessibility will be made upon request.

Affordable Housing Trust Fund – Pending AHTF Board approval, award letters will be distributed January 2020 and June 2020 based on funding availability. Funds will be available early 2020, dependent on loan agreements and project schedules.
Attachment A
CDBG, HOME, ESG, and HOPWA Request for Funding
Application Evaluation Form

Name of Project: ____________________________________________________________

Name of Organization: ______________________________________________________

Description of Project: ______________________________________________________

Reviewer Name and Phone: _________________________________________________

NOTE: A possible 150 points are available; however, a minimum of 100 points are necessary to be recommended for funding.

I. COMMUNITY IMPACT (Total 30 Points)
   a. Will the project have a substantial and positive impact on the neighborhood or population being served?
      10 points ______
   
   b. Proposed project is located in a Neighborhoods in Bloom Area.
      20 points ______

SECTION TOTAL: ______

II. ORGANIZATIONAL THRESHOLD CRITERIA & CAPACITY (Total 50 Points)
   a) The proposal meets the organizational requirements (3 points are deducted each for failing to meet any of the Organizational Threshold Criteria see Attachment D)
      15 points ______
   
   b) Through past performance, the applicant has demonstrated the capacity to complete the proposal.
      10 points ______
   
   c) The application documents leveraged or committed funds of 3 other dollars for each CDBG/HOME dollar (3-to-1 ratio) invested in the proposed project.
      10 points ______
   
   d) The proposal is financially feasible for the funds requested and other funds committed to it.
      15 points ______

SECTION TOTAL: ______
III. OBJECTIVES AND LINKAGES (Total 40 Points)

a) The proposal has realistic objectives and timelines, and site control if applicable.

20 points ______

b) The project links services and resources with similar projects to achieve its goals or links different, but related, services in the same service area (Documentation of linkage must be provided.)

5 points ______

c) The proposal is cost effective and includes defined performance measures and metrics.

15 points ______

SECTION TOTAL: ______

IV. CONSISTENT WITH MAYOR’S PRIORITIES & CONSOLIDATED PLAN
(Total 30 Points)

a. Consistency with the Overall Consolidated Plan Priorities - The proposal is consistent with the Major Objectives and Priority Needs of the Consolidated Plan (see Attachment C)

20 points ______

b. Consistency with Mayor’s Priorities – The project exhibits strategic community planning that is consistent with the City’s Focus Areas and is consistent with the City and Federal Funds strategic priorities

10 points ______

SECTION TOTAL: ______

V. BONUS POINTS (Total 15 Points)

a. The project incorporates crime reduction initiatives into its activities which result in:
   ▪ Affected parties taking ownership of crime issues in their area.
   ▪ Affected parties taking responsibility for doing their part in resolving crime issues.
   ▪ Activities above and beyond the normal objectives of your program(s).
   ▪ Partnerships and formal written agreements being established to combat crime.

   Up to 3 points ______
b. The project demonstrates neighborhood/partnership support

Up to 4 points ______

c. The project has incorporated sustainable/green design elements into its program design.

Up to 3 points ______

d. The project incorporates improved access and availability of services to multicultural communities especially but not limited to those with Limited English Proficiency.

Up to 5 points ______

BONUS POINTS ________

Written Evaluation - Explanation of bonus points received.

OVERALL TOTAL POINTS:__________
Attachment B-1
AHTF Development Request for Funding
Application Evaluation Form

Name of Project: ____________________________

Name of Organization: ______________________

Description of Project: ______________________

Reviewer Name and Phone: ____________________

NOTE: A possible 150 points are available; however, a minimum of 80 points are necessary to be recommended for funding.

I. COMMUNITY IMPACT (Total 10 Points)
   a. Will the project have a substantial and positive impact on the neighborhood or population being served?

      10 points ______

II. ORGANIZATIONAL THRESHOLD CRITERIA & CAPACITY (Total 50 Points)
   a) The proposal meets the organizational requirements (3 points are deducted each for failing to meet any of the Organizational Threshold Criteria see Attachment D)

      15 points ______
   b) Through past performance, the applicant has demonstrated the capacity to complete the proposal.

      10 points ______
   c) The application documents leveraged or committed funds of 3 other dollars for each AHTF dollar (3-to-1 ratio) invested in the proposed project. If proposal is a LIHTC development, credits have been awarded.

      15 points ______
   d) The proposal is financially feasible for the funds requested and other funds committed to it.

      10 points ______

SECTION TOTAL: ______
III. OBJECTIVES AND LINKAGES (Total 50 Points)

a. The proposal has realistic objectives and timelines, and site control.

15 points ______

b. The project will create high quality, affordable housing units with long-term affordability.

20 points ______

c. The proposal is cost effective and includes defined performance measures and metrics.

15 points ______

SECTION TOTAL: ________

IV. LOCATION (Up to 40 Points)

a. Proposed development is located in a Qualified Census Tract.

10 points ______

b. Proposed development is located in a Redevelopment or Conservation Area.

15 points ______

c. Proposed development is located in a High Opportunity Census Tract.

Less than 20% Poverty – 12 Points;  
Less than 14% Poverty – 18 Points;  
Less than 5% Poverty – 25 Points.

points ________

SECTION TOTAL: ________

V. BONUS POINTS (Total 15 Points)

a. The project incorporates crime reduction initiatives into its activities which result in:

- Affected parties taking ownership of crime issues in their area.
- Affected parties taking responsibility for doing their part in resolving crime issues.
- Activities above and beyond the normal objectives of your program(s).
- Partnerships and formal written agreements being established to combat crime.
b. The project demonstrates neighborhood/partnership support
   Up to 4 points _____

c. The project has incorporated sustainable/green design elements into its program design.
   Up to 3 points _____

d. The project incorporates improved access and availability of services to multicultural communities especially but not limited to those with Limited English Proficiency.
   Up to 5 points _____

Written Evaluation - Explanation of bonus points received.

BONUS POINTS: _____

OVERALL TOTAL POINTS: ______________
Attachment B-2
AHTF Housing Services Request for Funding
Application Evaluation Form

Name of Project:_________________________________________________________

Name of Organization:___________________________________________________

Description of Project:__________________________________________________

Reviewer Name and Phone: _____________________________________________

NOTE: A possible 120 points are available; however, a minimum of 65 points are necessary to be recommended for funding.

VI. COMMUNITY IMPACT (Total 10 Points)
   a. Will the project have a substantial and positive impact on the neighborhood or population being served?

       10 points ______

   b. Proposed project is serves a Special Needs Population with incomes at or below 30% of the Area Median Income.

       20 points ______

VII. ORGANIZATIONAL THRESHOLD CRITERIA & CAPACITY (Total 50 Points)
   c) The proposal meets the organizational requirements (3 points are deducted each for failing to meet any of the Organizational Threshold Criteria see Attachment D)

       15 points ______

   f) Through past performance, the applicant has demonstrated the capacity to complete the proposal.

       10 points ______

   g) The application documents leveraged or committed funds of 3 other dollars for each CDBG/HOME dollar (3-to-1 ratio) invested in the proposed project.

       10 points ______

   h) The proposal is financially feasible for the funds requested and other funds committed to it.

       15 points ______

SECTION TOTAL: ______
VIII. OBJECTIVES AND LINKAGES (Total 40 Points)

d) The proposal has realistic objectives and timelines.  

10 points

e) The project links services and resources with similar projects to achieve its goals or links different, but related, services in the same service area, including referral service entities. (Documentation of linkage must be provided.)

15 points

f) The proposal is cost effective and includes defined performance measures, metrics, and best practices for client information management.

15 points

SECTION TOTAL: ______

IX. BONUS POINTS (Total 15 Points)

a. The project incorporates crime reduction initiatives into its activities which result in:
   ▪ Affected parties taking ownership of crime issues in their area.
   ▪ Affected parties taking responsibility for doing their part in resolving crime issues.
   ▪ Activities above and beyond the normal objectives of your program(s).
   ▪ Partnerships and formal written agreements being established to combat crime.

Up to 3 points

b. The project demonstrates neighborhood/partnership support.

Up to 4 points

c. The applicant utilizes the Homeless Management Information System.

Up to 3 points

d. The project incorporates improved access and availability of services to multicultural communities especially but not limited to those with Limited English Proficiency.

Up to 5 points

Written Evaluation - Explanation of bonus points received.

BONUS POINTS: ______

OVERALL TOTAL POINTS: __________
Attachment B-3
Affordable Housing Trust Fund
Development Priorities

1. **Long-term Affordability** – The Affordable Housing Trust Fund prioritizes projects that will create and maintain long-term affordability through both rental and owner-occupancy.

2. **Location** – Projects located in areas of opportunity have a low poverty rate will give low income residents access to jobs and educational opportunities in neighborhoods they may not otherwise be able to afford. Additionally, projects located in revitalization or conservation areas will support ongoing public investment.

3. **Shovel Ready** – Projects that have completed pre-development work and are ready to begin vertical construction within 6-12 months will be prioritized.

4. **Organizational Capacity** – Applicant has a strong track record of successful, comparable, projects, completed on time and on budget.

5. **Project Financing** – The AHTF is meant to provide gap financing for projects, it is not a primary source for construction or permanent financing. Projects are expected to have the majority of financing in place in order to be considered competitive for AHTF awards. Projects that have already received LIHTC awards will be prioritized.
   
   a. Projects anticipating/awaiting LIHTC awards may be considered for potential second round of funding.
   
   b. The potential second round of funding and all future funding request may include a low interest loan component.
Attachment B-4
Affordable Housing Trust Fund
Housing Services Priorities

1. **Special Needs Population** – The extent to which the project serves households with special needs, including persons who are elderly, disabled, homeless, or victims of domestic violence.

2. **Project Linkages** – The extent to which the project will link services and resources with similar projects and services, including referral service entities.

3. **Performance Measures** – Project incorporates defined performance measures and metrics, utilizing industry best practices.

4. **Organizational Capacity** – The experience of the entity making the proposal. Experience determined through consideration of the applicant’s past history in completing activities of a similar scale and nature.

5. **Match Funding** – The degree to which AHTF resources are used to leverage additional funding. Applicants are encouraged to leverage AHTF resources to the maximum extent possible with funds from other sources.
Attachment C
City of Richmond Mayor’s Priorities

1. **Adult & Youth Education** – Comprehensively promote improved educational outcomes, skill development and demand-driven workforce readiness while pursuing strategic partnerships.

   Aligns with Council Focus Area(s): Strong Futures for Children, Adults, and Families.

2. **Economic Empowerment** – Attract new businesses to the city, retain and expand existing enterprises, and create new businesses by local entrepreneurs, to include minority, small and emerging businesses.
Create and retain jobs.

   Aligns with Council Focus Area(s): 21st Century Richmond: Planned Growth, Economic Progress and Affordable Housing and Strong Futures for Children, Adults and Families.

3. **Vibrant, Inclusive & Mobile Communities** – Promote neighborhood improvement, affordable housing, access to amenities as well as a safe, equitable, efficient and sustainable citywide transportation network while ensuring that all in Richmond’s diverse communities experiences a high quality of life.

   Aligns with Council Focus Area(s): 21st Century Richmond: Planned Growth, Economic Progress, Affordable Housing and Responsive, Accountable and Innovative Government.

4. **Public Safety, Health & Wellness** – Address all issues related to public safety opportunities and challenges, including the implementation of community-oriented governance that addresses all aspects of public preparedness and operations, while providing the infrastructure and services that will ensure that all Richmonders have the opportunity to experience an exceptional quality of life.

   Aligns with Council Focus Area(s): Safe Neighborhoods

5. **Efficient & High Quality Service Delivery** – Promote a well-managed government that delivers high-quality services (both internal and external) to all, thereby inspiring confidence and preserving the public trust.

   Aligns with Council Focus Area(s): Responsive, Accountable and Innovative Government and Strategic Infrastructure Investment
Attachment C-1
Consolidated Plan Priorities

Major Objectives

1. **Create Decent and Affordable Housing** – This broad goal promotes the rehabilitation and retention of the existing affordable housing stock where possible; increases the availability of permanent housing, including homeownership and rental units, that is affordable to all residents without discrimination on the basis of race, color, religion, sex, national origin, language spoken, familial status or handicap; increases the supply of supportive housing which includes structural features and services to enable persons with special needs to live with dignity; and assists the homeless and other persons with special needs to obtain needed services, including appropriate housing as necessary.

2. **Create Suitable Living Environments** – The concept of a suitable living environment includes improving safety and livability of neighborhoods; increasing access to quality facilities and services; reducing isolation of income groups within an area through deconcentration of housing opportunities and revitalization of deteriorating neighborhoods; restoring and preserving properties of special value for historic, architectural or aesthetic reasons; and conserving energy resources.

3. **Create Economic Opportunities** – This includes job creation and retention; establishment, stabilization, and expansion of small businesses (including micro-businesses); provision of jobs for low-income persons; making mortgage financing available for low-income persons at reasonable rates; providing access to credit for development activities that promote long-term economic and social viability of the community; and reducing generational poverty in federally assisted and public housing by empowering low income persons to achieve self-sufficiency.

Priority Needs (Priority needs are not in any particular priority order.)

1. **Increasing the supply of affordable rental housing** – Efforts are directed toward providing housing for low- and moderate-income households, particularly those that are cost burdened, throughout the city. This includes supporting rental housing activities by nonprofits and for-profit developers that contribute to sustainable, mixed-income neighborhoods. Increases may occur through the modernization and reconfiguration of existing housing stock or the construction of new units.

2. **Ending homelessness** – The City will continue to be an active partner in the Continuum of Care process. Funds will be allocated in support of City and CoC goals. Work will continue on the housing barrier assessment for homeless families and on the creation of an effective child services work group. Longer term, the coordination between homeless services providers and child welfare agencies will be strengthened.

3. **Reducing poverty and enhancing economic opportunity** – Undertake a comprehensive approach to improve economic conditions for Richmond households and to de-concentrate poverty in Richmond neighborhoods. The Mayor’s Anti-Poverty Commission has issued its report which describes several strategies that can provide positive, meaningful changes.
4. Creating sustainable neighborhoods – Specific features include quality housing options for families of various incomes, multimodal transportation and complete streets; community-based services for vulnerable populations; access to retail goods and professional services; an environment that promotes healthy living; high quality public schools and lifelong learning; and community safety and well-being. Promoting affordable housing opportunities in all sectors of the city is supportive of this need as well.

5. Addressing housing needs of Special Needs populations – Richmond will support the development of new affordable, accessible housing and the adaptation of existing homes for persons with special needs including the elderly, those who have disabilities, and those with AIDS.

6. Improving health outcomes in the City – Following specific recommendations of the Mayor’s Blue Ribbon Commission on Health Policy, the City plan speaks to the need to develop public policy to mitigate against social factors that give rise to poor health outcomes.

7. Managing grant funds efficiently and effectively – The City is committed to being a well-managed government and an efficient and effective steward of its federal funds. With recognition of decreasing revenues in today’s economy, the City is very focused on the completion of projects in its pipeline and projects that will substantially contribute to program objectives for decent and affordable housing, creating suitable living environments, and creating economic opportunities.
Attachment D
Organizational Threshold Criteria

Three points will be deducted from any proposal if the applicant fails to meet any of the following criteria:

1. For housing non-profits, the applicant has submitted and met all requirements of CDCs set forth by the Department of Economic & Community Development (see attachment E).

2. If the agency is a non-profit it must have the appropriate non-profit certification already approved by the Federal government.

3. The project proposed by the applicant is consistent with the Consolidated Plan, City Strategic Plan, Mayor’s Priorities, and any neighborhood plans.

4. Project funds from other public and private sources are leveraged by the applicant at least at a one-to-one ratio to the funds being requested.

5. The applicant is in compliance with all federal, state, and local regulations, and has no outstanding violations, taxes, or penalties.

6. The applicant links its services with the related programs in the same service delivery area (particularly CDBG, HOME, ESG, and HOPWA sub recipients) or links its services delivery with comparable services provided by other agencies.

7. The applicant has a cap of 25% of the total project costs for CDBG and HOME, or 7% for HOPWA funds to cover general administrative costs.

8. The applicant has a well-developed organizational structure. If the applicant is a non-profit, it must have an adequate board to oversee the activities of staff and has a clear separation of board and staff responsibilities.

9. The applicant coordinates its projects with the appropriate NIB Partnership, civic groups, business organizations, and City departments.

10. The applicant is helping to meet the City’s objectives for the reduction of crime in the City of Richmond.
Attachment E
Requirements of Housing Community Development Corporations (CDCs)

All non-profit organizations receiving CDBG or HOME funds for housing development must provide the following documentation in the application for funding, meet the following minimum requirements, and meet the Organizational Threshold Criteria before the contracts and item plans can be approved.

Documentation - Each CDC must submit the following documentation

- State Corporation Certification
- List of Board of Directors and Executive Officers
- Articles of Incorporation
- By-Laws of the Organization
- Business Plan
- Organizational Procedures Manual
- Personnel Manual
- Federal Non-profit tax-exempt certification
- Latest IRS 990 Report
- Procedures Manual
- CBDO/CHDO Information, if applicable (See Board composition below)

Experience – CDCs must demonstrate community interest in general commitment by submitting to the City in written documentation recognizing the organization’s parent corporation’s commitment of service to the community. The service to the community must cover a minimum period of one year. It must be consistent with the neighborhood’s needs and priorities, City’s Consolidated Plan, and the Organization’s Articles of Incorporation.

Capacity – CDCs must have a minimum of one trained staff person to manage and direct and coordinate housing development activities. Staff resumes should indicate minimum of one year work experience and/or training in the housing development field. Examination of the CDCs Administrative Systems is required by the City. Financial and Personnel policies are reviewed on an annual basis. The City requires CDCs to submit financial audits in a timely manner. The organization cannot have unresolved performance or financial items with the City.

Board Composition – The board of directors for a CDC should consist of representation from the community where the housing is being developed and from various fields that are essential to sound housing development. It is important that neighborhood input and support are solicited at the beginning of the project. The City requires community involvement on the CDC board of directors. If the CDC intends to qualify as a Community-Based Development Organization (CBDO) and/or Community Housing Development Organization (CHDO), at least 51% of the Board must be residents of its area of operation and/or be representatives of institutions or organizations located in or serving the area of operation. There should be a clear separation of responsibility and authority between the board and staff. Paid staff may not serve as voting members of the board.
Attachment F

Eligible CDBG, HOME, ESG, and HOPWA Activities

Both in the application form and the Budget Summary, it is important that the sub-recipient break their proposal down into all of the activity categories that apply to a proposal. Some proposals may involve only one category, while others may involve several different ones.

EACH ACTIVITY CATEGORY MUST INCLUDE ALL STAFF TIME AND OTHER COSTS THAT ARE NECESSARY TO SUPPORT THAT ACTIVITY. As a result, it will become necessary to prorate certain costs among the different activity categories. Listed below are the funding sources and the categories that apply for each one.

CDBG Eligible Activities – Each activity must meet one of the following national objectives for the program: benefit low- and moderate-income persons, prevention or elimination of slums or blight, or address community development needs having particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community for which other funding is not available.

CDBG funds may be used for activities which include, but are not limited to:

- Acquisition of real property
- Relocation and Demolition
- Rehabilitation of residential and non-residential structures
- Construction of public facilities and improvements, such as water and sewer facilities, streets, neighborhood centers, and the conversion of school buildings for eligible purposes
- Public Services, within certain limits
- Activities relating to energy conservation and renewable energy resources
- Provision of assistance to profit-motivated businesses to carry out economic development and job creation/retention activities

HOME Eligible Activities – Participants may choose among a broad range of eligible activities:

- Provide home purchase or rehabilitation financing assistance to eligible homeowners and new homebuyers
- Build or rehabilitate housing for rent or ownership
- Other reasonable and necessary expenses related to the development of non-luxury housing
- Acquisition or improvement
- Demolition of dilapidated housing
- CHDO Administration, Loans, and Capacity Building
- HOME Program Administration – The program administration category is only for programs which pay for the overall administration of HOME funds. Generally, this category will only apply to the City of Richmond, RRHA, and other non-profit organizations for the general administration of funds. The administration costs of sub-recipients must be prorated over the costs of different project categories.
**ESG Eligible Activities** – ESG funds may be used for six program components:

- Street Outreach Component
- Emergency Shelter Component
- Homeless Prevention Component
- Rapid Re-Housing Component
- Homeless Management Information System (HMIS) Component
- Administrative Activities

**HOPWA Eligible Activities** – Funds may be used for a wide range of housing, social services, program planning, and development costs. These include, but are not limited to:

- Acquisition
- Rehabilitation
- New Construction of housing units
- Costs for facility operations
- Rental assistance
- Short-term payments to prevent homelessness
- Support Services
- Assessment and Case Management
- Substance Abuse Treatment
- Mental Health Treatment
- Nutritional Services
- Job training and placement assistance
- Assistance with daily living
- Administrative Expenses- Expenses of the grantee (City) of up to 30% of the total HOPWA grant, or administrative expenses of an individual subrecipient of up to 7% of the total HOPWA funds they receive.
Attachment G
Budget Category Definitions

In completing the Overall Project Budget it is necessary to look at the total costs of the overall project (as opposed to the specific activities within the project).

**Personnel Costs** – List the total costs of each staff person who will work on the project (salary and fringe), the percentage of time that they will be working on the overall project, and the sources and amount of funding to pay for the project.

**Supplies and Materials** – Supplies and materials for the project include the following categories

- Office Supplies - General office supplies such as paper, pens, pads, files etc.
- Operating Supplies - Postage, photo supplies
- Tools and Minor Equipment - Any tool or piece of equipment that costs less than $500.

**Overhead Costs** – These are costs involved in running of the operation

- Telecommunication - Costs for telephone, internet, facsimile, and other communications services.
- Postage - The cost of all mailings pertaining to a project.
- Transportation and Travel - The costs of maintaining an agency vehicle for the project or reimbursing staff for mileage.
- Insurance - The costs of general insurance coverage for the agency related to the project.
- Rent and Utilities - Rent and utilities for the office of the agency or for a space where the project is held.
- Car and Equipment Rentals - The costs of renting an automobile or equipment for completion of the project.
- Equipment Maintenance and Repair - The cost of maintenance and repair of equipment.
- Equipment Purchase
- Contractual Services - All services carried out by independent contractors such as service contracts for audits and training. This category does not apply to services that directly relate to Land, Buildings and Equipment.

**Land & Building**

- Land Acquisitions for Preparation - The costs of purchasing or receiving property for redevelopment. The costs of preparing a site of building for redevelopment including total or partial demolition, environmental abatement, and similar costs.
- Design and Inspection - Architectural and engineering services for the project and construction and other relevant inspections.
- New Construction/Improvements - Building a new structure, building public improvements or installing site improvements.
- Renovation/Rehabilitation - Any change to an existing building from repairs to total renovation

Note – All costs must relate to the activities undertaken by the applicant in direct proportion to the amount of HUD funds used.