



Requests for Proposals

Housing for Homeless Populations



2011 Program Guide

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Housing for Homeless Populations 2011 Request for Proposals

A. Overview

MaineHousing is pleased to offer this Request for Proposals (RFP) for the development of housing that is targeted to the needs of homeless households. For 2011, MaineHousing has made available up to \$3,000,000 for this RFP.

The source of funding for this RFP is Part E of the Maine Energy, Housing and Economic Recovery Fund established in Title 30-A, section 4863, which authorizes the issuance of revenue bonds by MaineHousing for the purposes of the Maine Energy, Housing and Economic Recovery Program (Part E).

Targets were established for the allocation of the Part E program funding. One target was for 10% of the funds to be applied to the construction or substantial rehabilitation of multi-family affordable rental housing units serving populations with special needs. For purposes of this RFP, MaineHousing has defined households that are homeless as meeting the definition of populations with special needs. Other program offerings may be available in 2011 to serve other special needs populations. The funding available for this RFP will be attributed to the 10% set-aside for serving populations with special needs.

This Program Guide outlines the process through which these funds will be distributed and the parameters of the activities that can be supported with this funding award.

MaineHousing has adopted a set of standards and requirements that are applicable to all special needs housing funded by MaineHousing. Those standards and requirements are contained in a handbook titled ***Addendum to the Supportive Housing Programs***. The addendum may be accessed on the MaineHousing website <http://www.mainehousing.org> or by contacting the MaineHousing Development Department at 626-4600 or 1-(800)452-4668 and TTY 1 – (800)452-4603.

B. Process

Site Review and Evaluation

A prospective project for which an applicant expects to submit an application must undergo a site review and evaluation by MaineHousing to be eligible to apply for funding under this RFP. The purpose of the evaluation is to determine the prospective project's suitability for housing, which determination shall be made solely by MaineHousing. MaineHousing will consider the physical site of the prospective project, the difficulty of developing the site, the building(s) to be constructed and/or the building(s) to be rehabilitated as part of the project, any demolition, remediation or site work to be performed in connection with the project, environmental review issues under HUD's environmental review rules (see Section N below), and the projected capital and operating

costs of developing and operating the project. MaineHousing will notify the applicant in writing if MaineHousing determines a prospective project is unsuitable. If a prospective project is deemed unsuitable based on the evaluation, the project is not eligible to apply for funding under this RFP. Information about prospective projects in form and substance required by MaineHousing must be submitted to MaineHousing at least 30 days prior to the deadline for applications in this RFP.

An applicant may appeal MaineHousing's determination that a prospective project is unsuitable to MaineHousing's Director within 20 days of the date of the notice from MaineHousing. The appeal must be in writing and identify the applicant and the project. The applicant may submit additional information not previously provided to MaineHousing with the appeal if the applicant believes the information is relevant to the suitability of the project. MaineHousing's Director will promptly respond with a written decision on the appeal. An applicant must use and complete this appeal process before pursuing other remedies. A decision by MaineHousing's Director pursuant to this appeal process constitutes final agency action with respect to the site review process described in this part.

Application Process

Applications for this RFP must be received by MaineHousing no later than **5:00 P.M. on September 30, 2011**. Applications will be date stamped to verify receipt by the application deadline. The application package is available on the MaineHousing website.

MaineHousing will employ the following process to determine which applications will be selected for funding:

- (1) MaineHousing staff will review each application to ensure that the application is complete, including the submission of required attachments. Incomplete applications will be returned to the applicant, and will not be processed further by MaineHousing. Complete applications will be submitted for scoring.
- (2) All complete applications will be scored by a scoring committee convened by MaineHousing. MaineHousing will invite representatives from the Regional Homeless Councils and/or the Statewide Homeless Council to serve on the Committee.
- (3) All applications will be ranked according to their score. Projects that score higher than 125 points will be selected for funding recommendations by their rank until the funds for this RFP are exhausted.
- (4) The recommendation to fund will be forwarded to the Director of MaineHousing. The recommendation to fund may be accepted, denied or modified. However, the Director will give serious weight to the Scoring Committee's recommendation.
- (5) The MaineHousing Director will issue a Notice to Proceed to the applicants that are selected. The Notice to Proceed will outline the development process, note any deadlines, and notify the developer as to which MaineHousing staff will be assigned to their project.

(6) The applicant will acknowledge receipt of the Notice to Proceed by sending to MaineHousing a written timeline for the completion of key development activities. The list of key development activities will be contained in the Notice to Proceed.

(7) The applicant will complete all development activities necessary to demonstrate that the proposed project is financially, legally, physically, and operationally viable and compliant with program requirements.

(8) Upon the demonstration of a viable project, MaineHousing staff will complete its due diligence process.

(9) Projects that are successful through the steps above will be presented to the MaineHousing Finance Committee. The Committee will forward funding recommendations to the MaineHousing Director.

(10) Projects that are approved for funding by the MaineHousing Director will be sent a written commitment letter that includes key terms and conditions associated with the MaineHousing subsidy funds.

(11) Upon receipt of the executed commitment letter, MaineHousing will issue a closing agenda. The closing agenda will list all items that will need to be satisfied for purposes of a closing on the subsidy funds.

(12) MaineHousing will conduct a closing at its office located at 353 Water Street in Augusta.

C. Applicant Eligibility

Eligible applicants must:

- Be a non-profit corporation having a determination, or an application for determination, of tax exemption under Section 501(c)(3) of the Internal Revenue Code and the implementing regulations; instrumentalities of municipalities will also be eligible;
- Be a non-profit corporation organized in the State of Maine under Title 13-B of the Maine Statutes or registered to do business in the State of Maine;
- Provide a corporate resolution demonstrating the authority to apply for and receive funding under this RFP;
- Be in compliance with federal and MaineHousing conflict of interest prohibitions, as further discussed in the *Addendum to the Supportive Housing Programs*; and
- Comply with all requirements for subsidy funding set forth in the *Addendum to the Supportive Housing Programs*.

No applicant will be accepted, processed, approved, or funded by MaineHousing if the applicant or any affiliate or principal of the applicant, or any entity controlled by the

applicant or affiliate or principal, (i) in the last six months has been declared in default or has been 60 days or more delinquent on any loan with MaineHousing unless an approved payment or workout plan is in place and in good standing or (ii) has ever been the owner of a MaineHousing financed project upon which MaineHousing has foreclosed a mortgage interest.

Developers and contractors must not be presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in federal and state housing programs and may not have had a professional license to provide the nature of the services they will provide for the project suspended or revoked.

D. Tenant Eligibility

Housing funded by this RFP must serve persons and/or families who meet the following Homeless Definition and Income Eligibility Definition.

(a) Homeless Definition

Homeless persons include:

- Persons who reside in places not meant for human habitation, such as cars, parks, sidewalks, abandoned buildings, or on the street
- Persons staying at an emergency shelter
- Persons who are in transitional housing for homeless persons and originally came from the streets or emergency shelters
- Persons residing in any of the above places but spending a short time (up to 30 consecutive days) in a hospital or other institution
- Persons who are being evicted within a week from a private dwelling unit, have no subsequent residence identified, and lack resources and support networks needed to obtain housing
- Persons who are being discharged within a week from an institution, such as a mental health or substance abuse treatment facility or a jail/prison, in which they have been a resident for more than 30 consecutive days; have no subsequent residence identified; and lack the resources and support networks needed to obtain housing; and
- Persons who are fleeing a domestic violence housing situation, have no subsequent residence identified, and lack the resources and support networks needed to obtain housing

(b) Income Eligibility Definition

All units funded under this RFP will be rented to tenants who earn annual incomes that do not exceed 50% of the area median income as defined by the federal Department of Housing and Urban Development. Projects that serve homeless victims of domestic violence may request a waiver of this requirement.

(c) Eligibility Restrictions

Eligibility restrictions will be set forth in a restrictive covenant agreement that will be recorded at the applicable registry of deeds and will remain in place for perpetuity. This deed covenant will run with the property and cannot be removed without the written consent of MaineHousing. The deed covenant will not be affected by either a transfer of the property or a repayment of the RFP subsidy funding or any forgiveness on the MaineHousing subsidy loan.

E. Project Eligibility

RFP funding may be used for either new construction or substantial rehabilitation of projects that will provide rental units that serve households who are homeless.

New construction

For projects that are being newly constructed, RFP funds may be used for the acquisition of a site and the costs of newly constructing a building(s) on that site. For a site to be eligible for this purpose, the site must be clear of any structures prior to the commencement of the new construction. The site can be cleared of structures via demolition. Demolition costs are an eligible use of RFP funds. MaineHousing will work with the applicant to determine whether any existing sub-grade infrastructure can be reused for the new building(s). Sites may be owned by the applicant prior to the submission of the application for this program.

Substantial Rehabilitation

For purposes of this RFP, substantial rehabilitation is defined as the acquisition and rehabilitation of an existing structure in which the cost of rehabilitation (as determined by MaineHousing) must average at least \$25,000 per unit. Projects that will entail substantial rehabilitation may be owned by the applicant prior to the submission of the application for this program.

Eligibility Requirements

Eligible project configurations are independent living units and non-independent living units. Independent living units provide separate sleeping and living space in addition to an area designed for food preparation and a private sanitation area. All other housing configurations are non-independent living units.

MaineHousing may limit the amount of space and/or funding that will be directed to nonresidential use. All non-residential space will need to be functionally related to and compatible with the residential component. Residential space that is for the exclusive use of staff is an eligible use of funding. Non-residential space that is exclusively or primarily for the benefit of staff and residents, i.e., conference rooms or counseling spaces, are also an eligible use of funding.

Projects designed as Single Room Occupancy units must be designed in such a manner so as to be easily convertible to one bedroom units should the need arise in the future.

Evidence of site control must be submitted with the application. If the applicant does not own the property, the site control must be for a sufficient period of time for the applicant to purchase the property. The applicant may purchase the property with non-MaineHousing resources. The applicant assumes all risk for purchasing properties prior to a MaineHousing loan closing. MaineHousing does not bear any obligation to issue a commitment of funding as a result of an applicant's election to purchase a property prior to a MaineHousing loan closing.

Evidence of site control may be in the form of either a contract; i.e. purchase and sale contract; or an option.

Beginning with the date of application and extending through the date of environmental clearance (see Section N) applicants are prohibited from taking Choice Limiting Actions (Section N). This period of time is defined as the Choice Limiting Action Prohibition Period. Applicants will need to ensure that during the Choice Limiting Action Prohibition Period, any changes to the applicant's site control do not constitute a Choice Limiting Action.

Eligible housing programs include: transitional housing, permanent housing, and safe haven housing.

Transitional housing is housing that:

- (a) is designed to provide housing and access to appropriate supportive services for persons in need of a supportive housing environment; and
- (b) has as its purpose facilitating the movement to permanent housing within a period not to exceed 24 months following initial occupancy. This time period must be set prior to occupancy with notification provided to residents at time of occupancy. Upper limits for occupancy may be set at less than 24 months with extensions as needed based upon individual capacity.

Permanent housing is housing that:

- (a) is designed to provide a permanent, independent housing option; and
- (b) is intended to integrate into the community of independent living persons with the ability to sustain permanent long-term residence.

Safe Haven housing is housing that:

- (a) Is designed to provide safe residence of varying lengths of stay for homeless persons including victims of domestic violence.

F. Ineligible Activities

MaineHousing RFP funds may not be used for the following activities:

- Rehabilitation-only unless the total cost of rehabilitation averages at least \$25,000 per unit
- Refinancing of existing debt
- Operational funding
- Service funding
- Projects that have a current, outstanding MaineHousing subsidy award

G. Funding

The MaineHousing performance grant funding is capped as follows:

\$150,000 per non-independent living unit

\$175,000 per independent living unit

For projects in which the total development cost of the units are in excess of these caps, applicants will be required to identify the source of funding that will support the excess cost. MaineHousing funding may not be used for this purpose. In addition to identifying the source of additional funding, the applicant will need to demonstrate either a commitment of the additional funding or eligibility to apply for the additional funding. This information will be required as part of the application for this RFP.

The amount of MaineHousing performance grant funding that can be used for compensation or reimbursement to the applicant (incurred costs, overhead, developer fee, etc.) shall be capped at a maximum of \$30,000 per project.

Funds disbursed under this program will be structured as non-interest bearing performance grants. The performance grants will be secured by a lien on the property. The MaineHousing liens will be in first lien position unless otherwise concurred to by MaineHousing in writing. MaineHousing will review requests for lien subordination on a case-by-case basis.

MaineHousing will not require repayment of the performance grant unless one of the following events occurs prior to the end of 30 years: (a) a sale, transfer, or assignment of the property; (b) the discontinuation of the intended public purpose; (c) a default under the MaineHousing grant documents.

MaineHousing will not establish any minimum collateral requirements for the performance grants, e.g. loan to value.

H. Performance Grant Security

MaineHousing performance grants will be secured by a mortgage on the land and improvements constituting the project, including an assignment of leases and rents, and a UCC security interest in all fixtures, personal property and deposit accounts of the project.

Performance grants will be non-recourse to the applicant.

For more details on security, please consult the *Addendum to the Supportive Housing Programs*.

I. Project Based HUD Section 8 Housing Choice Vouchers

MaineHousing has made available a limited number of HUD Section 8 Housing Choice Vouchers to designate as project-based rental assistance for units created under this program offering. To be eligible for project-based Section 8 rental assistance from MaineHousing, the following criteria must be met:

- Projects must create permanent housing. Emergency, temporary or transitional housing are not eligible for project-based rental assistance.
- If a proposed project falls within a municipality in which a local housing authority is located or within a municipality contiguous to a municipality in which a local housing authority is located, then a letter must be submitted to MaineHousing from the local housing authority operating in that location which states the local public housing authority cannot provide the vouchers and that the local housing authority will administer the vouchers in accordance with a contract with MaineHousing and the terms of the MaineHousing Administrative Plan.
- The project must meet HUD Housing Quality Standards.
- The units must be either independent units or non-independent living units that are Single Room Occupancy (SRO) units as defined by the federal Department of Housing and Urban Development (HUD) (24 CFR §982.4).
- Tenants must have a lease with a minimum term of one year.
- The rents that are charged must meet the MaineHousing rent reasonableness test.
- Tenants must meet HUD eligibility criteria.
- Tenants must be at least 18 years old or have been legally emancipated.
- HUD prohibits the use of project-based Section 8 Housing Choice Vouchers for the following activities: shared housing; medical, mental or similar public/private institutions; nursing homes or facilities providing continuous care; psychiatric,

medical or nursing facilities; board and care or Intermediate Care Facilities; manufactured housing; or coop housing.

For projects that have one to four units, MaineHousing may allocate project-based assistance for each unit in the project. For projects that have five or more units, MaineHousing may allocate assistance for as many as 25% of the units in the project. For projects that have five or more units and are exclusively rented to either elderly tenants or families in which a family member is disabled, MaineHousing may allocate assistance for greater than 25% of the units in the project.

MaineHousing will require that 75% of the units that receive project-based Section 8 vouchers be limited to households earning 30% or less of the area median income as determined by HUD.

Projects receiving project-based Section 8 Housing Choice Vouchers will require an environmental review. HUD has defined the period between the application submission date and the environmental clearance date as the Choice Limiting Action Prohibition Period. During this period, applicants must ensure that they do not perform any Choice Limiting Actions. For a description of Choice Limiting Actions, please see Section N.

J. Replacement Reserve

MaineHousing will require the establishment of a project-specific replacement reserve at the time of the closing of the MaineHousing financing. The reserve will need to be maintained for the entire period in which either the MaineHousing financing or covenant restrictions are outstanding.

The initial funding to the replacement reserve account is an amount equal to one percent of the cost of structures. For acquisition/substantial rehabilitation projects, the cost of structures is defined as the percentage of the acquisition attributable to the cost of the building plus the cost of the rehabilitation (including contractor's overhead, profit, general requirements, and contingency). The percentage of the acquisition attributable to the building can be determined either by an appraisal or by applying the ratio in the tax assessment between land and building to the overall acquisition cost. For new construction projects, the cost of structures is defined as the total construction contract, including all site development and demolition.

The applicant must establish and deposit the initial funding amount in the replacement reserve account at the loan closing. This initial funding of the account is a mortgageable cost. The applicant must establish the account at a financial institution approved by MaineHousing. The applicant and MaineHousing must be "either/or" signatories on the account, i.e. both the applicant and MaineHousing will be able to authorize transactions. The signatory card for the account must be delivered to MaineHousing at or prior to the loan closing. MaineHousing will review on-going funding requirements through an annual review process. MaineHousing reserves the right to require sole signatory control based on the annual reviews.

On the first day of each month after loan closing, the applicant must make monthly deposits to the replacement reserve account in an amount equal to 1/12th of one percent (1%) of the cost of structures. Each year thereafter; funding to the Replacement Reserve Account will increase by 2% of the previous year's funding, to account for inflation.

The lending institution that administers the Replacement Reserve will need to execute a Depository Account Control Agreement. Further details will be provided by MaineHousing concerning the process for complying with this requirement.

K. Tax and Insurance Requirements

MaineHousing will require the establishment and funding of a tax and insurance escrow. Properties will be underwritten reflecting full tax liability. The tax amount will be based on certification by the local municipal tax assessor of the after-rehabilitation valuation and mill rate, unless the project is able to secure tax relief from the community. This may be in the form of abatement or an agreement for a payment in lieu of taxes (PILOT). MaineHousing neither encourages nor discourages non-profit corporations from seeking exemptions from local taxes and will not take any position in negotiations between applicants and municipalities regarding property tax liability.

The applicants must provide evidence of acceptable property insurance prior to the closing of the MaineHousing financing. The MaineHousing insurance requirements are detailed in the Maine State Housing Authority Insurance Requirements for Multi-Family and Supportive Housing manual. This manual may be found on the MaineHousing web-site. The applicant may also access the Maine State Housing Authority Insurance Requirements for Multi-Family and Supportive Housing Compliance Checklist on the MaineHousing web-site. This checklist will be provided to the insurance agent by the applicant prior to the closing of the MaineHousing financing. The insurance agent will complete the checklist as part of the underwriting of the insurance policy.

The applicant must establish the tax and insurance escrow account at a financial institution acceptable to MaineHousing prior to the loan closing. The applicant and MaineHousing must be "either/or" signatories on the account; i.e., both the applicant and MaineHousing will be able to authorize transactions. The applicant must deliver the signatory card for the account and pre-fund the account in an amount determined by MaineHousing at the time of the loan closing. The pre-funding requirement for property taxes will be the amount which, when combined with the monthly funding to the tax and insurance escrow account, will pay the next scheduled tax bill or to make the PILOT payment as applicable. Projects that will receive an exemption must prepay an amount that will adequately cover the tax obligation from the time of the closing to the commencement of the tax exemption.

L. Displacement and Relocation

The applicant must make reasonable efforts to minimize the displacement of existing residents of the project. Where displacement will occur, the developer shall comply with MaineHousing's temporary relocation and permanent displacement policies. If federal funding will be utilized in the course of developing or operating the project, including

project-based Section 8 Housing Choice Vouchers, then the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, 42 USC § 4201 et seq. and 49 CFR Part 24 will supersede the MaineHousing policy.

A summary of the MaineHousing relocation and displacement policies is in the ***Addendum to the Supportive Housing Programs.***

M. Green Building Standards/Construction Standards

Projects financed under this RFP will need to comply with MaineHousing’s Green Building Standards, which are located on MaineHousing’s website <http://www.mainehousing.org>.

In addition, projects financed under this RFP will need to comply with MaineHousing’s Design and Construction Manual, which is also located on MaineHousing’s website at <http://www.mainehousing.org>.

N. Environmental Review

Projects receiving project-based rental assistance from MaineHousing (see Section I) must undergo an environmental review under HUD’s environmental review rules at 24 C.F.R. Part 58.

HUD’s environmental review rules prohibit an applicant applying for project-based rental assistance from MaineHousing from taking certain actions from the date MaineHousing receives the application until the completion of the environmental review process for the applicant’s project. Completion of the environmental review process means that MaineHousing has completed the required environmental review of the project and that HUD has approved the release of the project-based rental assistance funds for the project. From the application date until the completion of the environmental review process, the applicant and any other participant in the development process for the project **must not**:

- (i) commit or expend any funds for the project, whether those funds are federal, state, local, commercial, private, equity, grants, loans or any other source or type of funds, or enter into a binding contract or agreement (such as entering into a purchase and sale agreement or lease for the project site) that could be considered under HUD’s environmental review rules to limit the choice of reasonable alternatives to the project site, or
- (ii) take any physical action on the project site, such as demolition, excavation or earth removal, utility or infrastructure construction or installation, paving, grading, filling, clearing, dredging, draining, construction, alteration or repair, moving existing buildings or other structures, or other changes or improvements to the project site, or enter into a binding agreement to do any of the foregoing.

These prohibited actions are called “choice-limiting actions.” The list of choice-limiting actions above is not all-inclusive and the applicant is urged to consult MaineHousing prior to taking any action that could be a prohibited choice-limiting action. **Taking a prohibited**

choice-limiting action before completion of the environmental review process for a project will disqualify the project from receiving any project-based rental assistance from MaineHousing, which may make the project infeasible.

The environmental review of the project requires MaineHousing to review the effect of the project on resources protected by various federal laws, regulations and policies and to determine any necessary compliance actions under these laws, regulations and policies. In addition, MaineHousing must evaluate the project's effects on the character, features and resources of the project area and determine whether any compliance action or modifications are required to eliminate or minimize adverse environmental impacts.

Any required compliance action can add significant additional costs and time to a project, if compliance is possible at all. Sometimes, there are features of a project that make compliance either impossible or extremely costly and time-consuming at best. For that reason, we want applicants to be aware of the following categories of environmental review that often result in compliance issues. Because of costly and time-consuming compliance issues that may arise, if compliance is even possible, applicants should avoid project sites within any of the categories outlined below.

Please note that the categories of environmental review outlined below are not the only categories that can give rise to compliance issues. Depending on the unique features of a project site, compliance issues may also arise under other categories of environmental review. Projects that cannot satisfy compliance requirements due to costs, limitations of the project site, legal prohibitions, or other reasons will not receive any funding, including project-based rental assistance, from MaineHousing under this RFP.

Location in a Floodplain. If a project is located in a 100-year floodplain, as designated on FEMA's flood insurance rate map for that location, or sufficiently close to the floodplain to cause a floodplain impact, HUD's environmental review rules require that the project go through an 8-step decision-making process that includes identifying and discussing alternatives to locating the project in the floodplain, identifying impacts to the floodplain, and taking steps to mitigate impacts to the floodplain. The 8-step decision-making process is a process intended to involve the public and therefore requires publishing notices concerning the proposed location of the project in the floodplain and the intended action after the information noted in the previous sentence is considered. Flood insurance for a project located in a floodplain is required by MaineHousing. **The National Association of Insurance Commissioners is advising consumers that the National Flood Insurance Program (NFIP) has ceased issuing new policies or renewing policies to cover flood damage, following the expiration of the NFIP's federal authorization on March 28, 2010 and that Congress would act no sooner on this legislation until it returns to session.**

Location in a Wetland. If a project is located in a wetland, or sufficiently close to a wetland to cause a wetland impact, HUD's environmental review rules require that the project go through the 8-step decision-making process described above.

Location in an Airport Runway Protection Zone. HUD's environmental review rules do not allow HUD financial assistance, including project-based rental assistance, to be provided to projects involving new construction or major rehabilitation that are located within certain

distances of the ends of runways at commercial airports or military airfields due to the incidence of aircraft accidents in those locations. These areas are known as runway protection zones. In Maine, the relevant airports are Augusta State Airport, Bangor International Airport, Hancock County/Bar Harbor Airport, Knox County Regional Airport (Rockland), Northern Maine Regional Airport (Presque Isle), and Portland International Jetport. Each of these airports has an airport layout plan with defined runway protection zones. The maximum area for runway protection zones for commercial airports is 2,500 feet long (measured from the ends of the runways) by 1,750 feet wide (measured from the centerline of the runways). For Bangor International Airport, whose runways are used both for commercial and military purposes, the maximum area of the runway protection zones may extend up to 15,000 feet long by 3,000 feet wide.

Location near Thermal or Explosive Hazards. HUD's environmental review rules require that projects be located within an acceptable separation distance of tanks over 100 gallons in size containing flammable or explosive substances that are on the project site or within sight distance of the perimeter boundaries of the project site. Acceptable separation distance is determined based on the size of the hazardous tank and takes into account both buildings and unprotected outdoor areas such as parking lots, patios/decks/balconies, walkways, recreation areas, etc. where people might be present. If the tank is not located within an acceptable separation distance, HUD's environmental review rules require the hazard to be mitigated. Mitigation measures can include any one or more of the following approaches, which need to be approved by MaineHousing prior to being implemented: relocating the tank so that it is an acceptable separation distance from the project building(s) and unprotected outdoor areas; burying the tank; constructing a blast barrier; and converting to another source of fuel.

O. Housing Registry

Applicants will be required to provide all information required by MaineHousing and SocialServe to list their properties on MaineHousing's Housing Registry Website, www.mainehousingsearch.org.

P. Homeless Management Information System (HMIS)

Developers will be required to enter all program specific and client data into the Homeless Management Information System (HMIS). All clients and impacted family members must be entered into HMIS with name, date of birth, social security #, and the complete HUD/Maine Universal Data elements and required service related data. All projects receiving funding from MaineHousing will receive HMIS user and reporting licenses necessary to record those data elements and will be bound by and follow the same confidentiality and other policies and procedures outlined in the Maine HMIS Policies and Procedures Manual.

Q. Reporting Requirements

Developers shall provide all information, together with any supporting documentation, required by MaineHousing in form and substance acceptable to MaineHousing to comply with the reporting requirements under the Maine Energy, Housing and Economic Recovery Program, including without limitation, the type of housing, location, the costs associated with the project, the number of direct construction jobs created or maintained by the project, the amount of direct construction wages paid in creating and maintaining said construction jobs and the amount and type of building materials purchased in connection with the project.

R. Fair Housing and Equal Opportunity

The applicant shall comply with applicable Federal and State laws, executive orders and regulations pertaining to fair housing and equal housing opportunity, including without limitation, Title VI of the Civil Rights Act of 1964, as amended (42 U.S.C. § 2000d et seq., 24 CFR Part 1), The Fair Housing Act, as amended (42 U.S.C. § 3601 et seq., 24 CFR Part 100-115), Equal Opportunity in Housing (Executive Order 11063, as amended by Executive Order 12259), Age Discrimination Act of 1975, as amended (42 U.S.C. § 6101 et seq., 24 CFR Part 146), and the Maine Human Rights Act (5 M.R.S.A. § 4581 et seq.).

Applicants are cautioned to be aware of the potential applicability of provisions of the Americans with Disabilities Act, the Maine Human Rights Act, federal Fair Housing legislation and Section 504 of the Rehabilitation Act of 1973 to any housing proposed for funding. Procedures for selection of residents, conditions of residency, and rules regarding termination may fall within the scope of this legislation. Providers must make reasonable accommodations of rules, policies, and procedures and may be required to allow reasonable structural modifications of buildings to be made, if necessary, to allow an individual with disabilities equal access to housing.

S. MaineHousing Non-Discrimination Notice

Maine State Housing Authority (“MaineHousing”) does not discriminate on the basis of race, color, religion, sex, sexual orientation, national origin, ancestry, age, physical or mental disability, or familial status in the admission or access to, or treatment or employment in, its programs, and activities. MaineHousing will provide appropriate communication auxiliary aids and services upon sufficient notice. MaineHousing will also provide this document in alternative formats upon sufficient notice. MaineHousing has designated the following person responsible for coordinating compliance with applicable federal and state nondiscrimination requirements and addressing grievances: Louise Patenaude, Maine State Housing Authority, 353 Water Street, Augusta, Maine 04330-4633, Telephone Number 1-800-452-4668 (voice in state only), (207) 626-4600 (voice), 1-800-452-4603 (TTY in state only), or (207) 623-2985 (TTY).

T. Right to Cancel

MaineHousing reserves the right to reject or cease processing any requests for funding prior to issuance of a MaineHousing letter of commitment. MaineHousing accepts no obligation to finance any proposal until a commitment has been issued and accepted by the applicant in accordance with its terms. The closing of the transaction is conditioned upon meeting the conditions contained in the commitment letter.

SCORING CRITERIA

The Scoring Committee will be using the following scoring criteria to score each eligible application. Please refer to the **2011 Requests for Proposals Housing for Homeless Populations Application** for the specific submission requirements for each criteria. The application is available on MaineHousing's website.

I) Executive Summary (2 Points)

The Executive Summary will provide an overview of the applicant and the project.

II) Organizational Capacity (25 Points)

The following five elements will be evaluated in determining a score for organizational capacity:

- The financial, staffing and managerial capacity of the applicant to facilitate and coordinate all facets of real estate development
- The experience of the development team in developing projects within reasonable time-frames and budgets. The development team may include consultants, design professionals, contractors, etc.
- The experience of the applicant in owning real estate assets and maintaining the financial and physical viability of the assets
- The experience of the applicant in securing operational and service funding for projects that serve the needs of special needs populations
- The experience of the applicant in addressing the service needs of the target population. The service needs may be addressed by entities other than the applicant. However, the applicant will need to identify potential service providers.

III) Project Feasibility

Points will be awarded to projects that demonstrate a high level of feasibility. Points will be awarded on the following basis:

Development Capital (20 Points)

- Total development capital is reasonable, feasible and attainable. Formal funding commitment for capital funding from any source other than MaineHousing is presented with the application.

Services and Programming **(20 Points)**

- Applicant has developed a specific plan for the creation of, or access to, a program or the delivery of services as applicable to best serve the needs of the target population.

To assist in the evaluation of project feasibility, each application must include a set of pro formas that are complete and that demonstrate a reasonable and feasible financial structure for the project. Applicants are requested to use the pro formas developed by MaineHousing for this program. The MaineHousing pro formas are available on the MaineHousing website.

IV) Readiness

Projects will be evaluated as to the degree of readiness demonstrated in the application. The following critical path items will receive a score within the range indicated:

Site Control

- Site is owned by applicant at the time of application **(15 Points)**
- Strength of site control as evidenced by contract; i.e. purchase and sale contract or option **(up to 10 Points)**
-

Local Approvals **(5 Points)**

- A letter from the municipality's code enforcement officer indicating the proposed project complies with local ordinances
- A letter from the municipality confirming that the proposed project will conform to the existing zoning ordinance

Design and Engineering **(30 Points)**

- Documentation of preliminary or schematic design work by a contractor, engineer or architect. Projects that submit conceptual site plan, floorplans, a typical building elevation, outline specifications and a cost estimate reflective of the design will receive the maximum points in this category.

V) Program Strategies (8 Points)

Projects will be evaluated as to the degree that the project's program structure, plan for support services, and unique features will address the specific needs of the community. The following project characteristics will be evaluated:

- Program structure including such items as staffing for the project (on or off-site), collaborations with existing local service providers, and type of services that will be provided

- For transitional housing units, the plan for the movement of residents to permanent housing will be evaluated

VI) Need and Response to Underserved Populations (15 Points)

An evaluation will be made as to the degree to which a specific and defined need in the community exists for the proposed project.

An evaluation will be made as to the degree to which the project will serve populations that have been historically underserved or have lacked access to public funding.

VII) Efficient Use of Performance Grant Funds

Applications that propose total performance grant amounts within the following ranges will receive points as indicated:

Independent Units

Total Grant Per Unit of \$115,000 or less - **15 Points**

Total Grant Per Unit of \$115,001 to \$140,000 - **6 Points**

Total Grant Per Unit of \$140,001 to \$160,000 – **2 Points**

Total Grant Per Unit over \$160,001 - **0 Points**

Non-Independent Units

Total Grant Per Unit of \$90,000 or less - **15 Points**

Total Grant Per Unit of \$90,001 to \$115,000 - **6 Points**

Total Grant Per Unit of \$115,001 to \$135,001 – **2 Points**

Total Grant Per Unit over \$135,001 - **0 Points**

VIII) Leveraged Funds

Leveraged funding can be committed, pending approval or not yet applied for. However, preference will be given for leveraged funding that has been secured at the time of application. For purposes of this scoring criteria, leveraged funds will be limited to funding that may be used for development capital or operational funding; i.e. service funding will not be taken into consideration.

- Up to **15 points** may be awarded for projects that have already been awarded project-based Section 8 rental assistance from a source other than MaineHousing

- Up to **5 points** may be awarded for all other non-MaineHousing leveraged funds that will be used for development capital or operational funding

IX) Smart Growth

Projects that incorporate the following elements of smart growth will receive points as indicated:

- A project that is located in a Service Center Community will receive **5 points** (see Appendix A for a list of Service Center Communities)
- A project located within a safe walking distance of not more than 2,500 feet of at least one destination important to the course of daily activities for the intended population. Projects meeting these criteria will receive **5 points**.

The term “safe walking distance” means year-round pedestrian access by one or more of the following, as appropriate to the area: sidewalks adjacent to the project, paved wide shoulders suitable for walking, crosswalks and traffic signals at busy roads or intersections. Such destinations may include convenience stores, healthcare facilities, public schools, etc.;

The Applicant must submit a map generated by readily available internet services or commercial software, preferably Mapquest, Google Maps (free to user version), MSN Livesearch or Google Earth (subscription service). The map must clearly show the specific address for the entrance to the Project, (Point A) and the ending point or destination (Point B), the distance between Point A and Point B in terms of feet, and the exact route from Point A to Point B used in determining the distance. The entire route must conform to the definition of safe walking distance set forth above and should not cut across parking lots. According to the definition, the route must be walkable year-round, including during the winter, i.e. plowed.

- A project located within a safe walking distance of not more than 1,500 feet of a designated pick-up location for existing fixed-route public transportation to the downtown of the municipality in which the project is located or a proximate downtown that serves the area in which the project is located, or an on-call transportation service is available to all of the residents of the project. The term “fixed-route public transportation” means year round, regularly scheduled public transportation that operates at least 3 days per week and provides regular service throughout the day.

For communities which do not have year round, fixed route public transportation systems, a project will receive these points if they directly provide transportation (vehicles/drivers) for the residents for purposes of completing daily activities (shopping, health care appointments, employment, community activities). Projects meeting these criteria will receive **5 points**. (On-call transportation services with eligibility criteria that limit or deny service to any residents of the project are not eligible for the points)

X) Solar Energy

- A project oriented suitable for solar panel installation will receive **5 points**

Total Points Available - 190 points

APPENDIX A

**Service Center Communities include: State of Maine Regional Service Centers;
contiguous census-designated places; and urban compacted areas**

The following are included communities effective November 2, 2006

Ashland	Lewiston	Westbrook
Auburn	Limestone	Winslow
Augusta	Lincoln	
Bangor	Lubec	
Bar Harbor	Machias	
Bath	Madawaska	
Belfast	Mexico	
Bethel	Milbridge	
Biddeford	Milford	
Blue Hill	Millinocket	
Boothbay Harbor	Newcastle	
Brewer	Newport	
Bridgton	Norway	
Brunswick	Oakland	
Bucksport	O.O. Beach	
Calais	Old Town	
Camden	Orono	
Caribou	Oxford	
Damariscotta	Paris	
Dexter	Pittsfield	
Dover-Foxcroft	Portland	
Eastport	Presque Isle	
Eliot	Randolph	
Ellsworth	Rangeley	
Fairfield	Rockland	
Farmingdale	Rockport	
Farmington	Rumford	
Fort Kent	Saco	
Freeport	Sanford	
Gardiner	Scarborough	
Greenville	Skowhegan	
Guilford	South Portland	
Hallowell	Southwest Harbor	
Hampden	Thomaston	
Houlton	Topsham	
Jackman	Van Buren	
Kittery	Waterville	