



**FULTON COUNTY/CITY OF ATLANTA LAND BANK
AUTHORITY, INC.**

REQUEST FOR QUALIFICATIONS

**RESPONSE DUE DATE:
5:00 PM EST, FRIDAY, JANUARY 20, 2017**

The Fulton County/City of Atlanta Land Bank Authority, Inc. (“LBA”) is seeking responses from for-profit and non-profit developers to acquire, rehabilitate, and sell and/or rent single-family properties in accordance with the requirements of the Neighborhood Stabilization Program 1 and 3 as described in this Request for Qualifications. Successful applicants may also be considered to serve as developers for future LBA single-family rehabilitation programs.

REQUEST FOR QUALIFICATIONS

The LBA was established in 1991 as a quasi-governmental non-profit, 501(c)(3) corporation to transform vacant, abandoned and foreclosed property back to productive use. The mission of the LBA is to return nonrevenue generating, non-tax producing property to an effective utilization status in order to provide housing, new industry and jobs for the citizens of Fulton County and City of Atlanta.

The LBA is requesting responses from qualified and capable developers to acquire, rehabilitate, redevelop and resell or rent single-family properties in the most effective and efficient ways possible. The LBA has acquired 26 single-family homes using Neighborhood Stabilization Program 1 and 3 (“NSP”) funds and these properties will be transferred to developers to rehabilitate them and sell or rent these to qualifying families. No financing for the rehabilitation of the properties is available and therefore, developers are required to bring other sources to leverage the NSP funds utilized for the acquisition. Each developer will need to demonstrate that they have the capacity to complete the rehabilitation of a minimum of one property using non-NSP sources.

The primary focus of this request for qualifications is to identify developers to acquire and redevelop properties under the NSP program. Once a developer has been qualified they will remain qualified for a period of two (2) years from the date of execution of the award notice/contract. However, LBA retains the right to subsequently expand the scope of the eligible work with the developer to include similar affordable or market housing programs that are not NSP related.

The RFQ process will be conducted in two stages. The first stage is governed by this Request for Qualifications (“RFQ”) and the LBA will use this to select a pool of Qualified Developers. Once the pool of Qualified Developers has been selected, the second stage will consist of Requests for Proposals (“RFP”) from the LBA for each individual property. These second stage RFPs will be conducted on an expedited basis and will require each qualified developer to submit only the materials attached as **Schedule II** to this RFQ. The procedures and timeline for these second stage RFPs will be as follows:

- LBA submits e-mail notification to Qualified Developers for each property together with a copy of the property condition report and base scope of work obtained by LBA;
- Each Qualified Developer will have two (2) weeks from the date of the email notification to submit their budget/source & uses, scope of work and completion timeline to the LBA;
- Each developer will be scored based on these submission materials using the scoring criteria shown on **Schedule IV** and notified via e-mail if they have been selected.

This RFQ process is competitive and therefore, successful applicants will thoroughly and concisely address and document the following topics, more specifically identified in the application:

- Experience of the applicant for the type of work proposed;
- Operational capacity of the applicant to implement a housing redevelopment activity and comply with all applicable Federal and State requirements;

- Readiness to proceed;
- Ability to complete the project within the specified time frame; and
- Ability to leverage additional resources including financial capital.

Developers currently working with LBA are encouraged to apply for this RFQ, but the LBA will not provide any preferential scoring for these developers.

ALL FUNDING RECIPIENTS MUST ABIDE BY THE LBA POLICY TO PROHIBIT DISCRIMINATION AGAINST ANY EMPLOYEE OR APPLICANT FOR EMPLOYMENT BASED ON RACE, SEX, RELIGION, NATIONAL ORIGIN, AGE, SEXUAL ORIENTATION, OR HANDICAP.

All developers must have adequate insurance:

- General liability insurance of \$1 million or more, and/or Commercial Liability Insurance if construction is funded by the program funds
- Automobile Liability Insurance
- Fidelity Bond/ Crime Insurance (100% of contract)
- Builders Risk Insurance
- Performance Bond for all construction
- Professional Liability Insurance (if applicable)
- All policies must hold the City and LBA harmless and have an endorsement specifically naming the City and the LBA as additional insureds/mortgagees.

Applicants who do not meet the above requirements should not submit a response to this RFQ.

ELIGIBLE APPLICANTS

Eligible applicants include:

- Local Authorities;
- Not-for-profit entities with a current 501(c)(3) (or similar tax exemption) status from the Internal Revenue Service,
- For-profit entities, and
- Joint Venture Arrangements

Non-profit applicants with self-identified financial or operational deficiencies are encouraged to partner with for-profit or other non-profit entities that possess complimentary expertise and experience in successful community and economic development, project development and/or housing finance and development. The partnerships or joint ventures should be in the form of a legally recognized entity at the time of submission. When developers are chosen for individual properties, the LBA must enter into a written, contractual agreement with the developer before rehabilitation activities can begin. The agreement spells out the purpose, scope of work to be undertaken, the budget, timetable, outcomes to be accomplished, reporting requirements and terms of the program funds.

SUBMISSION REQUIREMENTS

Your Application Should Consist of the Following Items:

- Application Forms. Complete the application forms included with this package.
- Attachments. Please submit all applicable attachments in accordance with the application questions.
- Questions? Please send all questions (during the Question/Answer Period described below) in writing to: Drew Marlar drew.marlar@kutakrock.com;

Please identify RFQ Question in the subject line. Questions will not be accepted via telephone or personal meeting.

Submission Instructions

Please submit one (1) original and five (5) copies of the application and all attachments. An original copy of all information must be provided in a 3-ring binder. The agency's information should be organized, with a table of content serving as the first page based on the order of the application. The required supplemental information must be tabbed and identified in the application table of contents. Please retain a copy of the information requested for your records.

Responses must be received by **5:00 PM EST on Friday, January 20, 2017**. Responses received after 5:00 PM EST, regardless of post mark will not be accepted. Applications should be delivered to:

Kutak Rock LLP
303 Peachtree Street, NE
Suite 2750
Atlanta, GA 30308
Attention: Drew Marlar

REVIEW PROCESS

Upon receipt of the responses from developers to this Request for Qualifications, the LBA staff members will review the applications to ensure compliance with the mandatory minimum requirements. All applications that meet these mandatory minimum requirements will be evaluated by a committee appointed by the LBA who will evaluate the responses based on the following point system:

Organizational Capacity Years in Business (0-2 Points) Depth/Experience of Staff (0-4 Points) Historical Average # of Projects and Units Per Year (last 5 years) (0-4 Points)	10 Points
Financial Stability of the Developer Available Working Capital (current ratio) (0-5 Points) Available Equity Capacity (0-5 Points) Available Credit Capacity (0-5 Points)	20 Points

Solvency (Total Assets/Total Liabilities) (0-5 Points)	
Evaluation of Reference Project Example Timeline for Completion	20 Points
Evaluation of Sample Project in RFQ	35 Points
Monitoring and Compliance Plan	10 Points
Non-profit Developers	5 Points

TIMELINE

Bid Conference	Tuesday, December 20, 2016
Question/Answer Period	Monday, December 12, 2016 through Friday, January 6, 2017 at 5pm
LBA to provide written responses to questions	Wednesday, January 11, 2017
Responses Due	5:00 PM EST on Friday, January 20, 2017
Review Period	Monday, January 23, 2017 through Friday, February 10, 2017
Awards Announced	Friday, February 24, 2017

DISCLAIMERS

RESPONSES TO THIS REQUEST FOR QUALIFICATIONS DO NOT CONSTITUTE A CONTRACT OR OFFER AND THE LBA HAS NO OBLIGATION TO CONTRACT FOR THE SERVICES DETAILED WITHIN YOUR RESPONSE. ANY RESPONSES RECEIVED WILL BECOME THE PROPERTY OF THE LBA. LBA RESERVES THE RIGHT TO ACCEPT OR REJECT ANY RESPONSE, AND MODIFY OR CANCEL THIS REQUEST FOR QUALIFICATIONS AT ANY TIME. RESPONDENTS WILL NOT BE REIMBURSED FOR ANY COSTS THEY INCUR IN PREPARING THEIR RESPONSES TO THIS REQUEST FOR QUALIFICATIONS.

APPLICANTS ACKNOWLEDGE AND AGREE THEY WILL BE SOLELY RESPONSIBLE FOR PERFORMING THEIR OWN ENVIRONMENTAL TITLE, SURVEY AND OTHER DEVELOPMENT DILIGENCE INVESTIGATION WITH RESPECT TO THE PROPERTY AND THE LAND AND OTHER PROPERTY ADJACENT TO OR OTHERWISE IMPACTING THE PROPERTY SUBJECT TO THIS REQUEST FOR QUALIFICATIONS. BY SUBMITTING THEIR REQUEST FOR QUALIFICATIONS, APPLICANTS HEREBY RELEASE THE CITY OF ATLANTA AND THE LBA FROM ANY CLAIM WITH RESPECT TO THE ENVIRONMENTAL TITLE, SURVEY AND OTHER DEVELOPMENT CONDITION OF THE PROPERTY.

PROGRAM APPLICATION

SECTION 1- APPLICATION SUMMARY FORM

Applicant Information	
Organization Name	
Address	
Phone Number:	
Facsimile:	
E-Mail Address:	
Name of Authorized Contact Person:	
Please indicate whether you would like to be qualified as a developer for future programs in addition to NSP	Yes <input type="checkbox"/> No <input type="checkbox"/>

Please provide written responses to the following questions. Indicate the section and question # for each response.

SECTION 2- ORGANIZATION INFORMATION AND CAPACITY

1. What specific types of services/activities/projects does your organization provide? Does your organization have an existing pool of rental properties? If so, does your organization have an existing escrow account?
2. Provide an example of a single-family rehabilitation project you have completed within the last two (2) years including: (a) project timeline (including acquisition date, date permits received and the date the project received the certificate of occupancy); (b) description of the scope of work; and (c) before and after photographs.
3. Describe the organization's history and experience in providing affordable housing services in the City of Atlanta and/or other localities within the last five (5) years. Provide number of years in operation and accomplishments to date and letters of recommendation from other governmental entities (if available).
4. Identify your experience in working with the NSP, CDBG or HOME program within the last five (5) years.

5. If you plan to have a development team included in your program, please list their names and describe the role, experience, and capacity of each (including contractors, construction managers, real estate brokers, housing counselors, etc.) and provide an organizational chart. Please describe whether anyone in your organization has real estate broker experience within the affordable housing market within the last twelve (12) months.
6. Briefly describe the staff positions and qualifications of those individuals who will carry out the program. Describe any existing commitments that would impact your ability to implement the project immediately.
7. Please describe how your organization responds to complaints from homeowners or tenants. Also, please provide a summary of any homeowner or tenant complaints within the last twelve (12) months.
8. Have any persons employed by your agency been debarred by HUD or are otherwise restricted from entering into contracts with any federal agency?
9. Describe your ability to provide program management and oversight, including detailed record keeping and reporting.
10. Please describe how you manage contractor and sub-contractor defaults or slow work progress.
11. Please provide an example of how you track project expenditures per property.
12. Please describe how you manage homeowner or tenant warranties.
13. What additional developments are currently underway by your entity in the specified project area? Please describe.
14. How does your organization choose contractors and subcontractors? Please describe any procurement policies currently in place.
15. Please describe how you would handle this property if it does not sell within ninety (90) days after completion?
16. Provide any other information that would clarify the ability of your organization to successfully complete your project.

SECTION 3- PROJECT EXAMPLE

The LBA will evaluate these proposals using an example from each applicant for a proposed budget and completion timeline for the property located at 1232 Trenton Street, Atlanta, Georgia 30316. Each applicant must utilize the Scope of Work provided by the LBA and submit the following, attached hereto as **Schedule II**:

- Budget/Sources & Uses (on form provided)

- Timeline for Completion (use developer's own form)

An open house for this property will be held on Wednesday, December 21, 2016 and Wednesday, January 4, 2017 between the hours of 10:00 am and 2:00 pm to give the applicants an opportunity to inspect the premises and develop these project proposal. In addition to the materials required to be submitted on Schedule II, each response should also include the following in narrative form:

Describe the type, term and status of the other financing you are committing to bring to the project.

Please note that each developer must be able to demonstrate that they will be able to complete the rehabilitation of at least one property using non-NSP sources in the minimum amount of \$50,000.

1. Describe the methods you will utilize to ensure cost effectiveness of your project.
2. Explain your familiarity with the Green Building or Earth Craft Program. Describe the way you will incorporate a green strategy into your program.
3. Describe how properties will be maintained and secured during rehabilitation and before sale or rental.
4. Describe your plan for complying with the Section 3 and Vicinity Hiring requirement.
5. Describe the outreach and service delivery methods that will be used to reach your target program participants. How will you market the homes or rental properties for qualified residents?

SECTION 4 – ADDITIONAL REQUIRED ATTACHMENTS

The following items are required to be attached by all applicants:

- Resumes of key project staff
- Organizational insurance
- Most recent 2 years of audited Financial Statements and current year unaudited financial statement (include Income Statement and Balance Sheet for all three years)
- Documentation of leveraged funding commitments

Non-Profits must also attach the following items to the application:

- IRS 501 (c)(3) determination (or similar tax exempt determination)
- Articles of Incorporation
- Corporate By-Laws
- Listing of Board Members
- Most Recent IRS Form 990
- Most Recent Audit (no older than 2014)

Schedule I

PROGRAM OVERVIEW

The City has designated LBA as a sub-recipient to administer funds from the Neighborhood Stabilization Program 1 (NSP 1 and 3 (NSP 3) under the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010. These funds will be used to acquire, rehabilitate, and sell and/or rent single-family properties in accordance with all applicable NSP rules and regulations. Eligible properties must be located in the target areas in the Old Fourth Ward, Pittsburgh, Edgewood, Peoplestown, Princeton Lakes, Kirkwood, Summerhill, West End, Mechanicsville, East Atlanta, Grove Park, Cascade – SW Atlanta, Westview and Dixie Hills neighborhoods. The primary focus of this project will be to sell homes to eligible households after the completion of rehabilitation but the LBA will consider including a limited rental component.

INCOME TARGETING

75% of the NSP funds made available are to be used to house individuals and families whose incomes do not exceed 120% of Area Median Income (refer to page 6, Table I). 25% of the NSP funds are to be used to house individuals or families whose incomes do not exceed 50% of Area Median Income.

KEY NSP TERMINOLOGY

Affordable Rents means the following:

Households at 0-50%: Affordable rents for households with incomes less than 50% of the Area Median Income are defined as the HOME Low Rents, established for the Atlanta area, published annually by HUD. The HOME Low Rent must be reduced by the annual utility allowance, published by the Atlanta Housing Authority or Georgia Department of Community Affairs. Utility allowances do not include telephone or cable.

Households at 51-80%: Affordable rents for households with incomes greater than 50% but not exceeding 80% of the Area Median Income are defined as the Fair Market Rents (FMR), established for the Atlanta area, published annually by HUD. The FMR's must be reduced by the annual utility allowance, published by the Atlanta Housing Authority or Georgia Department of Community Affairs. Utility allowances do not include telephone or cable.

Households at 81-120%: Affordable rents for households with incomes that are greater than 80% but not exceeding 120% of the Area Median Income must be the lesser of the annual Fair Market Rents (FMR) established for the Atlanta area, published annually by HUD or 30 percent of the adjusted gross income of the family.

Areas of Greatest Need means the areas identified by the City based on the areas with the greatest percentage of home foreclosures; areas with the highest percentage of homes financed by sub-prime mortgages and areas identified as likely to have a significant rise in the rate of home foreclosures.

Abandoned. A home or residential property is abandoned if either (a) mortgage, tribal leasehold, or tax payments are at least 90 days delinquent, or (b) a code enforcement inspection has determined that the property is not habitable and the owner has taken no corrective actions within 90 days of notification of the deficiencies, or (c) the property is subject to a court-ordered receivership or nuisance abatement related to abandonment pursuant to state, local or tribal law or otherwise meets a state definition of an abandoned home or residential property.

Developer Fee means compensation to the developer for the time and risk involved to develop the project. It is typically based on the size of the project, the total development cost and the risk associated with the project. The Developer Fee must be reasonable. Please note that the amount of the Developer Fee earned will vary based on project scope and NSP funding source and cannot exceed 15% of the development cost (this includes acquisition costs).

Development Subsidy means any other NSP funds that have been previously provided to the project.

Foreclosed. A home or residential property has been foreclosed upon if any of the following conditions apply: (a) the property's current delinquency status is at least 60 days delinquent under the Mortgage Bankers of America delinquency calculation and the owner has been notified of this delinquency, or (b) the property owner is 90 days or more delinquent on tax payments, or (c) under state, local, or tribal law, foreclosure proceedings have been initiated or completed, or (d) foreclosure proceedings have been completed and title has been transferred to an intermediary aggregator or servicer that is not an NSP grantee, contractor, subrecipient, developer, or end user.

Homebuyer Subsidy means any other funds that have been provided to the homebuyer that will occupy the project upon completion.

Profit means any revenue generated in excess of reasonable costs (including development fees) from the sale, rental, or redevelopment of an NSP investment. Profit is considered NSP program income and must be returned to the local unit of government and reinvested under NSP guidelines.

ELIGIBLE PROPERTIES

The LBA will identify and purchase eligible properties and the Developer will be required to rehabilitate and sell and/or rent these properties.

MINIMUM REHABILITATION/CONSTRUCTION STANDARDS

All newly constructed or rehabilitated projects funded with NSP funds must meet all local codes, City of Atlanta zoning ordinances and Lead Hazard Reduction & Rehabilitation Standards. The Model Energy Code published by the Council of American Building Officials relative to new construction and standards regarding substantial rehabilitation shall also be met. Plans should be of good design that will enhance the quality of life for residents and must incorporate energy efficiency measures through materials, heating, ventilation and air conditioning systems, building design, and site orientation. The Atlanta NSP Green Rehabilitation Requirements will

be required for all units as described on **Schedule III**, attached hereto. Developers are encouraged to also use green guidelines of the Enterprise Green Communities Criteria and the Earth Craft House Program.

NSP PROJECT RELATED REQUIREMENTS

This section provides the general requirements of the NPS 3 program as supplemented by the other provisions contained this request.

Timeliness

The LBA will impose timelines for each development project chosen in order to ensure timely completion. The exact spending timelines will vary with each development project.

Historic Preservation Review

Those NSP Properties that were developed prior to 1972, or that are located in Historic Districts designated by the City of Atlanta, are considered to be historic and will be subject to the Section 106 Clearance process. All developers will be required to submit to the City of Atlanta Bureau of Housing the parcel address, parcel identification number, neighborhood name, year property was built, floor plans (if required), detailed rehabilitation write-up and specifications and color photographs of the exterior elevation and any interior or exterior features proposed for rehabilitation. The Urban Design Commission of the Office of Planning will conduct the Historic Preservation Review. If the site preliminarily passes the Historic Preservation Review, the project will be issued a Section 106 Clearance letter. If the project does not pass the preliminary review process, additional project information will be required to be submitted to the Urban Design Commission.

Lead Based Paint

NSP is subject to the Lead Based Paint Poisoning Prevention Act (42 U.S. C. 4831 et seq.,) and the Lead Based Paint Regulations (24 CFR Part 35 and 24 CFR Section 570.608). The use of lead-based paint is prohibited whenever NSP funds are used directly or indirectly for the construction, rehabilitation, or modernization of residential structures. For each residential property constructed before 1978 a lead-based paint inspection and risk assessment for lead based paint hazards shall be conducted. If lead based paint is found, compliance is required and abatement of lead based paint and lead based paint hazards shall be completed in accordance with 24 CFR Part 35.1325. All purchasers and tenants of NSP assisted structures constructed prior to 1978 must be notified of the hazards of lead based paint poisoning.

Section 3 & Vicinity Hiring

Section 3, as amended, requires that to the greatest extent feasible, economic opportunities be given to residents and businesses in the area where HUD assistance is received, particularly to those who are low and very-low income. Any activity that results from a federally funded program or project involving rehabilitation or new construction, particularly those that meet the required threshold amounts. This may include employment opportunities for administrative staff needed as a direct result of this funding, as well as contracts and subcontracts awarded for the

construction. It can involve training and employment opportunities provided directly by the contractor and subcontractor, or the awarding of contracts to Section 3 businesses.

Who must report their Section 3 efforts?

- Project recipients having been awarded over \$200,000 in federal funds.
- Project recipients having a particular project where a construction/rehabilitation contract was awarded over \$100,000 during the reporting timeframe, regardless of whether funds were expended.
- Contractors and subcontractors receiving contracts in excess of \$100,000. Project recipients must collect and summarize this information from their contractors.
- Sponsors who do not meet any of the threshold amounts but who have Section 3 practices and policies in place may report their efforts on this form.

Homebuyer Education for Homeownership Programs

All potential homebuyers of NSP single-family resale units will be required to complete 8 hours of HUD certified home buyer counseling before obtaining a mortgage loan. At a minimum, the home buyer counseling must include 2 hours of one-on-one counseling with a City of Atlanta NSP approved HUD certified homebuyer counseling agent. Potential homebuyers must provide a copy of the Homebuyer Education Certificate of Completion prior to closing.

Rental Requirements

Units rented to eligible households must be at Affordable Rents (as defined herein) and are subject to the annual utility allowance for households between 0% and 80% of area median income. The current utility allowances may be found here: <http://www.atlantahousing.org/housingchoice/landlords/index.cfm?Fuseaction=utilities>.

Income Eligible Households

For all homeownership activity, the sales price of a home shall be the lesser of the Fair Market Value or the aggregate of the acquisition, rehabilitation, disposition, and delivery costs (i.e. Total Development Cost). The maximum sales price may not exceed (\$200,160.00). In addition, the homes must be sold to qualifying buyers as a primary residence only. Eligible buyers must complete a mandatory 8 hour HUD-approved home buyer counseling before obtaining a mortgage loan and meet the income requirements at the time of purchase.

For both the homeownership and rental activities, 75% of the NSP funds must be used to house families whose income does not exceed 120% of the area median income for the Atlanta Area Median Income and 25% of the NSP funds must be used to house families whose income does not exceed 50% of the area median income for the Atlanta Area Median Income.

The current HUD income limits by family size are as follows:

FY 2016 Income Limit Category	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
<u>50% Income Limits</u>	\$23,650	\$27,000	\$30,400	\$33,750	\$36,450	\$39,150	\$41,850	\$44,550
<u>120% Income Limits</u>	\$56,700	\$64,800	\$72,900	\$81,000	\$87,500	\$93,950	\$100,450	\$106,900

Long-Term Affordability

The NSP program rules treat rental and homeownership programs very differently with respect to the recapture requirements during the term of the affordability period and the effect of termination of these periods as a result of transfer or foreclosure of the property. For homeownership programs the amount subject to recapture is the amount of direct homebuyer assistance provided to the homeowner. When the recapture requirement is triggered by a sale (voluntary or involuntary) of the housing unit, and there are no net proceeds or the net proceeds are insufficient to repay the NSP investment due, the grantee can only recapture the net proceeds, if any. The net proceeds are the sales price minus superior loan repayment (other than NSP funds) and any closing costs.

There is no flexibility for rental programs and the affordability requirements apply without regard to the term of any loan or mortgage or the transfer of ownership. They must be imposed by deed restrictions, covenants running with the land, or other mechanisms approved by HUD. Any rental units that do not comply with the long term affordability requirements will be subject to recapture of the entire NSP investment.

The terms and conditions of the affordability requirements will vary for each project but for the purposes of this request, each developer should structure their program assuming that the affordability periods must continue for the full term as follows:

Single Family Homeownership Projects

NSP Direct Subsidy	Affordability Period
Less than \$15,000	5 Years
\$15,000 - \$40,000	10 Years
More than \$40,000	15 Years

Single-Family and Multi-Family Rental Projects

Property Type	NSP Investment Subsidy Per Unit	Affordability Period
Single-Family (1-4 Units)	Less than \$15,000	5 Years

Property Type	NSP Investment Subsidy Per Unit	Affordability Period
Single-Family (1-4 Units)	\$15,000 - \$40,000	10 Years
Single-Family (1-4 Units)	More than \$40,000	15 Years
Multi-Family (5 + Units)	Any Amount	20 Years

Eligible Costs

NSP funds can be used for a variety of project-related hard costs and soft costs. The following list defines the types of **hard costs** that are eligible for NSP funding:

- New construction. Any project that includes the addition of dwelling units outside the existing walls of a structure is considered new construction for NSP Program purposes.
- Rehabilitation. Rehabilitation includes the alteration, improvement, or modification of an existing structure. It also includes moving an existing structure to a foundation constructed with NSP funds. Rehabilitation may include adding rooms outside the existing walls of a structure; however, adding a housing unit is considered new construction.
- Reconstruction. Reconstruction refers to rebuilding a structure on the same lot where housing is standing at the time of project commitment. NSP funds may be used to build a new foundation or repair an existing foundation. During reconstruction, the number of rooms per unit may change, but the number of units may not.

NSP funds can be used to cover the **soft costs** associated with a project as long as they are reasonable and necessary to the project. The following list defines the type of project related soft costs that are eligible under the NSP program. Please note that funding for soft costs is only eligible in collaboration with an eligible hard cost.

- Title binders and property insurance
- Recordation fees and transaction taxes
- Property taxes
- Surveys
- Lead-based paint assessments and other environmental reviews
- Homebuyer education counseling
- Property Appraisals
- Architectural, engineering
- Construction Management and related professional services
- Builders and developers fees

Reporting Requirements

Each funded applicant will be expected to collect and report information about the uses of funds at least monthly, including, but not limited to:

- National objective
- Funds budgeted and expended

- All funding sources
- Beginning and ending dates of activities
- Appraisal amount for each property
- Sales amount for each property
- Subsidy Amount
- Data needed to support performance measures
- Numbers of properties and housing units
- Numbers of low- and moderate-income persons or households benefiting
- Davis-Bacon Wage Requirements (8 or more units only)
- Section 3 Hiring Preferences
- Homebuyer educational requirements

OTHER LBA/FEDERAL REQUIREMENTS

Other standard LBA/Federal requirements in the agreement include:

- Applicable rules, regulations, and laws to be followed
- Maintenance of records/audit requirements
- Procurement standards (competitive) for subcontracted work to third parties
- Property management and inventory controls
- Conflict of interest (prohibiting members, officers, employees from personal gains)
- Uniform Relocation Assistance and Real Property Acquisitions Policies Act (URA)
- Publicity requirements to crediting the City, LBA and HUD for funding
- Marketing plan and procedures
- Written procedure requirements for finances, personnel policies, service policies, etc.
- Offering employment opportunities to low income City residents
- Equal employment opportunity policies
- Fair Housing
- Nondiscrimination under Title VI of the Civil Rights Act of 1964
- Reversion of assets at contract end
- Davis Bacon Wage Requirements (8 or more units only)
- Section 3 Hiring Preferences

TYPE OF FUNDING REQUESTED / AVAILABLE FUNDING

The City will not make funds available in the form of construction loans for the redevelopment of the properties. The existing Notes on each property to be assumed by the developer for the respective property can be subordinated in accordance with the Subordination Policy or on a case by case basis.

The City of Atlanta Subordination Policies are as follows:

- Submit a copy of the Appraisal Report - generally, the City would like to maintain a 95% LW ratio.

- Submit a copy of the Good Faith Estimate or Draft closing statement that shows all the related fees and closing cost. The closing cost should not exceed any more than 5% of the proposed loan.
- Proposed interest rate - interest rate should be reasonable for the type of loan.
- Balloon payments - The City will not subordinate loans that have balloon payments, without prior approval.
- Pre-payment penalties - The City will not subordinate loans that have prepayment penalties.

Schedule II

**Budget/Sources & Uses
Scope of Work
(Available in Excel Format)**

Work Write-Up / Cost Estimate					
Site Address				Grant Activity #	
Developer Name				Project #	
Contractor Name				Unit Activity #	
Prepared By				Date	
Developer Signature					
Description	Specification Detailed Description	Square Feet, Number of Items, or Linear Feet	Cost per Square Foot or per Item (including Labor)	= Cost per Material	Total Materials per Category
SITE WORK					
Dumpster					
Site Toilet					
Landscaping					
Demo					
Demo					
Site Prep					
Site Prep					
Site Grading					
Risk Insur.					
Plans/Site plans					
Permits					
Erosion Cont.					
Water/Sewer					
Fence					
Termite Treat					
Retaining Wall					
Mailbox					
Other					
				Site Cost	\$

FOUNDATION					
Gravel					
Foundation					
Parge					
Paving & Walks					
				Foundation Cost	\$
FLAT WORK					
Driveway					
Paving & Walks					
				Flat Work Cost	\$
PLUMBING					
Underground					
Rough-in					
Top-Off					
Kitchen Sink					
Bathroom Sink					
Toilet					
Toilet Seat					
Tub					
Kitchen Faucet					
Bathroom Faucet					
Tub Faucet					
Water Heater					
Copper/PVC/Flex					
Hose Bib/backflow preventers					
Other					
				Plumbing Cost	\$
GARAGE					
Garage				0.00	
Framing				0.00	
Siding & Trim				0.00	
Soffits/Fascia				0.00	
Roof				0.00	
Paint				0.00	
Other				0.00	
				Garage Cost	\$

					Cost	
INSULATION & VENTILATION						
Insulation						
Insulation						
Insulation						
Infiltration testing						
Vapor Barrier						
Housewrap						
					Insulation Cost	\$
EXTERIOR SURFACE						
Siding & Trim						
Soffits/Fascia						
Trim Repairs						
Gutter & downspout						
					Exterior Surface Cost	\$
INTERIOR SURFACE						
Drywall						
Tape, Texture, and Float						
Ceramic Tile						
					Interior Surface Cost	\$
MECHANICAL						
HVAC						
HVAC						
Chimney						
Thermostats						
Other						
Other						
Other						
					Mechanical Cost	\$
FINISH CARPENTRY						
Trim Materials						
Stair Parts						

Interior Doors						
Interior Door Knobs						
Ext. Knobs and Deadbolts						
Trim Carpenter						
					Finish Carpentry Cost	\$
CABINETS						
Base Cabinets						
Base Cabinets						
Wall Cabinets						
Kitchen Counters						
Bath Cabinet						
Bath Cabinet						
Baths Counters						
Other						
					Cabinets Cost	\$
FLOORING						
Hardwood						
Carpet						
Tile						
					Flooring Cost	\$
PAINT						
Interior Paint						
Exterior Paint						
Other						
					Paint Cost	\$

ROOFING						
Shingles						
Labor						
Gutters & Downspouts						
Chimney						
Other						
					Roofing Cost	\$
FINISH DETAILS						
Med Cab/Mirror						
Bath Hardware						
Other						
					Finish Details Cost	\$
MISCELLANEOUS						
Radon Testing						
Utilities						
Lead Abatement						
Punchout						
Clean						
Other						
					Miscellaneous Cost	\$
1380	= Number of Square Feet of Heated Area			Estimated Project Hard Costs		\$
\$	= Cost per Square Foot			Profit & Overhead		\$
\$	= Estimated Cost + 15%			Total Budgeted Project Costs		\$
\$	= Estimated Cost - 15%					

WARNING: If it is determined through monitoring that the on-site support documentation of actual costs does not agree with the itemized invoice(s) submitted, the Contract Administrator will be subject to repayment of HOME funds.

Contract Administrator may not request funds in excess of the actual amount expended for rehabilitation or reconstruction of the eligible home.

Schedule III

Atlanta NSP Green Rehabilitation Requirements

Required Upgrades for NSP Funded Renovations

The following are the required Energy Efficient, Durability and Indoor Air Quality requirements for all NSP rehabilitated units. NOTE: the related cost estimates are merely approximations completed on 4/17/09 and are not intended to be used for pricing purposes

Energy Efficiency Upgrades

- Attic Insulation
 - **upgrade the insulation value in the attic of a 1,000 square foot home from a typical R-19 value to R-30 - \$700 **OR** for attics with no insulation, insulate attic to R-30 – \$1,800
 -
- Floor Insulation
 - **insulate a floor over a crawl space (with easy access) of a 1,000 square foot home with fiberglass batts to an R-value of 19 - \$800
 - improve insulation in floor so that it is in contact with subfloor - \$300
 -
- Air Sealing
 - **complete an air sealing package for a 1000 square foot home - \$1,200 (this is also an indoor air quality upgrade helping to control/reduce the introduction of pollutants from outside as well as the attic and/or crawlspace)
 - air tight attic side hatch w/ insulated cover - \$200
 -
- Duct Sealing
 - ** complete a duct sealing package/replacement of existing duct system for 1,000 square foot home - \$1,800. In many instances the sealing and insulating of an existing duct system can be just as expensive as replacing the existing duct system (this is also an indoor air quality upgrade reducing the introduction of pollutants via a leaky duct system and by reducing pressure differences created within the house by leaky ducts)
 -
- Crawl Space
 - ** if conditions are suitable enclose crawl space with insulation in floor \$2.00/square foot; place dehumidifier in crawl space \$500 (commercial grade dehumidifier) **OR** enclose crawl space with insulation on crawl space walls (most effective) \$2.70/square foot; place dehumidifier in crawl space \$500 (commercial grade dehumidifier)
 -
- Refrigerator
 - install an Energy Star rated refrigerator - \$175 premium above standard efficiency refrigerator (cost estimate based upon , top freezer, 18 cubic foot model)

- Exterior Lights
 - install fluorescent porch lights with dusk to dawn operation feature – no additional cost
 -

Durability and Indoor Air Quality Upgrades

- install poly/plastic ground cover to completely cover the floor of the crawl space - \$0.16/square foot for 6 mil poly and \$0.25/square foot for 10 mil poly (thicker 10 mil plastic recommended b/c it is more durable)
- to install 5” aluminum gutters with gutter guard - \$9.75/ft and 3”x4” downspouts - \$3.50/ft (will need to pipe water at least five feet away from foundation)
- if replacing the furnace and water heater, install a 90+AFUE furnace (instead of 80 AFUE) and sealed combustion gas fired water heater OR isolate combustion equipment from conditioned space by locating the equipment with in a sealed and insulated combustion closet - \$1,100 (the cost of constructing the closet is comparable to that of upgrading the efficiency of the furnace)

** - these above listed items coincide with those eligible for rebates under the Georgia Power Home Performance with Energy Star program.

Home Performance with ENERGY STAR Rebates – up to \$1,900 available

Potential Customer Rebates (rebates are not to exceed home improvement costs)	
Home Assessment Rebates	Rebates Up To:
50% Reimbursement of assessment fees	\$200
Home Improvement Rebates	Rebates Up To:
Thermostat conversion	\$100
Installation of R-6 or greater insulation blanket on Electric Water heater Only	\$50
Attic insulation improvements (in conjunction with air sealing)	\$200
Wall insulation improvements (conditioned space exterior walls)	\$550
Insulate floor & foundation wall to R-5 (foam) /R-13 in basement wall cavities (fiberglass acceptable)	\$450
Improve air sealing	\$250
Improve duct sealing	\$100

Pre-con Date:			Property Address:		Completion Date:			
Y/#	N	N/A	Energy Efficiency Upgrades		Y/#	N	N/A	Notes
			Attic Insulation	Upgraded the insulation value in the attic from a typical R-19 value to R-30 OR for attics with no insulation, insulated attic to R-30				
			Floor Insulation	Insulated a floor over a crawl space (with easy access) with fiberglass batts to an R-value of 19 - \$800				
			Floor Insulation	Improved insulation in floor so that it is in contact with subfloor				
			Air Sealing	Completed an air sealing package				
			Air Sealing	Installed air tight attic side hatch w/ insulated cover				
			Air Conditioning	Efficient A/C added or replaced. Sizing heating and cooling equipment in accordance with the Air Conditioning Contractors of America, Manuals J and S, to prevent short cycling of heating or air conditioning, and ensure adequate dehumidification.				
			Washing Machine(s) Replaced	Installed Energy Star rated Washing Machine				
			Thermostat Replaced	Installed Energy Star Rated programmable thermostats				
			Windows	Installed Energy Star rated windows				
			Dishwasher(s) Replaced	Installed Energy Star rated Dishwasher				
			Low Flow Toilets	Toilets that use no more than 1.28 gallons per flush or better				
			Low Flow Showerheads	showerheads, kitchen and bathroom faucets that are at 2.0 gallons per minute or less.				
			Duct Sealing	Completed a duct sealing package/replacement of existing duct system.				

			Crawl Space	Enclosed crawl space with insulation in floor; placed commercial grade dehumidifier in crawl space OR enclose crawl space with insulation on crawl space walls (most effective)				
			Refrigerator	Installed an Energy Star rated refrigerator				
			Interior Lights	Installed Energy Star Lighting or an Energy Star Advanced Lighting Package				
			Exterior Lights	Installed fluorescent porch lights with dusk to dawn operation feature				
Y/#	N	N/A	Durability and Indoor Air Quality Upgrades					
			Ground Cover	Installed poly/plastic ground cover to completely cover the floor of the crawl space with 6 mil poly or 10 mil poly (thicker 10 mil plastic recommended b/c it is more durable)				
			Gutters	Installed 5" aluminum gutters with gutter guard and 3"x4" downspouts (water piped at least five feet away from foundation)				
			Water Heater	If furnace and water heater replaced, installed a 90+AFUE furnace (instead of 80 AFUE) and sealed combustion gas fired water heater OR isolated combustion equipment from conditioned space by locating the equipment within a sealed and insulated combustion closet.				
			Re-Use	At least 5 percent of construction materials were re-used from other projects or contain recycled materials.				

Pre-Construction Review

Project Completion Review

Construction Monitor's Signature

Construction Monitor's Signature

Date

Date

**Schedule IV
Stage 2 Scoring Criteria**

Evaluation Criteria	Scoring
Non NSP Financing Source	0-30 points
Proposed Budget and Scope of Work	0-25 points
Proposed Timeline for Completion	0-15 points
Sources and Uses	0-10 points
Vicinity Hiring	0-10 points
Section 3	0-10 points
Total	100 points
Bonus	
Non-Profit Status	10 points