

# **CITY OF DETROIT**

## **Housing & Revitalization Department**

**Housing Rehabilitation and Development Program**



**NOTICE OF FUNDING AVAILABILITY (NOFA)**  
**AND**  
**APPLICATION PACKAGE**

**September 2023 NOFA**

Michael E. Duggan, Mayor  
Julie Schneider, Director

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**b) Supportive Housing Category                      \$6,000,000**

Permanent Supportive Housing (PSH) funds are available to support high-quality projects that will construct, rehabilitate, and/or preserve multifamily developments in Detroit that are deeply affordable and provide intensive tenant-centered services for the residents. PSH is an important intervention for a subset of households experiencing homelessness. The goal of PSH is provide deeply affordable housing, with an array of services that's designed to foster housing stability and improve the health and quality of life of PSH tenants.

According to the 2021 State of Homelessness Annual Report for the Detroit Continuum of Care (CoC), 20% of the people experiencing homeless in Detroit are chronically homelessness. Over the course of 2021, 1,120 people experienced chronic homelessness - long stays in shelter and unsheltered situations and have a long-term disabling condition (i.e. intellectual/developmental, mental illness, physical, substance use, etc.). The Detroit CoC, through the coordinated entry process, prioritizes people experiencing chronic homelessness for PSH units. Approximately 90% of chronic homeless households are single adults, which emphasizes the need for studio and one-bedroom PSH units. The population eligible for PSH are households experiencing literal homelessness, as defined by HUD, and have a disabling condition.

PSH project partners must bring a shared understanding of Housing First and Harm Reduction and that must be reflected within the Attachments and responses. The project must pay the cost of all utilities for the PSH units. High quality PSH ensures housing stability by engaging households in voluntary, flexible and coordinated supportive services, and attending to households' connections to community. PSH projects are required to take all applicant referrals through the Continuum of Care's Coordinated Entry process and will be required to obtain a letter of support from the Continuum of Care. Additionally, projects will be required to enter PSH tenant level data into the Homeless Management Information System (HMIS). HOME, AHDPF, and HOME-ARP funds are the primary sources used to fund awards in this category.

## HOUSING REHABILITATION AND DEVELOPMENT PROGRAM APPLICATION AWARD PROCESS SCHEDULE

*Tentative Schedule (Dates Subject to Change)*

EVENT	DATE
NOFA Published	September 11, 2023
HRD Pre-Submission Public Meeting*	September 25, 2023 at 11 am (See meeting information below)*
Pre-Application Project Review Meetings**	September 25 – October 13, 2023
Program Compliance Information Meeting***	October 9, 2023 (See meeting information below)***
Final Submission Deadline	October 16, 2023
Letters of Interest	November 17, 2023
City Support & PILOT Letters Issued (9% & 4% LIHTC)	November 20 -29, 2023
Commitment Level Documents Due*****	December 8, 2023*****
Conditional Award Letters Issued (9% LIHTC Projects) / Conditional Compliance Award Letters****	April 9, 2024
Conditional Award Letters Issued (All Other Projects)	TBD

**\*THE HRD NOFA PUBLIC MEETING WILL BE HELD VIA TEAMS ON [September 25, 2023](#) at 11:00 am**  
Please use the following information to join the Teams Meeting:

**Join on your computer, mobile app or room device**

[Click here to join the meeting](#)

Meeting ID: 221 371 040 898

Passcode: BoPG2v

[Download Teams](#) | [Join on the web](#)

**Or call in (audio only)**

[+1 469-998-6602,,64787786#](#) United States, Dallas

Phone Conference ID: 647 877 86#

[Find a local number](#) | [Reset PIN](#)

[Learn More](#) | [Meeting options](#)

\*\* The project team must provide the documents shown on page 22 at the time a meeting is requested using the [Pre-Application Project Review Meeting](#) Smartsheet link.

\*\*\* A **Program Compliance Information Meeting** to review compliance requirements of the HOME, CDBG, and other funding sources awarded through the NOFA and to explain the application submission process. **WILL BE HELD VIA TEAMS ON October 9, 2023 AT 10:00 am. Development teams applying for funding through this NOFA must register to attend the meeting [HERE](#). POINTS ARE AWARDED FOR ATTENDING THE MEETING.**

\*\*\*\* Pre-Development projects are subject to Scoring Review, and will receive a “Conditional Compliance Award Letter” in lieu of a “Conditional Award Letter”. Pre-Development projects are not guaranteed to receive a Conditional Compliance Award Letter.

\*\*\*\*\*Commitment Level Documents are not required for Pre-development loan applicants.

## DESCRIPTION OF FUNDING SOURCES USED IN THIS NOFA

### **HOME Investment Partnerships Program (HOME) through HUD**

The majority of projects funded through this NOFA will receive HOME dollars. The general purposes of the Federal HOME program are: expanding the supply of decent and affordable housing, particularly rental housing, for low- and very low-income households. All federal requirements for the HOME program are listed in [Title 42, Chapter 130 and CFR Title 24 Part 92](#) and the [Final Rule](#). All projects supported by HOME funds must comply with the associated statutory and regulatory requirements for the HOME program. Please note the HOME guidelines and restrictions reference in this NOFA are not exhaustive and all requirements listed within the HOME regulations and subsequent award documents will need to be met.

### **Community Development Block Grant Program (CDBG) through HUD**

Subject to all City approvals, the City of Detroit may utilize CDBG funds to reimburse applicants for reasonable and necessary soft costs incurred on the project and costs associated with the rehabilitation of a building. A Community-Based Development Organization (CBDO) may use CDBG funds to pay for eligible new construction costs associated with a project. Although limited, these funds may be used as a supplement or substitute for HOME funds. Any project supported by CDBG must comply with the associated statutory and regulatory requirements outlined in in [Title 24, Part 570](#), of the Code of Federal Regulations.

### **Affordable Housing Development and Preservation Fund (AHDPF) through the City of Detroit**

The City of Detroit dedicates annually at least 20% of net receipts of all city-owned commercial property sales to the Affordable Housing Development and Preservation Fund. The funds are to be used to create and preserve affordable homes for households with incomes up to 50%, with a directive that not less than 70% of the funding serve households at or below 30% AMI. Although limited, these funds may be used as a supplement or substitute for HOME or CDBG funds.

### **HOME-American Rescue Plan Program (HOME-ARP) through HUD**

Permanent Supportive Housing projects funded through this NOFA may receive HOME-ARP funds. The purpose of the HOME-ARP funds is to address the need for homelessness assistance and supportive services. HOME-ARP funds awarded through this NOFA must be used for the development and support of affordable housing that primarily benefits qualifying individuals and families who are homeless, at risk of homelessness, or in other vulnerable populations. Currently Detroit prioritizes permanent supportive housing for those experiencing chronic homelessness. As such, applicants should expect that if awarded, all units must be filled with this population.

### **American Rescue Plan Act of 2021 (ARPA) through the U.S. Treasury Department**

Subject to all City approvals, the City of Detroit may utilize ARPA funds to reimburse applicants for reasonable and necessary project costs. Although limited, these funds may be used at the discretion of the city as a supplement or substitute for HOME or CDBG funds in affordable housing projects that meet the ARPA program requirements.

## PROGRAM GOALS AND GUIDELINES

### **General Program Goals**

The Housing Rehabilitation and Development Program aims to strengthen public-private partnerships in order to achieve the following goals:

- Produce mixed-use, mixed-income multifamily housing developments in the city's neighborhoods through both new construction and adaptive reuse or rehabilitation of existing structures.
- Preserve affordability in both rent restricted and naturally occurring affordable multifamily housing stock.
- Develop supportive housing for homeless individuals and families.
- Prevent homelessness through non-profit initiatives.
- Prepare for, prevent, and respond to coronavirus.
- Provide opportunities for and support development to first-time, small-scale, community-based organizations/entities.

Funds awarded through this NOFA can only be used for the development of housing that includes units for extremely low-income, very low-income, low-income, and moderate-income households. All new production projects (new construction, adaptive reuse, vacant building rehabilitation) must be located in the target areas identified in the [2019 Targeted Multifamily Housing Area](#) (Multifamily Target Areas) unless a waiver is granted at the sole discretion of the City. In contrast, preservation projects can be located throughout the city of Detroit. City funds are only available to be used as part of the permanent financing sources of a development. Support for pre-development soft costs are available through the Pre-development Loan Program.

### **Development Priorities**

City funds are a limited resource, and the City seeks to maximize the leveraging of non-City funds in each project to fund the maximum number of eligible projects within this NOFA round. Therefore, a strong preference will be given to projects that demonstrate appropriate total development costs with strong financial commitments from other sources and a minimal need for gap financing.

As demonstrated through the NOFA's application scoring process, the City will prioritize the following types of projects to ensure the City reaches the goals outlined above:

- Mixed Income Projects that contain market rate housing units for households with incomes above 80% of AMI.
- Mixed Use Projects that include mixed uses such as office and retail below residential units.
- Preservation Projects that extend expiring affordability requirements for existing occupied affordable housing development projects.
- Historic Preservation of buildings that are either listed in or eligible to be listed in the National Register of Historic Places individually or as part of a historic district. This can also include buildings that are designated by the City as a Local Historic District.
- Permanent Supportive Housing for those that experience [chronic homelessness as defined by HUD](#). This type of housing should include well-managed supportive services and reduce tenant screening criteria to the HUD minimum.



- Projects of all types that support neighborhood transformation through program, site, and design elements, and incorporate smart growth principals.

### **Community Housing Development Organization (CHDO) Certification**

The City will give special consideration for projects sponsored by a Community Housing Development Organization (CHDO). An organization that has not been certified and seeks funding from this set-aside must submit an application for CHDO certification along with the response to this NOFA. Applicants may find the requirements for the CHDO certification [HERE](#). Additional information on the CHDO process can be found in Appendix A.

### **Community-Based Development Organization (CBDO) Certification**

A Community-Based Development Organization (CBDO) must meet certain requirements pertaining to their legal status, organizational structure, geographic area of work, and mission. For regulatory information on Community Based Development Organizations, see 24 CFR 570.204. A CBDO may use CDBG funds to pay for eligible new construction costs associated with a project.

### **Emerging LIHTC Developer Initiative**

The City may award additional points in the “Development Team Experience and Capacity” category for projects that have established and promote a positive partnership between Experienced Developers and an Emerging LIHTC Developer. An Emerging LIHTC Developer is defined as:

- An organization with previous real estate and LIHTC Development experience; having received and/or developed no more than three (3) LIHTC projects as either General Partner or a Managing Member.
- An organization that is not related to nor has a connection with any development entity that can qualify for “Development Team Experience and Capacity points”.
- An organization having insufficient financial capacity to support the development of a project independently contingent upon the City’s assessment of Financial Statements provided as a requirement of applying to this NOFA .

All applicants must provide an Emerging LIHTC Developer Narrative as instructed in this NOFA to be considered for qualifying points; inclusive of but not limited to:

- Providing a summary of the Emerging LIHTC Developer’s participation/role in the development process of the submitted project.
- Providing an overview detailing the Emerging Developer’s future plans for developing affordable housing in the City of Detroit. This should be inclusive of past, current, and future goals.
- An overview of the Developer’s organization structure identifying the Emerging Developer with no less than 25% interest in the General Partnership or as a Managing Member of the partnership (earning a percentage of the paid and deferred developer fee at least equal to their percentage of the ownership).

## **PRE-DEVELOPMENT LOAN PROGRAM DETAILS AND REQUIREMENTS**

### **Background**

The objective of the pre-development program is to support developers with pre-development costs and technical assistance for affordable multifamily and mixed-use projects. The goal of this program is to support Community Housing Development Organizations (CHDO), Community-Based Development Organizations (CBDO), For-Profit/Start-up developers, Nonprofit developers and emerging Detroit-based developers that typically have less access to capital, so they can be better prepared to apply to future rounds of the HRD Notice of Funding Availability (NOFA) for HOME/CDBG funding sources.

This program is designed to provide financial and technical assistance for common pre-development activities. Eligible activities include environmental and other studies, resource identification and the development of plans and strategies, legal consulting, developer and other costs related to obtaining site options, project financing, administrative costs and fees for loan commitments, zoning approvals, and other related activities which do not have a physical impact such as environmental testing and cleanup, professional services (ex. architecture, engineering, legal), technical assistance. Please note that eligible activities are subject to CDBG national objective and eligible activity qualifications.

Emerging developers in Detroit face challenges with identifying funding for pre-development activities. Therefore, special consideration will be given to Detroit based developers.

### **Minimum Qualifications**

Applicants will be required to demonstrate that they possess the capacity to complete the specific project as proposed, and must break ground within two (2) years of closing on the pre-development financing. Capacity may be demonstrated by evidence of prior work of similar scale and complexity being successfully completed; participation in capacity building program deemed acceptable to HRD; and/or through a member who possess the required capacity.

The proposals will also be reviewed for feasibility. Close attention will be paid to the requirements of any and all proposed financing sources and subsidies, and compared to the proposed programming and uses.

Special consideration will be made for Detroit based developers.

### **Financing Terms And Conditions Of Assistance**

Assistance under this program is structured as a loan with a two-year term, 0% interest, and payments deferred until maturity. A covenant running with the land will be recorded restricting the use of the property as described below. Upon closing on construction financing, the loan may be repaid or converted into permanent financing. A minimum of 15% of residential units shall be rent and income restricted to tenants at or below 60% AMI, and additionally 5% of residential units shall be restricted at 50% AMI. Additionally, 51% of the units have to be affordable at 80% AMI or lower.

Note, for for-profit developers, failure to close on the proposed project could be a taxable event, consult your tax professionals and legal team for additional details

Maximum Loan Amount: \$250,000

Project must be located within the boundaries of the [2019 Targeted Multifamily Housing Area](#) (Multifamily Target Areas).

### **Applicant Responsibilities**

Applicants to this Notice of Funding Availability are responsible for all aspects of project management and development activities necessary to complete the rehabilitation or construction of an affordable or mixed-income housing development including, but not limited to:

- Identify an appropriate site for development;
- Develop a proposal for affordable or mixed-income housing, and work with a general contractor to develop a scope of work and budget;
- Create a development pro-forma including a 15-year cash flow, using market data to justify rents, expenses, and financing terms;
- Obtain all necessary entitlements, and permits;
- Finalize plans and specifications;
- Obtain all necessary financial commitments;
- Completion of rehabilitation and/or construction within an agreed upon timeline and within the defined budget;
- Successful lease up, and property management of the building post rehab.

### **Pre-Development**

Upon award, the applicant will enter into a Development and Loan Agreement that will outline the terms of the award, and establish milestones that must be met to remain in compliance, such as:

- Obtain financial commitments for all debt, equity, and required subsidies within 12 months of award;
- Close on Construction Financing within 24 months;
- Complete Construction and lease up units to qualified tenants within 48 months.

Details of these requirements are outlined in **Attachments 1-3 and 5** in the application of this NOFA.

# AFFORDABLE HOUSING DEVELOPMENT PROGRAM DETAILS AND REQUIREMENTS

## Funding Limits and Restrictions

Effective at the release of this NOFA, the following restrictions will be placed on funding allocations for the Affordable Housing Development Program:

- Maximum award per PSH project: maximum award based upon maximum subsidy limit per unit of PSH
- Maximum award per non-PSH project: \$1,000,000 for 9% LIHTC; \$3,000,000 for all others\*
- Maximum award per developer, per round: \$3,000,000\*
- Maximum outstanding awards per developer: Applicants are eligible to apply to this NOFA round regardless of the number of outstanding awards they may have from previous NOFA rounds provided all of the projects are considered to be on schedule at the sole discretion of HRD.

For projects involving multiple phases or building units involving different financing structures, the maximum award amount cannot exceed \$3,000,000 in the aggregate, and any phase or unit financed in part with 9% LIHTC cannot exceed \$1,000,000.

The maximum amount of City subsidy per eligible rental unit cannot exceed the Section 234-Condominium Housing basic mortgage limits as determined by the local HUD Field office. The award will be based on the project's documented need for financing.

Total City funding in any one project shall not exceed per unit maximums, and will be limited by the total amount of funding available. The City encourages applicant Developers to seek additional funds from other State, Federal, and private sources. Whichever funding source—HOME or an alternate funding source—has the more stringent requirements, those must be met.

For the per developer limitations indicated above, projects with co-developers will count against the per-Developer limit based upon the percentage of interest in the cash-paid (non-deferred) portion of the developer fee. For example, if co-developers retain a fifty percent (50%) interest each in the cash-paid (non-deferred) portion of the developer fee, fifty percent (50%) of the project will be counted against each of the developer's per-Developer limits. Parties that have an identity of interest may be treated as a single developer for purposes of the limitations at the sole discretion of HRD.

\*Due to rising construction costs, HRD will consider on a case-by-case basis, requests above the \$1,000,000 limit for 9% LIHTC projects and a maximum award above \$3,000,000 per developer, per round if the applicant can demonstrate an increase in score through MSHDA's QAP as a direct result.

Projects that commit to an inclusive tenant selection plan and on-site tenant services that meet the MSHDA QAP scoring criteria may request additional funding equal to the amount identified in the project proforma for a tenant services reserve in an amount not to exceed \$500,000.

## **Eligible Costs and Activities**

Funds are available for the Developer's project-related hard costs and soft costs. All costs must be related to the production of eligible housing units and may include the following:

- Acquisition costs – Acquisition of properties in need of rehabilitation and vacant land for new construction are eligible subject to the property meeting HOME requirements. HOME funds from this NOFA may not be used to purchase properties from the City of Detroit. Acquisition costs are subject to a [Uniform Relocation Act \(URA\)](#) compliant appraisal and related costs must be reasonable and necessary. If requesting funds for acquisition, the Developer must provide documentation evidencing through appraisals or other market studies that the acquisition price was reasonable.
- Construction/Rehabilitation costs – Reasonable and necessary new construction or rehabilitation costs are eligible under this NOFA.
- Demolition – Demolition of an existing structure may be funded only if construction will take place on the project within (6) months. An extension may be granted at the sole discretion of the City.
- Developer fees – The City prefers not to fund developer fees with City dollars, but will consider it on a case by case basis.
- City legal fees – The City requires Developers of City assisted projects to pay the City's legal fees, which are currently estimated at \$40,000 per project. More complex projects may incur additional fees. The legal fees are an eligible cost that can be paid out of the City award.
- Initial operating deficit reserves – In order to facilitate project viability, funds may be used to cover the cost of funding an initial operating deficit reserve, which is a reserve to meet any shortfall in project income during the period of project rent-up. This reserve is limited to the reasonably projected deficits for a period not to exceed the first 18 months of project operations after completion. The Developer is required to provide an estimate of initial operating deficits in the development income operating pro forma as part of the application submission for to this NOFA. City staff shall review and approve (and, if appropriate, reduce) the proposed reserve amount.
- Additional soft costs – Reasonable and necessary soft costs are eligible for reimbursement. Please note that funding for soft costs is only eligible in collaboration with an eligible hard cost, and must be approved by the City. Examples of eligible soft costs could include financing fees, title commitments and insurance, surety fees, title and recording fees, legal and accounting fees including cost certification, environmental reviews, appraisals, and architectural and engineering fees.
- Down payment and closing costs assistance - For homebuyer-assisted units.

## **Ineligible Activities and Costs**

In accordance with [24 CFR Part 92.214](#) of the HOME regulations, applicable Office of Management and Budget (OMB) Circulars at [2 CFR Part 200](#), and the City's own local requirements, the following activities and costs are prohibited under this NOFA:

- General planning
- Relocation costs (unless specifically approved by the City)
- Refinancing of pre-existing debt on property

- The payment of delinquent property taxes or utilities
- Purchase of equipment, furniture, and fixtures
- Entertainment costs
- Other ineligible costs per the OMB Cost Principles ([2 CFR Part 200](#)) are specified in the Development and Loan Agreement
- City funding may not be used as a permanent mortgage on a property for homebuyer projects
- Lead-based paint inspection (Unless the City's award letter explicitly states that the City will reimburse Lead-based paint inspections, the Developer will be responsible for these costs and they will not be eligible for City funding).

### **Financing Terms**

City funding may be offered in the form of project financing loans to successful applicants of this NOFA. A mortgage agreement shall be signed at closing and a lien shall remain on the property for the full term of the Affordability Period. As detailed in the development and loan agreement, the Affordability Period will not terminate upon the repayment of the funds or transfer of the property during the Affordability Period. Prior to execution of the Development and Loan agreements the City of Detroit shall conduct a subsidy layering analysis to ensure that it will not invest any more City funds, alone or in combination with other governmental assistance, than is necessary to provide affordable housing.

Rental Project Loans will have a fixed interest rate of 1%, or higher if required by first position lender. Based on a review of the rental pro forma and the needs of the project, financing terms will be determined on a project-by-project basis, but will generally be structured as a cash-flow contingent loan of up to 50% of net cash flow with a 30-50 year term. The minimum annual repayment is \$2,500.

Loans that mature at the end of the Affordability Period, or a longer period specified by other project lenders, may be required to pay a balloon payment. The Affordability Restriction Agreement (Restriction Agreement) shall be a restrictive covenant against the property and the affordability obligations shall pass to subsequent owners during the affordability period (running with the land). The affordability period in the Restriction Agreement shall survive foreclosure and the compliance obligation will be binding on the foreclosing lender.

## REQUIREMENTS TO RECEIVE FUNDING THROUGH THIS NOFA

### Household Income and Rent Restrictions

The acquisition and improvement of property for affordable rental units assisted with HOME funds must be rented to households who are at or below sixty percent (60%) of the Area Median Income (AMI). At least 20% of those HOME-assisted units must be rented to households at or below fifty percent (50%) of the AMI.

Please see Appendix B for more information on rental and utility restrictions.

Applicants must also comply with the City of Detroit's [Inclusionary Housing Ordinance](#) (Section 1. Chapter 14 of the 1984 Detroit City Code, 14-12-1 through 14-12-16). Applicants requesting over \$500,000 of NOFA Funds for *rental projects only*, where the project includes 20 or more units, must comply with the City of Detroit's Inclusionary Housing Ordinance. The Inclusionary Housing Ordinance requires that projects with City funds over \$500,000 and 20 units or more provide at least 15% of its total dwelling units for lease to households earning up to 60% AMI. Additionally, at least 5% of the total dwelling units are required to be leased to households earning up to 50% AMI.

Income limits and maximum rents are further charted in **Appendix B**. Due to the regulations outlined in the [Inclusionary Housing Ordinance](#) (Section 1. Chapter 14 of the 1984 Detroit City Code, 14-12-1 through 14-12-16), **these restrictions will be imposed for a 30 year period of time following the project construction completion**. Affordability requirements apply regardless of the term of any loan or mortgage or the transfer of ownership. They will be imposed by the Restriction Agreement that runs with the land.

\*Please note, the Developer will be required to follow whichever regulation is more restrictive between HUD regulations, the Affordable Housing Development and Preservation Fund, and the Inclusionary Housing Ordinance.

### Environmental Review Requirements

All projects which receive funding through this NOFA are subject to the HUD environmental review requirements and all properties acquired with HOME funds must be environmentally cleared by the City prior to acquisition. The HUD environmental review requirements are found in [24 CFR 58](#). The project must satisfy the HUD environmental review requirements before the City may commit funds to the project. The City shall interpret "commit" as execution of the development and the loan agreements for the project. Upon application for assistance through this NOFA, the Developer and all project participants (i.e. public or private non-profit or for-profit entities, or any of their contractors) agree to the following stipulations: (1) that the provision of any funds to a project is subject to the findings of the environmental review, and (2) **that neither the Developer nor any project participant shall undertake any "choice limiting actions" until the environmental review process is complete, all parties have executed the development and loan agreements for the project, and the City has issued a notice to proceed. Neither the Developer nor any project participant may undertake any "choice**

**limiting action" between the date of application and the date of the notice to proceed from the City.** Please see Appendix C: Environmental Review for a full description and additional HOME requirements.

Any purchase/option agreements executed prior to the submission of an Application to this NOFA that are used to demonstrate site control must include the following **HUD NEPA Rewind Language**:

Notwithstanding any other provision of this Contract, Purchaser shall have no obligation to purchase the Property, and no transfer of title to the Purchase may occur, unless and until the City of Detroit has provided Purchaser and/or Seller with a written notification that: (1) it has completed a federally required environmental review and its request for release of federal funds has been approved and, subject to any other Contingencies in this Contract, (a) the purchase may proceed, or (b) the purchase may proceed only if certain conditions to address issues in the environmental review shall be satisfied before or after the purchase of the property; or (2) it has determined that the purchase is exempt from federal environmental review and a request for release of funds is not required. The City of Detroit shall use its best efforts to conclude the environmental review of the property expeditiously.

If a rehabilitated unit in this program was originally placed into service prior to January 1, 1978, rehabilitation must also comply with HUD lead-based paint rules ([24 CFR Part 35 and 24 CFR Section 570.608](#)). A lead-based paint inspection and lead-based paint risk assessment for lead-based paint hazards shall be conducted, and rehabilitation work must be done by contractors meeting the requirements of the HUD lead-based paint rule and the EPA Renovation, Repair, and Painting rule.

Note that this is an eligible expense for the Pre-development loan program.

### **Davis Bacon and Related Acts (DBRA) Requirements**

Federal labor laws will be applicable to projects that have/are: (a) awarded CDBG funds to build or rehab eight (8) or more units; (b) consists of twelve (12) or more HOME-assisted units; or (c) include nine (9) or more federal project based vouchers. Applicable labor laws include the Davis-Bacon Act (DBA), the Contract Work Hours and Safety Standards Act (CWHSA), and the Copeland Anti-Kickback Act.

Construction will be subject to all federal and local prevailing wages and record-keeping requirements. The DOL "residential" wage decision will be applicable to residential properties that contain four (4) or less floors of living space. The DOL "building" wage determination will be applicable to residential properties with more than four (4) floors of living space. Additional information regarding factors of applicability and contractor's monitoring requirements can be found [HERE](#) and [HERE](#).

### **Section 3 Requirements**

In order to meet the Section 3 requirements, the applicant agrees to comply with HUD's regulation, 24 CFR Part 75 and Housing and Revitalization Department (HRD) Section 3 policy



and guidelines. The applicant must submit the following documents in its entirety and sign (1) “Intent to Comply” and (2) “Section 3 Plan – Developer and General Contractor” (see **Appendix K** for links to aforementioned documents).

If the applicant has Section 3 experience, submit UPDATED/NEW document(s) and information (no older than 2019), a detailed explanation of *past verifiable strategies* used for hiring and training low- and very low-income individuals and contracting with Section 3 businesses and if the strategies were successful or not.

Please see **Appendix D: Section 3 Information** for more information and the link to the above two documents.

### **Construction and Rehabilitation Requirements**

In all work under this NOFA, Developers must adhere to all applicable state and local laws, building codes, zoning, and other requirements relating to construction, rehabilitation, and housing safety, quality, and habitability. Developers must meet the Housing & Revitalization Department’s Contractor’s Performance Standards November 2017 (“HRD Performance Standards”). Rehabilitation and new construction supported with City funds are required to conform to [24 CFR 92.251](#) of the HOME regulations, as applicable. Projects will also be subject to accessibility requirements under Section 504 of the Rehabilitation Act of 1973 (“Section 504”). Information on Section 504 can be found [HERE](#) and [HERE](#). New construction projects receiving funding from this NOFA must have 10% of the units meet the accessibility requirements under Section 504 and an additional 2% of the units, or at least one unit, whichever is greater, must be accessible for persons with hearing or visual disabilities. Rehabilitation projects receiving funding from this NOFA must have 5% of the units meet accessibility requirements under Section 504 and an additional 2% of the units, or at least one unit, whichever is greater, must be accessible for persons with hearing or visual disabilities. New construction projects that have 15% and rehabilitation projects that have 10% of the units meet the accessibility requirements under Section 504 will be eligible to receive 2 additional points in the NOFA scoring process. The unit type mix of the accessible units must be representative of the overall project unit type mix.

### **Energy Standard Requirements**

HUD’s energy codes can be found [HERE](#). All new or substantial rehabilitation in buildings above 4 stories receiving City funding must be designed to meet American Society of Heating, Refrigeration, and Air-Conditioning Engineers (ASHRAE) Standard 90.1-2019, plus 20 percent. As developers are also encouraged to use City funds to incorporate modern, green building, and energy-efficiency elements, points will be awarded for projects that meet the standards outlined in the ENERGY STAR Version 3 for new construction. Construction plans must detail governing design standard and certifications requirements.

### **Tenant Retention Requirements and Relocation Restrictions**

All City-assisted homes and properties acquired or rehabilitated through this NOFA are subject to the [Uniform Relocation Act \(URA\)](#). A copy of the required General Information Notice (GIN) that was issued to the residents of an occupied property at the time the NOFA Application was

submitted must be provided with the application For any occupied property, the City must approve a Tenant Retention Plan (TRP) prior to award and commitment of funding for the project that demonstrates how the project will prevent displacement of existing residents, including the plan for any temporary relocation. This plan must comply with the City's Tenant Retention Standards, found in **Appendix J**, and the Residential Anti-Displacement and Relocation Assistance Plan (RARAP) (link can be found in **Appendix K**). A link to the sample Tenant Retention Plan (TRP) can be found in **Appendix K**. Tenants of occupied properties receiving City funds through this NOFA cannot be required to permanently relocate. Developers seeking funds for occupied properties are encouraged to meet with the City's Preservation Team as soon as possible when planning an application, and to provide a draft TRP with initial submission of an application for City funds to ensure that relocation rules are followed. The TRP is required at the commitment stage.

### **Project/Construction Cost Requirements**

This requirement does not apply to the Pre-development Loan Program. At the time of application to the Affordable Housing Development Program, the Developer must submit a trade payment breakdown for the project from the general contractor. The application must also state whether the Developer has solicited or received any proposals (bids) from general contractors. The following contingency standards will need to be included in the hard cost projections: Five percent (5%) contingency for new construction projects; Twelve and a half percent (12.5%) contingency for rehabilitation projects; and Fifteen percent (15%) contingency for historic rehabilitation projects. The contractor's fee will be governed by the following maximum ratios: Contractor profit-6%, Overhead -2%, and General Conditions -6%. The City of Detroit may consider higher percentages for these fees if MSHDA or another funder approves higher percentages.

### **Pre-Closing Construction Requirements**

This requirement does not apply to the Pre-development Loan Program. Before a project can start the closing process for funds awarded through the Affordable Housing Development Program, the Developer must provide a third-party cost estimate of the construction budget. As a condition of closing, the Developer must also attest and certify that no member or contracting entity or affiliate of the development team is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from any entity from a federally funded transaction. Any contractor that remains on a debarred or suspended condition shall be prohibited from participation in the City's program as long as the contractor is classified in this manner. The Developer must register on the HUD SAMs website to allow for confirmation that neither the developer, selected contractor nor any subcontractors are on the Federal or other debarred lists. The contractor completing the rehabilitation/new construction work will also be required to secure a 100% Payment and Performance Bond on a rehabilitation/new construction project with an estimated rehabilitation/new construction cost of \$100,000 or more in the aggregate. The surety (the provider of the bond) must be authorized to do business in the State of Michigan.

### **Acquisition and Construction Schedule**

This requirement does not apply to the Pre-development Loan Program. Developers that receive Affordable Housing Development Program funds must take title of 100% of the

properties at the closing of the funds if the designated use of the funds is for the property acquisition. If other financing sources are used for acquisition, the assisted project may be closed “in escrow”. Construction is expected to begin within (6) months after the City’s issuance of a commitment letter. The City must approve a project completion schedule that includes all milestones associated with the acquisition, major elements of the development implementation process, schedule of project construction completion by trades, and sale or lease-up of the units prior to loan closing. Due to strict Federal deadlines, projects that do not reach milestones in a timely manner may be subject to rescission of City funding. Construction must not have started prior to the approval of funding and the receipt of environmental review and clearance from HUD.

### **Cost Certification Requirements**

A Certification Report must be prepared by the Developer at the time of project completion and must list and certify all actual sources of funds that were used for the project. Additionally, the City reserves the right to require a Cost Certification report prepared by an independent public accountant, or to request a copy of reports required by other project funders.

### **Marketing Requirements**

The City of Detroit’s Central Affordable Housing Portal (“AH Portal”) is a web-based tool that tracks and promotes available affordable housing units in Detroit. Developers benefit from the AH portal by gaining free marketing of their properties and any available affordable units, and prospective tenants benefit from the AH portal by having one source to search and review information on affordable places to live. As a condition to receiving funds from the City of Detroit, applicant must agree to provide City staff with current property listing information to include in the AH Portal (“Property Listing”), including property amenities, rent, and income eligibility information, property contact information, application information, and available affordable units. Further, applicant must agree to keep their Property Listing current by updating any changes in contact information and affordable units available for lease. As Applicants have immediate vacancies and/or have exhausted their tenant waitlists, Applicant must agree to periodically update their Property listing to market such vacancies. To use the AH Portal, City staff will provide developer and their property managers credentialed logins to post their property listings.

### **Acceptance of Housing Choice Vouchers**

As a condition to receiving funds from the City of Detroit, the Developer must agree to accept prospective residents with Housing Choice Vouchers who would otherwise qualify for the Development, and will allow prospective residents to use a Housing Choice Voucher unless Project Based Rental Assistance is in place for the unit. The Developer understands a higher rent cannot be charged for units with Housing Choice Vouchers. Restricted AMI rents will apply to all affordable units.

### **Tenant Selection**

Projects that commit to an inclusive tenant selection plan and on-site tenant services that meet the MSHDA QAP scoring criteria may request additional funding equal to the amount identified in the project proforma for a tenant services reserve in an amount not to exceed \$500,000.

## **Build America, Buy America (BABA) Act**

As a condition to receiving funds from the City of Detroit, the Development Team – a “Non-Federal Entity” - hereby certifies that they will comply with the following BABA and the Buy American Preference (BAP) requirements unless they have obtained a waiver:

- The Grantee must comply with the requirements of the Build America, Buy America (BABA) Act, 41 USC 8301 note, and all applicable rules and notices, as may be amended, if applicable to the Grantee’s infrastructure project. Pursuant to HUD’s Notice, “Public Interest Phased Implementation Waiver for FY 2022 and 2023 of Build America, Buy America Provisions as Applied to Recipients of HUD Federal Financial Assistance” (88 FR 17001), any funds obligated by HUD on or after the applicable listed effective dates are subject to BABA requirements, unless excepted by a waiver.

When applicable, the BAP requires that all iron, steel, manufactured products ,and construction materials used in covered infrastructure projects be produced in the United States. Developers subject to the BAP must document compliance or the specifically applicable waiver of the BAP with:

- A copy of the applicable waiver(s),
- Certification(s) from the producer/manufacturer of Covered Materials,
- Certification(s) from the Contractor or entity performing the Covered Activities,
- Self-Certification(s) as to compliance, or
- A combination of one (1) or more of the aforementioned.

Future implementation of BABA will have additional forthcoming requirements – information on BABA can be found [HERE](#).

## **Site and Neighborhood Standards**

As a condition to receiving funds from the City of Detroit, the Development Team must adhere to the following Site and Neighborhood Standards for HOME rental projects:

- Be adequate to accommodate the number and type of units proposed;
- Have sufficient utilities and streets to service the site;
- Be in full compliance with the applicable provisions of Title VI of the Civil Rights Act of 1964, Title VIII of the Civil Rights Act of 1968, E.O. 11063;
- Promote greater choice of housing opportunities.

Additional new construction projects must:

- Avoid undue concentration of assisted persons in areas containing a high proportion of low-income persons;
- Be accessible to social, recreational, educational, commercial, and health facilities and services;
- Be accessible to municipal facilities and services that are at least equivalent to those typically found in neighborhoods consisting largely of unassisted, standard housing of similar market rents;
- Be so located to places of employment providing a range of jobs for lower income workers;

- The neighborhood must not be one which is seriously detrimental to family life or other undesirable conditions predominate unless there is actively in progress a concerted program to remedy the undesirable conditions;
- The site must not be located in an area of minority concentration, except as permitted below:
  - Sufficient, comparable opportunities exist for housing for minority families, in the income range to be served by the proposed project, outside areas of minority concentration; or
  - The project is necessary to meet overriding housing needs that cannot be met in that housing market area.

This requirement can be referenced in the Underwriting & Commitment of HOME Funds section: Site Selection: for new construction, an analysis of site selection and neighborhood standards review in accordance with 24 CFR 983.57(e)(2) and (3), as required per 24 CFR 92.2, 24 CFR 92.202(b) and 24 CFR 92.508.

## APPLICATION, HRD REVIEW, AND AWARD PROCESS

### APPLICATION PROCESS

#### **Pre-Application Project Review Meeting**

For any project that is applying to this NOFA, the Developer must request a Pre-Application Project Review Meeting with the Housing Underwriting Multifamily team between September 25 – October 13, 2023 on a first come, first served basis. **To schedule, please submit the Pre-Application Project Review Meeting Form immediately, but no later than October 6, 2023.** **Denise Jackson**, Administrative Assistant, will provide a calendar invite confirming the meeting date and time. The following items must be included when the meeting request is submitted using the [Smartsheet Form](#) or a meeting will not be scheduled:

- Draft Executive Summary
- Draft Proforma in Excel Format ([HRD Template](#) or [MSHDA Template](#))
- LIHTC Self-Score (9% LIHTC Only)
- Draft Neighborhood Investment Criteria List/Map (9% LIHTC Only) – Please note that HRD is not responsible for creating this list, nor does the department have the capacity to do so. If the project team has questions or needs guidance, HRD can review the drafted list and suggest additional criteria.

**File names of the documents must include the project name and document type.**

#### **Program Compliance Information Meeting**

A Program Compliance Information Meeting to review compliance requirements of the HOME, CDBG, and other funding sources awarded through the NOFA and to explain the application submission process will be held **VIA TEAMS ON October 9, 2023 AT 10:00 am**. This meeting will provide an overview of Davis-Bacon and Related Acts prevailing wage requirements, HUD Section 3 requirements, environmental compliance requirements, the City construction draw process, tenant relocation requirements, the application submission process, the preliminary plan review process, and continuing compliance requirements. Members of the development teams that will be applying for funding through this NOFA must register to attend the meeting using the link below. **POINTS ARE AWARDED IN THE NOFA SCORING PROCESS FOR ATTENDING THE MEETING.**

**[PLEASE REGISTER HERE.](#)**

#### **Application Submission**

All applications must be completed and submitted per the instructions included in this NOFA and the NOFA Application, Instructions, and Required Forms section that begins on page 52 of this NOFA. The application must contain all applicable required documents. All questions regarding the NOFA must be emailed to [HRDNOFA@detroitmi.gov](mailto:HRDNOFA@detroitmi.gov). The City expects to receive more proposals than can be funded with its limited funding allocations and reserves the right to reject any and all submissions. The City also reserves the right to request additional information or documentation at any stage during the application review process, to request

that changes be made to a proposal, to fund portions of any given proposal, and/or to choose not to fund any or all proposals. Additionally, the City reserves the right to change the funding amount of a given proposal prior to closing, at its sole discretion. Applicant Developers will be expected to respond and comply with any additional requests in a timely manner. Failure to provide requested information on a timely basis will result in a proposal being deemed non-responsive and ineligible for further consideration.

HRD will accept completed electronically submitted applications via DocuSign in compliance with the NOFA. In addition to the primary application form, all applicable checklist Items in **Attachments 1-12** must be included at the time the application is submitted. **Attachment 13** is to be submitted when a project has received a Letter of Interest from the City of Detroit through a subsequent submission process. The DocuSign application can be found **HERE**; by using the links provided on the HRD website at:

<https://detroitmi.gov/departments/housing-and-revitalization-department>; OR by using the link provided in **Appendix K**.

**For the Pre-Development Loan Program**, the application form and **Attachments 1-3 and 6** are applicable and must be submitted by 11:59 pm on October 16, 2023. Note that the Commitment Level Checklist is not required for the Pre-Development Loan Program.

**For the Affordable Housing Program - Multi-Family**, the application form and **Attachments 1-3, 5, and 7-12** are applicable and must be submitted by 11:59 pm on October 16, 2023.

**For the Affordable Housing Program - Permanent Supportive Housing Projects**, the application form and **Attachments 1-5, and 7-12** are applicable and must be submitted by 11:59 pm on October 16, 2023.

#### **Completing Attachment 4 and 6 - 12 Checklists**

Developers must check the box for each item on the checklist that is applicable to the project and attach a comprehensive document that provides the information indicated in the item description on the checklist. **Failing to check a box for an item that applies to the project may result in the application not passing the threshold review and not receiving a Letter of Interest from the City.**

#### **File Name Format Requirements**

The following naming system must be used for files attached to the checklists:

Attachment #\_Item\_Project Name\_2023 (**Example:** 5\_A\_Orange Grove Heights\_2023)

**Project Name should NOT exceed 20 Characters (Including Spaces)**

#### **File Size Limitations**

Each individual document uploaded is not to exceed 25 MB; with the ability to upload multiple files at a time per attachment. For documents that exceed 25 MB and/or are non-PDF files (i.e.

Excel, Word, etc.), please use the [File Upload](#) link (also listed in **Appendix K**) to upload using the same File Name Format required.

## **PRE-DEVELOPMENT LOAN PROGRAM APPLICATION REVIEW AND AWARD PROCESS**

### **Application Review**

An application review will be conducted to ensure that every item required per the NOFA Application, Instructions, and Required Forms section that begins on page 56 of this NOFA is both included and of quality.

Please note that the application form and only **Attachments 1 – 3 and 5** of the application apply to the Pre-Development Loan Program and they are due at the time of the application submission.

HRD staff will prepare and present a project summary to the HRD Award Committee. The HRD Award Committee determines if the project application meets the pre-development loan requirements.

### **Scoring Review and Closing**

Pre-development projects are evaluated by HRD staff using a standardized scoring process. The HRD staff may contact the project team to clarify items included in the application or request additional or updated information. Failure by the project team to respond timely or to not provide requested items may result in the application not receiving points for the scoring criteria item. Please see **Appendix I: Pre-Development Program Application Scoring Criteria** for a full description of the point system and items evaluated during the scoring process.

After completing the scoring process, HRD staff present a project summary and scoring report to the HRD Award Committee. The HRD Award Committee verifies the accuracy of the scoring and determines the final score for each project

Upon the determination of the final score for each project by the Award Committee, the projects will be ranked by category and the highest ranking projects up to the amount of available funds in each category will be issued a Conditional Compliance Award Letter from the City. The Conditional Compliance Award Letter includes:

- the amount of the conditional award and the conditions that must be satisfied for the project to receive the award,
- the source of the funds being conditionally awarded to the project and what type of costs may be paid from the award,
- the responsibility of the development team to provide items to underwrite the loan,
- the date the award will expire,
- and the requirement to receive final Award Committee and City Council approval prior to proceeding to a closing of the financing for the project.

Conditional Compliance Awards are made on an “up to” basis. As developments progress through the underwriting process, and budgets become clearer, HRD may find that a lesser award is warranted. If additional funds are requested from the City, the request will be considered on a competitive basis. Finalized expiration dates on Conditional Compliance Awards will be firm. The City has far more applications for funding than it has resources available, so any project that is unable to move forward in a timely manner will be subject to



award expiration. Such projects will be allowed to reapply, but will have to compete for the award again.

In the City's sole discretion, if a project changes substantially from its application package or is unresponsive to requests for additional information, the Conditional Compliance Award will be revoked.

HRD will work with the development team to underwrite the loan, obtain final approval by City Council and HRD's Award Committee. Following final approval and a finalized award amount, the Closing Phase will begin.

## **AFFORDABLE HOUSING DEVELOPMENT PROGRAM APPLICATION REVIEW, SCORING , AND AWARD PROCESS**

### **Threshold Review**

A threshold review will be conducted on applications received to ensure that every item required per the NOFA Application, Instructions, and Required Forms section that begins on page 52 of this NOFA is both included and of quality. Please note that the application form and only **the Attachments 1 – 3, 5, and 7-12** are due at the time of the Affordable Housing Development Program application submission. For Permanent Supportive Housing (PSH) projects, only **Attachments 1-5 and 7-12** are due at the time of the Affordable Housing Development Program application submission. **Attachment 13** – Affordable Housing Program Commitment Level Checklist - is required **to be submitted by December 8, 2023 at 11:59 pm** for applications that pass the threshold review and receive a Letter of Interest from the City. HRD staff will prepare and present a project summary and threshold review report to the HRD Award Committee. The HRD Award Committee determines if the project application meets the threshold requirements. Applications that do not pass the threshold review will not continue on to the scoring review phase.

### **Letter of Interest**

A Letter of Interest from the City will be issued for all projects that pass threshold review, align with City goals, and are financially viable with the inclusion of financial support from the City. The Letter of Interest will state the City's intent to further evaluate the project, but does not constitute a conditional award. Projects that receive a Letter of Interest will proceed to the scoring and commitment phase of the NOFA process and are required to submit the **Attachment 13** – Affordable Housing Program Commitment Level Checklist - items on or before December 8, 2023.

### **Scoring Review**

Projects that receive a Letter of Interest will be thoroughly evaluated by HRD staff using a standardized scoring process. The HRD staff may contact the project team to clarify items included in the application or request additional or updated information. Failure by the project team to respond timely or to not provide requested items may result in the application not receiving points for the scoring criteria item. Please see **Appendix G: Affordable Housing Program Application Scoring Criteria** for a full description of the point system and items evaluated during the scoring process.

After completing the scoring process, HRD staff present a project summary and scoring report to the HRD Award Committee. The HRD Award Committee verifies the accuracy of the scoring and determines the final score for each project.

### **Ranking of the Projects and Issuance of Conditional Award Letters**

Upon the determination of the final score for each project by the Award Committee, the projects will be ranked by category and the highest ranking projects up to the amount of available funds in each category will be issued a Conditional Award Letter from the City. The Conditional Award Letter includes:

- the amount of the conditional award and the conditions that must be satisfied for the project to receive the award,
- the source of the funds being conditionally awarded to the project and what type of costs may be paid from the award,
- the responsibility of the development team to provide items to underwrite the loan,
- the date the award will expire,
- and the requirement to receive final Award Committee and City Council approval prior to proceeding to a closing of the financing for the project.

Conditional Awards are made on an “up to” basis. As developments progress through the underwriting process, and budgets become clearer, HRD may find that a lesser award is warranted. If additional funds are requested from the City, the request will be considered on a competitive basis. Finalized expiration dates on conditional awards will be firm. The City has far more applications for funding than it has resources available, so any project that is unable to move forward in a timely manner will be subject to award expiration. Such projects will be allowed to reapply, but will have to compete for the award again.

In the City’s sole discretion, if a project changes substantially from its application package or is unresponsive to requests for additional information, the Conditional Award will be revoked. Substantial changes could include, but are not limited to, the following: changes to the site plan, number of units, and/or types of financing as well as changes to the request for assistance greater than 10% of the award amount. These changes do not reflect a complete list, and the City reserves the right to revoke a Conditional Award for any reason.

HRD will work with the development team to underwrite the loan, obtain final approval by City Council and HRD’s Award Committee. Following final approval and a finalized award amount, the Closing Phase will begin.

### **Closing Phase**

Upon completion of the underwriting process, receipt of authorization to proceed from the City’s environmental compliance team, and having received the final approval from the HRD Award Committee and City Council, the City will assign the project to an attorney that will begin drafting documents, and working through a closing checklist with the other parties involved in the project. The project is responsible for paying the City’s legal costs relating to the project. The Awardee will have (90) days from the date of final approval to close on construction financing

### **Payment In Lieu of Taxes (PILOT) Preliminary Letter of Support**

For all projects that receive Conditional Award Letters, HRD will also issue a preliminary letter of support for the project to qualify for a Payment in Lieu of Taxes (PILOT). Each project is still required to apply through the formal PILOT application process with the City of Detroit's Tax Assessors Office, but this letter will be recognized and considered by the Tax Assessors Office. For projects also applying to MSHDA for an award of 9% LIHTCs, this PILOT preliminary letter of support will be recognized and considered by MSHDA in their scoring process.

### **9% LIHTC Support Letters for Projects Not Applying for City Funds**

Projects applying for 9% LIHTCs from MSHDA that are not applying for City funds, may request a letter of support and PILOT preliminary letter of support to include with their LIHTC application. The development team must request a meeting with HRD and provide information regarding the project that complies with the details described above. If the project developer complies with the meeting request and the project aligns with City goals, a City of Detroit support letter will be issued.

**APPENDIX A: COMMUNITY HOUSING  
DEVELOPMENT ORGANIZATION QUALIFICATIONS  
AND CERTIFICATION PROCESS**

To pursue certification, the CHDO certification application must be completed and submitted with the project application. To qualify for Community Housing Development Organization (CHDO) certification, all of the following criteria must be met:

1. Must be a non-profit entity organized under State or local laws; has no part of its net earning inure to the benefit of any member, founder, contributor, or individual; has a tax exempt ruling under Section 501 (c)(3) or (4) of the Internal Revenue Code; and has among its purposes the provision of affordable housing to low- and moderate-income persons.
2. At least 1/3 of the entity's governing board membership is for residents of low-income neighborhoods, other low-income community residents, or elected representatives of low-income neighborhood organizations. No more than one-third of the governing board members may be public officials (including City employees) or appointed thereby, and government-appointed board members may not, in turn, appoint any of the remaining board members.
3. If the entity is sponsored or created by a for-profit entity, the for-profit entity may not appoint more than one-third of the membership of the CHDO's governing body, and the board members appointed by the for-profit entity may not, in turn, appoint the remaining two-thirds of the board members.
4. The entity is not controlled, nor receives directions from individuals, or entities seeking profit from the organization.
5. If the entity is sponsored or created by a for-profit entity, the for-profit entity's primary purpose does not include the development or management of housing, and the entity is free to contract for goods and services from vendor(s) of its own choosing.
6. The entity (or its parent) has a history of serving the community within which housing to be assisted with HOME funds is to be located and provides a formal process for low-income program beneficiaries to advise the organization in affordable housing development decisions.
7. The entity must have financial accountability standards that conform to 2 CFR 200.302 "Financial Management" and 2 CFR 200.303 "Internal Controls".
8. The entity has a demonstrated capacity for carrying out activities assisted with HOME funds.

## APPENDIX B: CITY OF DETROIT INCOME LIMITS, HOME RENTS AND UTILITY ALLOWANCES

All units assisted with HOME funds must serve households with incomes at or below 60% of the Area Median Income (AMI), adjusted by household size, as defined below.

Income Limits [Source: [2023 HUD Income Limits](#)]

Household Size	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
<b>80% AMI</b>	53,050	60,600	68,200	75,750	81,850	87,900	93,950	100,000
<b>60% AMI</b>	39,780	45,480	51,180	56,820	61,380	65,940	70,500	75,060
<b>50% AMI</b>	33,150	37,900	42,650	47,350	51,150	54,950	58,750	62,550

HOME Maximum Rents [Source: [2023 HUD HOME Program Rent Limits](#)]

<b>MAXIMUM RENT STANDARDS</b> <i>(Subtract Utility Allowance to Determine Maximum Actual Rents)</i>						
Unit Size	0 Bedroom	1 Bedroom	2 Bedrooms	3 Bedrooms	4 Bedrooms	5 Bedrooms
<b>Low Home Rent Limit</b>	828	888	1066	1231	1373	1516
<b>High Home Rent</b>	845	952	1213	1511	1629	1873
<b>For Information Only: Fair Market Rent</b>	845	952	1213	1511	1629	1873
<b>50% Rent Limit</b>	828	888	1066	1231	1373	1516
<b>65% Rent Limit</b>	1058	1134	1363	1567	1728	1888

\*For all HOME projects, the maximum allowable rent is the HUD calculated High HOME rent Limit and/or Low HOME Rent Limit.

NOTE: The rent standards above must be reduced if the tenant pays for utilities since the calculation of these rent standards includes all utilities except telephone.

**Maximum Rent Example:**

1 Bedroom Apartment:	\$888
Allowance for heat:	-\$ 41
Maximum Allowable HOME:	\$847

**APPENDIX B:**  
**2023 HUD HOME INCOME LIMITS**

U.S. DEPARTMENT OF HUD  
STATE: MICHIGAN

		----- 2023 ADJUSTED HOME INCOME LIMITS -----							
PROGRAM		1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
Detroit-Warren-Livonia, MI	HUD Metro FMR Area								
	30% LIMITS	19900	22750	25600	28400	30700	32950	35250	37500
	VERY LOW INCOME	33150	37900	42650	47350	51150	54950	58750	62550
	60% LIMITS	39780	45480	51180	56820	61380	65940	70500	75060
	LOW INCOME	53050	60600	68200	75750	81850	87900	93950	100000

**APPENDIX B: CITY OF DETROIT UTILITY SCHEDULE**

As of September 2023

**Monthly Allowances for Tenant-Paid Utilities**

<b>LOW RISE/GARDEN APARTMENTS</b>							
<b>Utility</b>	<b>0 BR</b>	<b>1 BR</b>	<b>2 BR</b>	<b>3 BR</b>	<b>4 BR</b>	<b>5 BR</b>	<b>6 BR</b>
<i>Heating: Natural Gas</i>	\$33.00	\$41.00	\$49.00	\$57.00	\$69.00	\$78.00	\$87.00
<i>Heating: Electric</i>	48.00	65.00	82.00	100.00	128.00	146.00	168.00
<i>Cooking: Natural Gas</i>	3.00	4.00	6.00	7.00	9.00	10.00	12.00
<i>Cooking: Electric</i>	9.00	12.00	15.00	19.00	24.00	27.00	31.00
<i>Hot Water: Gas</i>	8.00	11.00	14.00	17.00	21.00	24.00	28.00
<i>Hot Water: Electric</i>	24.00	34.00	43.00	53.00	67.00	77.00	88.00
<i>Air Conditioning:</i>	7.00	11.00	14.00	17.00	22.00	25.00	28.00
<i>Water &amp; Sewer</i>	36.00	45.00	63.00	89.00	116.00	142.00	169.00
<i>Range</i>	7.00	7.00	7.00	7.00	7.00	7.00	7.00
<i>Trash Collection</i>	12.00	12.00	12.00	12.00	12.00	12.00	12.00
<i>Refrigerator</i>	7.00	7.00	7.00	7.00	7.00	7.00	7.00

**APPENDIX B: CITY OF DETROIT UTILITY SCHEDULE**

As of September 2023

**Monthly Allowances for Tenant-Paid Utilities**

<b>DUPLEX OR TWO FAMILY</b>							
<b>Utility</b>	<b>0 BR</b>	<b>1 BR</b>	<b>2 BR</b>	<b>3 BR</b>	<b>4 BR</b>	<b>5 BR</b>	<b>6 BR</b>
<i>Heating: Gas</i>	\$33.00	\$41.00	\$49.00	\$57.00	\$69.00	\$78.00	\$87.00
<i>Heating: Electric</i>	48.00	65.00	82.00	100.00	128.00	146.00	168.00
<i>Cooking: Gas</i>	3.00	4.00	6.00	7.00	9.00	10.00	12.00
<i>Cooking: Electric</i>	9.00	12.00	15.00	19.00	24.00	27.00	31.00
<i>Hot Water: Natural Gas</i>	8.00	11.00	14.00	17.00	21.00	24.00	28.00
<i>Hot Water: Electric</i>	24.00	34.00	43.00	53.00	67.00	77.00	88.00
<i>Air Conditioning</i>	7.00	11.00	14.00	17.00	22.00	25.00	29.00
<i>Water &amp; Sewer</i>	36.00	45.00	63.00	89.00	116.00	142.00	169.00
<i>Range/Microwave</i>	7.00	7.00	7.00	7.00	7.00	7.00	7.00
<i>Trash Collection</i>	12.00	12.00	12.00	12.00	12.00	12.00	12.00
<i>Refrigerator</i>	7.00	7.00	7.00	7.00	7.00	7.00	7.00



**APPENDIX B: CITY OF DETROIT UTILITY SCHEDULE**

As of September 2023

**Monthly Allowances for Tenant-Paid Utilities**

<b>SINGLE-FAMILY DETACHED HOUSE</b>							
<b>UTILITY</b>	<b>0 BR</b>	<b>1 BR</b>	<b>2 BR</b>	<b>3 BR</b>	<b>4 BR</b>	<b>5 BR</b>	<b>6 BR</b>
<i>Heating: Natural Gas</i>	\$34.00	\$43.00	\$52.00	\$61.00	\$74.00	\$83.00	\$93.00
<i>Heating: Electric</i>	51.00	69.00	88.00	108.00	137.00	157.00	181.00
<i>Cooking: Natural Gas</i>	3.00	4.00	6.00	7.00	9.00	10.00	12.00
<i>Cooking: Electric</i>	9.00	12.00	15.00	19.00	24.00	27.00	31.00
<i>Hot Water: Natural Gas</i>	8.00	11.00	14.00	17.00	21.00	24.00	28.00
<i>Hot Water: Electric</i>	24.00	34.00	43.00	53.00	67.00	77.00	88.00
<i>Air Conditioning</i>	8.00	12.00	15.00	18.00	23.00	27.00	31.00
<i>Water &amp; Sewer</i>	42.00	54.00	77.00	113.00	148.00	184.00	219.00
<i>Range/Microwave</i>	7.00	7.00	7.00	7.00	7.00	7.00	7.00
<i>Trash Collection</i>	12.00	12.00	12.00	12.00	12.00	12.00	12.00
<i>Refrigerator</i>	7.00	7.00	7.00	7.00	7.00	7.00	7.00

**APPENDIX B: CITY OF DETROIT UTILITY SCHEDULE**

As of September 2023

**Monthly Allowances for Tenant-Paid Utilities**

<b>ROW HOUSE OR TOWN HOUSE</b>							
<b>UTILITY</b>	<b>OBR</b>	<b>1 BR</b>	<b>2 BR</b>	<b>3 BR</b>	<b>4 BR</b>	<b>5 BR</b>	<b>6 BR</b>
<i>Heating: Natural Gas</i>	\$33.00	\$41.00	\$49.00	\$57.00	\$69.00	\$78.00	\$87.00
<i>Heating: Electric</i>	48.00	65.00	82.00	100.00	128.00	146.00	168.00
<i>Cooking: Natural Gas</i>	3.00	4.00	6.00	7.00	9.00	10.00	12.00
<i>Cooking: Electric</i>	9.00	12.00	15.00	19.00	24.00	27.00	31.00
<i>Hot Water: Natural Gas</i>	8.00	11.00	14.00	17.00	21.00	24.00	28.00
<i>Hot Water: Oil/Electric</i>	24.00	34.00	43.00	53.00	67.00	77.00	88.00
<i>Air Conditioning</i>	7.00	11.00	14.00	17.00	22.00	25.00	29.00
<i>Water &amp; Sewer</i>	36.00	45.00	63.00	89.00	116.00	142.00	169.00
<i>Range</i>	7.00	7.00	7.00	7.00	7.00	7.00	7.00
<i>Trash Collection</i>	12.00	12.00	12.00	12.00	12.00	12.00	12.00
<i>Refrigerator</i>	7.00	7.00	7.00	7.00	7.00	7.00	7.00

**APPENDIX B: CITY OF DETROIT UTILITY SCHEDULE**

As of September 2023

**Monthly Allowances for Tenant-Paid Utilities**

<b>HIGH RISE: 5 OR MORE STORIES</b>							
<b>UTILITY</b>	<b>0 BR</b>	<b>1 BR</b>	<b>2 BR</b>	<b>3 BR</b>	<b>4 BR</b>	<b>5 BR</b>	<b>6 BR</b>
<i>Heating: Natural Gas</i>	\$30.00	\$37.00	\$44.00	\$51.00	\$61.00	\$69.00	\$77.00
<i>Heating: Electric</i>	41.00	56.00	71.00	86.00	110.00	128.00	144.00
<i>Cooking: Natural Gas</i>	3.00	4.00	6.00	7.00	9.00	10.00	12.00
<i>Cooking: Electric</i>	9.00	12.00	15.00	19.00	24.00	27.00	31.00
<i>Hot Water: Natural Gas</i>	8.00	11.00	14.00	17.00	21.00	24.00	28.00
<i>Hot Water: Electric</i>	24.00	34.00	43.00	53.00	67.00	77.00	88.00
<i>Air Conditioning</i>	6.00	9.00	12.00	15.00	19.00	21.00	25.00
<i>Water &amp; Sewer</i>	36.00	45.00	63.00	89.00	116.00	142.00	169.00
<i>Range</i>	7.00	7.00	7.00	7.00	7.00	7.00	7.00
<i>Trash Collection</i>	12.00	12.00	12.00	12.00	12.00	12.00	12.00
<i>Refrigerator</i>	7.00	7.00	7.00	7.00	7.00	7.00	7.00

## APPENDIX C: ENVIRONMENTAL REVIEW

All projects which receive funding through this NOFA are subject to the HUD environmental review requirements. The HUD environmental review requirements are found in Title 24, Part 58, of the Code of Federal Regulations. The project must satisfy the HUD environmental review requirements before the City may commit funds to the project. The City shall interpret “commit” as execution of the development and the loan agreements for the project.

Upon application for assistance through this NOFA, the Developer and all project participants (i.e. public or private non-profit or for-profit entities, or any of their contractors) agree to the following stipulations:

- (1) that the provision of any funds to a project is subject to the findings of the environmental review, and
- (2) that **neither the Developer nor any project participant shall undertake any "choice limiting actions" until the environmental review process is complete**, all parties have executed the development and loan agreements for the project, and the City has issued a notice to proceed. Neither the Developer nor any project participant may undertake any "choice limiting action" between the date of issuance of this NOFA and the date of the notice to proceed from the City.

The findings of the environmental review may identify environmental concerns that necessitate an alteration, a change, or a modification to the proposed project. The City may require alterations, changes, or modifications to the project based upon the findings of the environmental review, and the Developer and all project participants must implement any alterations, changes, or modifications required by the City as a condition of funding.

The City shall define “choice limiting actions” as any of the following: (1) acquisition of any real property associated with the project, (2) any improvements to the property or properties associated with a project, (3) any rehabilitation of an existing structure located on property associated with the project, (4) any construction of a new structure located on property associated with the project, or (5) demolition of any existing structure located on property associated with the project. **Neither the Developer nor any project participant may undertake any "choice limiting action" between the date of issuance of this NOFA and the date of the notice to proceed from the City.** If the City discovers that the Developer or any project participant committed a “choice limiting action” during this time period, then the City may deny funding to an entire project or may disqualify for reimbursement any cost associated with the particular “choice limiting action.”

The City shall NOT define “choice limiting actions” as either of the following: (1) an option agreement for the acquisition of real property, or (2) a non-binding purchase agreement. An option agreement is an exclusive right to purchase a property at a specific price within a specified time period without an obligation to purchase. A non-binding agreement establishes that there is no legal obligation on the part of the buyer to purchase the property; that acquisition will proceed only if there is compliance with the HUD environmental requirements.

HUD’s aggregation principles require aggregating all related known and reasonably foreseeable activities regardless of funding source. Reasonably foreseeable is defined as an activity or project

phase for which there is funding or contractual commitments in place or existing plans for reuse go beyond the preliminary or schematic plan phases. If a future activity is known or reasonably foreseeable at time of initial environmental review, it should be included in the aggregated scope. Pre-development projects that include construction activities must aggregate the review to include the activities in the report, and would be required to complete the environmental review process and obtain an Authority to Use Grant Funds (AUGF) before the funds would be available to be drawn.

## APPENDIX D: SECTION 3 INFORMATION (HUD 24 CFR Part 75)

### Applicability

Section 3 is a provision of the Housing and Urban Development (HUD) Act of 1968, federal regulation formerly 24 CFR Part 135. HUD released a final rule in the fall of 2020 changing the regulation to 24 CFR Part 75. The final rule moved from tracking the number of qualified new hires (Section 3 residents) in Section 3 projects to tracking the total labor hours worked (by Section 3 workers and Targeted Section 3 workers). In connection with the final rule, 24 CFR Part 75, HUD published a document citation via the federal register, 85 FR 60907, Section 3 Benchmarks for Creating Economic Opportunities for Low- and Very Low-Income Persons and Eligible Businesses. The citation includes benchmark numbers and the methodology for determining the benchmarks.

The new Section 3 regulation, 24 CFR Part 75 still aiming to ensure that economic opportunities, most importantly employment, generated by certain HUD financial assistance shall be directed to low- and very low-income persons, particularly those who are residents of the community in which the federal assistance is spent. Requiring recipients of certain HUD housing and community development financial assistance, to the greatest extent feasible, to provide employment and job training for low- and very low-income persons and contracting opportunities to business concerns which provides economic opportunities to low- and very low-income persons in connection with projects and activities in their neighborhoods. HUD believes the final rule makes Section 3 goals and reporting more meaningful and more aligned with statutory requirements.

Successful compliance with HUD Section 3, federal regulation 24 CFR Part 75, by the subrecipient, developer, general contractor, and subcontractor will be a factor in determining future awards of Section 3 covered assistance.

### Documentation

Two documents must be completed and submitted with your NOFA package – (1) “Intent to Comply” and (2) “Section 3 Plan – Developer and General Contractor”. If awarded HUD funds for a covered Section 3 project, your Section 3 Plan is your baseline for meeting at least the minimum Section 3 requirements. All parties associated with your project must maintain documentation for a time period required for record retention or in the absence of applicable program regulations in accordance with 2 CFR Part 200.

For your future reference, the following are Section 3 documents required throughout the life of the project:  
(the list of documents may change as needed)

- Intent to Comply (**includes the required Section 3 language for all contracts**)
- Section 3 Plan – Developer and General Contractor (**includes the required Section 3 language for all contracts**)
- List of All businesses on Project (Contractor and Subcontractor Activity, HUD form 2516)
- Section 3 Worker and Targeted Section 3 Worker Certification
- Section 3 Business Concern Certification
- Weekly Certified Payrolls
- Monthly Labor Hours Summary Report
- Final Project Total Labor Hours 3 Summary Report
- Verification of Outreach Efforts

### For more information and ALL documents

Housing and Revitalization Department (HRD) Section 3 Information, Documents, and Forms  
<https://detroitmi.gov/departments/housing-and-revitalization-department/hud-programs-and-information/section-3-program>

Housing and Urban Development (HUD) Section 3 Regulation  
<https://ecfr.federalregister.gov/current/title-24/subtitle-A/part-75#section-75>

HUD Section 3 Benchmarks (Section 3 Projects)  
<https://www.federalregister.gov/documents/2020/09/29/2020-19183/section-3-benchmarks-for-creating-economic-opportunities-for-low--and-very-low-income-persons-and#h-13>

**APPENDIX E: EXECUTIVE ORDER NO. 2021-2**

**EXECUTIVE ORDER 2021-02**

**TO: ALL BOARDS, COMMISSIONS, DEPARTMENT DIRECTORS, CITY COUNCIL MEMBERS, CITY CLERK.**

**FROM: MICHAELE. DUGGAN, MAYOR**

**SUBJECT: UTILIZATION OF DETROIT RESIDENTS ON PUBLICLY- FUNDED CONSTRUCTION AND DEMOLITION/REHAB PROJECTS**

**DATE: APRIL 14, 2021**

**WHEREAS**, the economic revitalization of Detroit depends upon the employment of Detroit residents and the availability of a local skilled workforce; and

**WHEREAS**, it is the policy of this Administration to encourage and maximize employment opportunities for well-trained Detroit residents through contracts with the City contracts and in projects funded or financially assisted by the City;

**THEREFORE**, this Executive Order directs any person or entity entering into a publicly-funded construction project or a publicly-funded demolition/rehab project to implement specific residency targets for its workforce, as follows. Other persons or entities doing business with the City, but not subject to this Executive Order, may voluntarily agree to be bound by some or all of the substantive requirements set forth herein.

1. The term "publicly-funded construction project," for purposes of this Executive Order, means:

(a) any construction project performed under a contract, the value of which is more than \$3,000,000.00 (Three Million Dollars), made by the City with any person or entity; and

(b) any construction project for which the City, public or quasi-public entities affiliated with the City, or any of their agents or contractors provides funds or financial assistance via any of the following methods, where total value of such assistance is more than \$3,000,000.00 (Three Million Dollars):

- (1) The sale or transfer of land below its appraised value;
- (2) Direct monetary support;
- (3) Public contributions originated by the State of Michigan or its agencies, the United States government or its agencies, or any other non-City government

entity, for which City approval is required and obtained; or

- (4) Tax increment financing. For purposes of calculating the total assistance directly provided through tax increment financing, tax revenue that would have accrued to all government entities shall be counted.

2. The term "publicly-funded demolition/rehab project," for purposes of this Executive Order, means any demolition or rehabilitation of one or more residential buildings performed under the Proposal N Neighborhood Improvement Plan, under a contract, the value of which is more than \$50,000 (Fifty Thousand Dollars), made by the City with any person or entity.

3. A "bona-fide Detroit resident," for purposes of this Executive Order, means an individual who can demonstrate residency in the City of Detroit as of a date at least thirty (30) days prior to the date the individual seeks to be employed on a publicly-funded construction project or publicly-funded demolition/rehab project. An individual may demonstrate residency by producing at least one item from each of the two lists below that includes an address located in the City of Detroit. Other forms of proof-of-residency may be accepted under unique circumstances.

- (a) State of Michigan identification card, State of Michigan driver's license, or Detroit municipal ID; and
- (b) Voter Registration Card, Motor Vehicle Registration, most recent federal, state, or City of Detroit tax return, lease/rental agreement, most recent utility bill or utility affidavit signed by a landlord with respect to a leased residence, or most recent municipal water bill.

4. All contracts with the City, and all sub-contracts thereof, for a publicly-funded construction project or a publicly-funded demolition/rehab project shall require at least 51% of the workforce for such project to be bona-fide Detroit residents. This requirement shall be referred to as the "Workforce Target." The Workforce Target shall be measured by the hours worked by bona-fide Detroit residents on the publicly-funded construction project or publicly-funded demolition/rehab project.

5. Developers, general contractors, prime contractors and subcontractors on publicly-funded construction projects and publicly-funded demolition/rehab projects are all required to comply with the terms of this Executive Order. Collectively, these entities are hereinafter referred to as "contractors." It is, however, the sole responsibility of the person or entity contracting directly with the City of Detroit to require all of its subcontractors either to

(a) meet the Workforce Target; or (b) make the required contribution to the City's Workforce Training Fund, as provided in Paragraph 6 of this Executive Order. Contractors may utilize local unions, Detroit Employment Solutions Corporation, or other entities to help meet the Workforce Target. Failure to satisfy the requirements of this Executive Order shall constitute a material breach of contract and may result in the immediate termination of the contract.



6. Upon execution of a contract for a publicly-funded construction contract or publicly-funded demolition/rehab project, the City of Detroit's Civil Rights, Inclusion and Opportunity Department ("CRIO") shall determine whether the Workforce Target in the contract shall be measured periodically either (a) monthly or (b) quarterly. This period shall be referred to as the "measurement period." Thereafter, for the duration of the construction project, the contractor shall, at the end of each measurement period, submit to CRIO a report indicating:

- (a) The total hours worked on the project during the preceding measurement period ("total work-hours");
- (b) The total hours worked on the project by bona-fide Detroit residents during the preceding measurement period; and
- (c) If applicable, the amount by which the contractor fell short of meeting the Workforce Target. A contractor falling short of the Workforce Target shall report both (a) the raw number of total work-hours by which the contractor fell short of the Workforce Target; and (b) the percentage of total work-hours by which the contractor fell short of the Workforce Target.

7. A contractor who does not meet the Workforce Target in any measurement period shall help strengthen Detroit's workforce by making a monetary contribution to the City's CRIO-administered Workforce Training Fund, thereby supporting the skill development of Detroit residents. The required contribution for any contractor who does not meet the Workforce Target shall be the sum of the following:<sup>1</sup>

- (a) For each work-hour comprising the first 10% of total work-hours by which the contractor fell short of the Workforce Target, 5% of the average hourly wage paid by the contractor during the preceding measurement period.
- (b) For each work-hour comprising the second 10% of total work-hours by which the contractor fell short of the Workforce Target, 10% of the average hourly wage paid by the contractor during the preceding measurement period.
- (c) For each work-hour comprising the remaining 31% of total work-hours by which the contractor fell short of the Workforce Target, 15% of the average hourly wage paid by the contractor during the preceding measurement period.

8. For a publicly-funded construction project, if a contractor contracts for labor through a union that is meeting the goals set for it under the Detroit Skilled Trades Employment Program, that contractor will be deemed to have met the Workforce Target with respect to the labor for which it contracted through such a union.

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<sup>1</sup> Thus, for example, if 25% of the total work-hours performed on a publicly-funded construction project were performed by bona-fide Detroit residents, the contractor will have fallen short of the Workforce Target by 26% of the total work-hours. That contractor's minimum required contribution would be the sum of (1) 5% of the average hourly wage for 10% of the total work-hours; (2) 10% of the average hourly wage for 10% of the total work-hours; and (3) 15% of the average hourly wage for 6% of the total work-hours.

CRIO will make a periodic determination whether a union participating in the Detroit Skilled Trades Employment Program is meeting its established goals under that Program. For purposes of calculating a contractor's compliance with the Workforce Target, a union which, as of the date a contractor executes a contract or subcontract for a publicly-funded construction project, is meeting its goals under the Program shall be deemed to have no less than 51% of the hours worked by its members on the publicly-funded construction project worked by bona-fide Detroit residents. If bona-fide Detroit residents actually account for more than 51% of the hours worked by union members on a publicly-funded construction project, that actual percentage may be used for purposes of calculating compliance with the Workforce Target.

9. For a publicly-funded demolition/rehab project, if bona-fide Detroit residents actually account for more than 51% of the hours worked and the contractor pays for its Detroit employees to be trained under a DOL approved apprenticeship program, that contractor will be deemed to have met the Workforce Target. For purposes of publicly-funded demolition/rehab projects only, any contractor who fails to meet the Workforce Target will contribute \$200 per employee to the Workforce Training Fund.

10. If CRIO determines a contractor is in non-compliance with the requirements of this Order, CRIO will notify the contractor, in writing, of the contractor's non-compliance.

If a contractor wishes to challenge a finding of non-compliance, the contractor may, within fifteen (15) days of the notice of non-compliance, file with CRIO a written notice challenging the finding of non-compliance, and detailing the reasons for that challenge. The challenge will then be forwarded to a panel of (1) the City's Corporation Counsel or his/her designee; (2) the head of the Department of Administrative Hearings or his/her designee; and (3) the Director of the Buildings, Safety, Engineering, and Environment Department, or his/her designee. The panel shall adjudicate the challenge and issue a written decision. The panel may, but need not, schedule an oral hearing on the challenge.

If, following written notice of non-compliance and the adjudication of any challenge, the contractor fails or refuses to take corrective actions within thirty (30) days, the City may do any of the following:

- (a) withhold from the contractor all future payments under the contract until it is determined that the contractor is in compliance;
- (b) refuse all future bids on City projects or applications for financial assistance in any form from the City or any of its departments, until such time as the contractor demonstrates that it has cured its previous non-compliance;
- (c) debar the contractor from doing business with the City for a period of up to one year.

In addition, the City reserves the right to re-bid the contract, in whole or in part, or hire its own workforce to complete the work.

11. All construction contracts, construction contract amendments, change orders and extensions subject to this Executive Order shall include the applicable terms of this

Executive Order. CRIO shall have the responsibility for preparing administrative guidelines related to this Executive Order, and for monitoring and enforcing the provisions of this Executive Order.

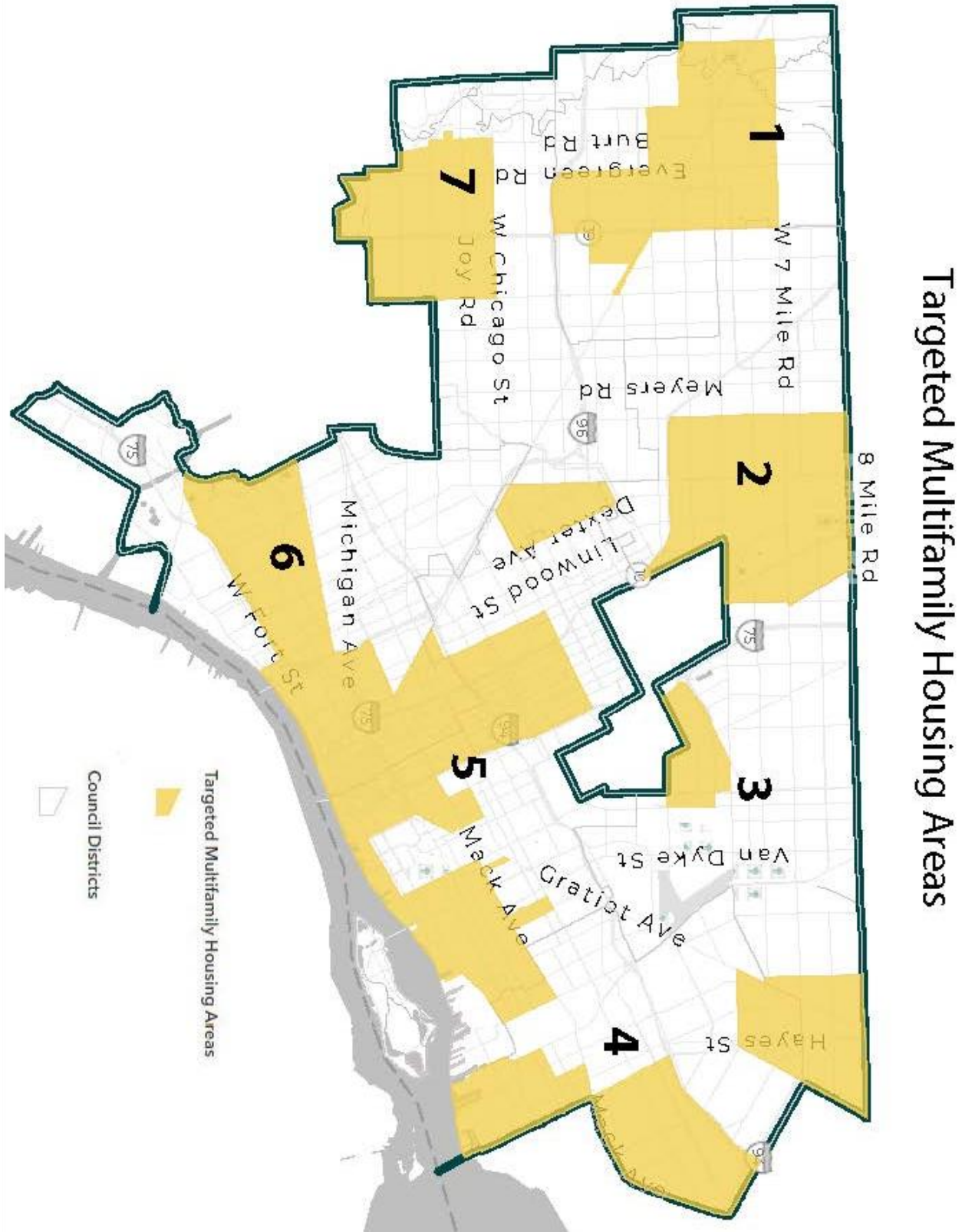
12. Notwithstanding anything to the contrary set forth herein, the requirements set forth in Paragraphs 4 through 11 of this Executive Order shall not apply to any publicly- funded construction contract or publicly-funded demolition/rehab contract, or part thereof, that is funded by a grant awarded by a federal, state, or other governmental entity, the terms of which prohibit the implementation of any such requirements.

Pursuant to the powers vested in me by the 1963 Michigan Constitution and by the 2012 Detroit City Charter, I, Michael E. Duggan, Mayor of the City of Detroit, issue this Executive Order. This Executive Order is effective upon its execution and filing with the City Clerk and supersedes Executive Order No. 2020-5, issued by me on November 20, 2020. This Executive Order shall not alter or affect the operation of any prior Executive Order with respect to any publicly-funded construction project on which construction activities have commenced as of the date of this Executive Order.



MICHAEL E. DUGGAN  
MAYOR  
CITY OF DETROIT

**APPENDIX F:  
2019 TARGETED MULTIFAMILY HOUSING AREA**



**Targeted Multifamily Housing Areas**

## APPENDIX G – AFFORDABLE HOUSING PROGRAM APPLICATION SCORING CRITERIA

### Attendance at the Program Compliance Information Meeting – 2 Points

- **Developer and General Contractor (2 Points):** The project can earn up to 2 points if the Developer and General Contractor attend the Program Compliance Information Meeting. 1 point will be awarded for the Developer attending and one point will be awarded for the general contractor attending.

### Development Team Experience and Capacity – 23 Points

- **Developer Experience and Capacity (9 Points):** The project can earn up to 9 points if the Developer demonstrates it can meet its debt obligations, has sufficient working capital to meet its operating needs, and has adequate financing available to maintain the property over the length of the affordability period. The Developer must provide a completion guaranty acceptable to the City in which the Developer shall guarantee payment of liabilities, shortfalls, and cost over runs of up to 10% of the construction contract. The Developer will provide reassurance to the City that the project will be completed on time and on budget. Bank references will also be considered.
- The developer must also demonstrate that it has a recent history of development and/or redevelopment that includes high quality affordable residential products delivered on-schedule and on budget. The developer must demonstrate that previous experience is similar in type, scale, and complexity to the proposed project. The Developer should also have a reasonable amount of current development projects to ensure that the organization is not overextended in either staffing or financial capacity.
- **General Contractor Experience and Capacity (9 points):** The project can earn up to 9 points if the general contractor has demonstrated recent and successful experience in projects that are similar in type, scale, and complexity to the proposed project.
- **Experienced Management Agent (5 Points):** The project can earn up to 5 points if the developer has identified and secured a management agent for the project with experience managing comparable properties with similar compliance expectations and tenant populations.
- **Emerging LIHTC Developer (3 Points):** The project can earn up to 3 points if the Developer meets all qualifications of an Emerging LIHTC Developer as defined in this NOFA; and is a General Partner that holds at least 25% interest in the General Partnership or is a Managing Member of the General Partnership that remains a part of the Ownership Entity for the duration of the Affordability Period at minimum. The Emerging Developer must demonstrate real estate and LIHTC development experience; and have a pipeline of transactions and actionable plan for developing future affordable housing in the City of Detroit (inclusive of past, current, and future developments). The Emerging Developer must receive an equitable percentage of both the developer and deferred developer fee at least equal to their percentage of the ownership.

### Project Financing - 23 Points

- **Quality Financial Commitments (10 Points):** Projects can earn up to 10 points if all additional necessary project financing/leveraged funds are identified and secured to complete the project(s) with letters of commitment from recognized community development lenders and funders, or reasonable dates are provided by the Developer on when the letters will be provided.

- **Financial Leverage (10 Points):** Projects can earn up to 10 points if it is efficient in its use of City funds and in its leveraging of other funds, as applicable. All funding and associated requirements must be clearly and adequately reflected in the budget and pro forma.
- **Creative Approach to Financing (3 Points):** Projects can earn up to 3 points if the developer uses a creative approach to financing or cost containment to meet affordable housing needs. Combining multiple forms of federal and/or state tax credits, securing grants from outside sources such as a Federal Home Loan Bank or a foundation or innovative building techniques that reduce cost are examples of financing and cost containment that would qualify for points in this category.

### Readiness to Proceed – 21 Points

- **City Approvals and Permits (5 Points):** Projects can receive up to 5 points if they inherently require fewer City approvals through being zoned properly or not requiring variances. Additionally, projects can also receive points if they have already passed through required City approval processes such as the Planning & Development Department’s Concept Plan Review.
- **Construction Plans / Trade Payment Breakdown (11 Points):** Projects can earn up to 11 points if estimated development and construction costs are well researched and detailed. Scope of work [for rehab] or plans and specifications [new construction] are comprehensive, includes trade payment breakdown, and substantially complies with the requirements outlined in the HRD's technical review. Additional points will be awarded if developer provides a third party cost estimator report delineating construction costs by trade breakdown.
- **Phase I Environmental Site Assessment Review (5 Points):** Projects can earn up to 5 points if the Phase I Environmental Site Assessment (ESA) confirms that the site is not contaminated. For sites that are contaminated as noted in the Phase I, projects can also earn points if additional environmental due diligence documents are submitted such as a Phase II ESA, Response Activity Plan (RAP) or a Baseline Environmental Assessment (BEA).

### Alignment with City Goals – 25 Points

- **Targeted Multifamily Housing Area (5 Points):** New construction projects can earn up to 5 points if located in targeted multi-family housing areas outside of the Greater Downtown area (please review detailed maps [HERE](#)). Preservation projects or new construction senior affordable housing projects can earn up to 5 points if located in targeted multi-family housing areas within the Greater Downtown area.
- **Priority Projects (8 Points):** The project can earn up to 8 points if it 1) is an initiative tied to a City planning study, 2) is a preservation of current affordability (regulated or naturally occurring), 3) is approved to be designated as permanent supportive housing by the HRD Homelessness Solutions Director, or 4) is either listed in or eligible to be listed in the National Register of Historic Places individually or as part of a historic district. This can also include buildings that are designated by the City as a Local Historic District.
- **Mixed-income neighborhood (5 Points):** Projects are eligible for up to 5 points if the majority of units are income-restricted and the project is located within a Primary Market Area (as defined by the market study) with average rents at 80% AMI or above. Likewise, projects are eligible for up to 5 points if the majority of units are market-rate and the project is located within a Primary Market Area with average rents at 60% AMI or below.

- **Green building initiatives (3 Points):** The project can earn up to 3 points if it incorporates measures to improve energy efficiency and sustainability that comply with the energy standards per this NOFA. For points, projects must identify the standard used (Enterprise Green Building Criteria, LEED, etc.) and describe the project's adherence to the chosen standard.
- **Broadband Access (2 Points):** Projects can earn up to 2 points if they commit to providing complimentary, high-speed internet access in common areas and/or dedicated computers with complimentary high-speed internet access. To ensure compliance, commitments will become a loan covenant.
- **Rehabilitation Projects Additional Accessibility (2 Points):** New construction projects must have 10% of the units meet accessibility requirements under Section 504 and must be accessible Type A units; with an additional 2% of the units, or at least one unit, whichever is greater, being accessible for persons with hearing or visual disabilities. Rehabilitation projects must have 5% of the units meet accessibility requirements under Section 504 and must be accessible Type A units; with an additional 2% of the units, or at least one unit, whichever is greater, being accessible for persons with hearing or visual disabilities. New construction projects can earn up to 2 points if they commit to having 15% of the units meet accessibility requirements under Section 504 and must be accessible Type A units; with an additional 2% of the units, or at least one unit, whichever is greater, being accessible for persons with hearing or visual disabilities. Rehabilitation projects can earn up to 2 points if they commit to having 10% of the units meet accessibility requirements under Section 504 and must be accessible Type A units; with an additional 2% of the units, or at least one unit, whichever is greater, being accessible for persons with hearing or visual disabilities.

#### **Program Opportunity Goals - 8 Points**

- **Section 3 Experience (4 Points):** The project can earn up to 4 points if the Developer and general contractor has experience in complying with Section 3 requirements. The Developer must include a clear plan as to how they will satisfy Section 3 requirements by submitting all the required documents. The Developer must also demonstrate the ability and willingness to employ low-and very low-income persons within the targeted area and community in which the project resides.
- **MBE/WBE (4 Points):** The project can earn up to 4 points if the primary Developer is a Minority/Women Nonprofit Organization or Minority/Women-Owned Business or Minority/Women's Business Enterprise, as applicable.

#### **Failure to Complete Previous Development(s) – 15 Points Reduction**

At the sole discretion of HRD's Award Committee, a Developer or any related party that failed to complete a project that received a Conditional Award of funding from a previous NOFA may be penalized in the form of a 15-point reduction applied to the project score. This includes the failure to utilize a commitment or allocation of funds awarded in a prior NOFA, and/or the Developer rescinding their request – canceling the Conditional Award.

## APPENDIX H – PERMANENT SUPPORTIVE HOUSING (PSH) PROGRAM APPLICATION SCORING CRITERIA

**For applicants applying for Permanent Supportive Housing Only:** Permanent Supportive Housing (PSH) applicants must minimally submit all required documents identified in the “Attachment 4: Permanent Supportive Housing Required Documents Checklist” of the NOFA Application to be considered for Scoring as a PSH project. PSH projects will be eligible to receive up to a total 153 available points based on the combined Affordable Housing Program Application Scoring Criteria and Permanent Supportive Housing Application Scoring Criteria. To receive full points within all sections, responses must reflect an understanding and commitment to housing first and harm reduction.

### **PSH Project Overview – 5 Points**

- **Completeness (2 Points):** The project can earn up to 2 points if the response addresses all elements outlined within Section A: PSH Project Overview.
- **Goals and Outcomes (2 Points):** The project can earn up to 2 points if Project Partners have a clear definition of success, goals and/or outcomes that partners will be using to evaluate the housing and services.
- **Centering Lived Experience of Homelessness (1 Point):** The project can earn up to 1 point for the inclusion of people with lived homelessness during the development process.
- The response must reflect Developers commitment to providing high quality supportive housing; including centering lived experience of homelessness in project design, offers on site amenities, provides housing essentials upon lease up, and safety of tenants is taken into consideration of project design.

### **Developer Experience Narrative – 2 Points**

- **Experience (1 Point):** The project can earn up to 1 point if the developer demonstrates sufficient experience and will receive full points if all elements within the section are addressed, reflected within responses, strong commitment to coordination with project partners, and there are no past CoC funding concerns.
- **Project Coordination (1 Point):** The project can earn up to 1 point clear plan to coordination project partner

### **Service Provider Experience Narrative – 5 Points**

- **Experience (4 Points):** The project can earn up to 4 points if the PSH Service Provider demonstrates sufficient experience and will receive full points if all elements within the section are address, a commitment to data collection utilizing HMIS, and there are no past CoC funding concerns.
- **HMIS (1 Point):** The project can earn up to 1 point if it includes a detailed plan to ramp up and meet HMIS data quality policies.
- An understanding and commitment to Housing First and Harm Reduction is reflected within responses. Additionally, response shows a strong understanding and experience with the target PSH population.

### **Property Management Experience Narrative – 5 Points**

- **Experience (4 Points):** The project can earn up to 4 points if the PSH Property manager demonstrates sufficient experience and will receive full points if all elements within the section are addressed, an understanding and commitment to housing first and harm reduction is reflected within responses, and strong understanding and experience with the PSH population.
- **Coordinated Entry (1 Point):** The project can earn up to 1 point for experience managing PSH projects that are taking referrals from Coordinated Entry

### **Memorandum of Understanding (MOU) - 5 points**

- **Completeness (1 Points):** The project can earn up to 1 point if a comprehensive MOU is attached and includes all outlined elements and project partners.



- **Roles and Responsibilities (3 Points):** The project can earn up to 3 points if the MOU shows clearly defined partner roles and responsibilities during the development and operation phases, principles and values guiding the partners, project outcomes, and a commitment to Housing First.
- **Accountability (1 Point):** The project can earn up to 1 point if the MOU outlines transparent and clear accountability among project partners including who is responsible for raising SH service funding, a decision making structure, how partners will coordinate, and how partners will be held accountable.

#### **Tenant Selection Plan (TSP) - 10 points**

- **Completeness (7 Points):** The project can earn up to 7 points if a TSP and supporting materials are attached that addresses all the elements within that section, clear understanding and commitment to MSHDA minimum standards (if applicable) and reducing application barriers, understanding of and commitment to housing first and harm reduction.
- **Eviction Prevention (3 points)** - The project can earn up to 3 points if the TSP includes a plan for coordinating partners and have clear roles and responsibilities to prevent evictions.

#### **PSH Supportive Service Plan and Service Budget Service Plan - total of 15 points**

- **Completeness (8 Points):** The project can earn up to 8 points must attach a Service Plan that addresses all elements listed within that section.
- **Service Budget (4 Points):** The project can earn up to 4 points for detailed service budget that outlines the annual cost to provide services, including staffing costs and other service related costs
- **Service Funding (3 points):** The project can earn up to 3 points if there is a detailed plan to fund PSH services for the duration of the project, funding sources that partners will pursue, and experience with Medicaid.

#### **CSH Quality Checklist - 3 points**

- **Completeness (1 Points):** The project can earn up to 1 point if the project partners complete the Checklist fully, including listing partners involved in completing it, providing documentation for 'yes' responses, and signatures from each partner
- **Identified Areas of Improvement (2 points):** The project can earn up to 2 points for identifying at least two Quality standards that were identified as 'no or partial' that they want to work on, including steps and support needed.

# APPENDIX I – PRE-DEVELOPMENT PROGRAM APPLICATION SCORING CRITERIA

## Attendance at the Program Compliance Information Meeting – 1 Points

- **Developer (1 Point):** The project can earn up to 1 point if the Developer attends the Program Compliance Information Meeting.

## Development Team Experience and Capacity – 13 Points

- **Developer Experience and Capacity (3 Points):** The Development Team must demonstrate that the Developer and/or identified Co-Developer/Consultant(s) have real estate and LIHTC development experience, and has a recent history of development and/or redevelopment that includes high quality affordable residential products delivered on-schedule and on budget.
- **General Contractor Experience and Capacity (5 points):** The project can earn up to 5 points if the developer has identified a general contractor for the project that has demonstrated recent and successful experience in projects that are similar in type, scale, and complexity to the proposed project.
- **Experienced Management Agent (5 Points):** The project can earn up to 5 points if the developer has identified a management agent for the project with experience managing comparable properties with similar compliance expectations and tenant populations.

## Project Financing - 20 Points

- **Quality Financial Commitments (10 Points):** Projects can earn up to 10 points if all additional necessary project financing/leveraged funds are identified and secured to complete the project(s) with letters of commitment from recognized community development lenders and funders, or reasonable dates are provided by the Developer on when the letters will be provided.
- **Financial Leverage (10 Points):** Projects can earn up to 10 points if it is efficient in its use of City funds and in its leveraging of other funds, as applicable. All funding and associated requirements must be clearly and adequately reflected in the budget and pro forma.

## Alignment with City Goals – 18 Points

- **Targeted Multifamily Housing Area (5 Points):** New construction projects can earn up to 5 points if located in targeted multi-family housing areas outside of the Greater Downtown area (please review detailed maps [HERE](#)). Preservation projects or new construction senior affordable housing projects can earn up to 5 points if located in targeted multi-family housing areas within the Greater Downtown area.
- **Priority Projects (8 Points):** The project can earn up to 8 points if it 1) is an initiative tied to a City planning study, 2) is a preservation of current affordability (regulated or naturally occurring), 3) is approved to be designated as permanent supportive housing by the HRD Homelessness Solutions Director, or 4) is either listed in or eligible to be listed in the National Register of Historic Places individually or as part of a historic district. This can also include buildings that are designated by the City as a Local Historic District.
- **Mixed-income neighborhood (5 Points):** Projects are eligible for up to 5 points if the majority of units are income-restricted and the project is located within a Primary Market Area (as defined by the market study) with average rents at 80% AMI or above. Likewise, projects are eligible for up to 5 points if the majority of units are market-rate and the project is located within a Primary Market Area with average rents at 60% AMI or below.

### **Program Opportunity Goals - 4 Points**

- **MBE/WBE (4 Points):** The project can earn up to 4 points if the primary Developer is a Minority/Women Nonprofit Organization or Minority/Women-Owned Business or Minority/Women's Business Enterprise, as applicable.

### **Failure to Complete Previous Development(s) – 15 Points Reduction**

At the sole discretion of HRD's Award Committee, a Developer or any related party that failed to complete a project that received a Conditional Award of funding from a previous NOFA may be penalized in the form of a 15-point reduction applied to the project score. This includes the failure to utilize a commitment or allocation of funds awarded in a prior NOFA, and/or the Developer rescinding their request – canceling the Conditional Award

# APPENDIX J – TENANT RETENTION STANDARDS



## City of Detroit: Tenant Retention Standards & Plan Requirements

### Tenant Retention Standards

The City of Detroit is committed to preventing displacement of any residents associated with occupied redevelopments, which requires intentional planning for tenant retention. For projects receiving City support, all plans must provide evidence that the planned redevelopment will meet the requirements of all standards listed below. Projects that trigger the Uniform Relocation Act must meet those requirements in addition to the standards below. Where these standards contribute to a project being considered financially infeasible, standards around affordable rents and relocation costs may be modified by approval (unless they are linked to the requirements of a federal source).

- Adherence to the Uniform Relocation Act is required for new HOME or CDBG loans (or other federal funds)
- Notices and Meetings
  - A 90-day notice and a 30-day notice to residents around rent increases greater than 5% or substantial construction (renovation work in occupied buildings that exceeds \$5,000 per unit OR requires residents to vacate unit for a period of greater than one work day).
  - 90-day and 30-day notices must be communicated via:
    - Individual letters to tenants
    - Publicly-posted fliers
  - In person resident meeting with City representative present within 1 month of first notice (must be advertised within resident letters and fliers)
- Returning and Relocation Assistance
  - Right to return (where temporary relocation is required) or to remain for all residents who are current on rent, or are on a payment plan approved by property management, by 30 days before they are required to relocate.
  - Offer of relocation advising for all residents. Advising consists of an interview to determine resident preferences and needs for another unit, explanation of procedures for obtaining assistance, and assistance finding a temporary unit if needed
  - Payment of reasonable moving expenses for all low-income residents, for all elderly or disabled residents, and for residents who exercise their right to return to the property
  - 12-month lease offer to all returning residents
- Rent increases (for residents earning below 80% of AMI<sup>1</sup>)
  - Initial rent increases are limited to 5%, or set affordably for resident incomes (calculated as 30% of monthly income, with rents inclusive of utility allowance)—whichever is greater
  - Ongoing rent increases are limited to 2% per year, or maximum rents set by HUD or MSHDA if applicable
- Recommended: phased construction to limit temporary relocation

## Tenant Retention Plan Requirements

All plans must include the following information. Note that Transition Plans prepared for MSHDA may be submitted along with an addendum as needed to meet the requirements below. See the sample Tenant Retention Plan for reference.

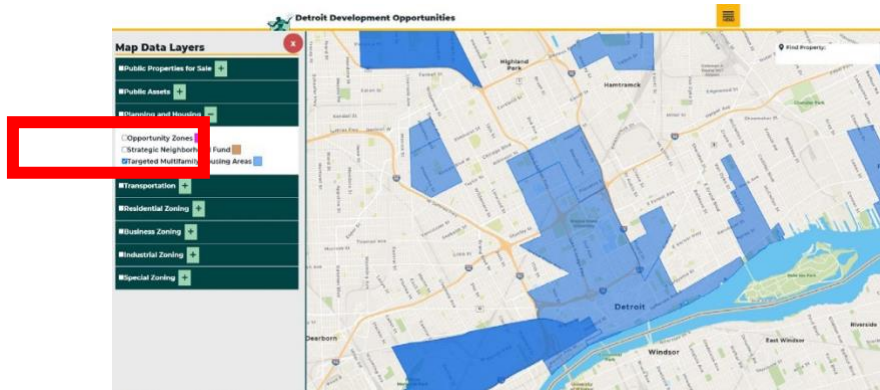
- Summary of redevelopment strategy & plan for preventing displacement
- Affordability Plan
  - Current income (if applicable), occupancy and rent levels for all households
  - Timing and amount of rent increases
- Tenant Communication Plan
  - Schedule for communication, including meetings and distribution of materials
  - Sample letters to residents
- Tenant Habitability Plan
  - Timeline for construction
  - Scope of work by phase
  - Plan for mitigation of noise and air quality hazards
  - Plan for residents
- Rehab while occupied or temporary relocation
- Process for identifying and accounting for specific residents who may have special needs during the rehab or temporary relocation.
  - Temporary relocation plan
- Timeline
- Plan for packing, storage and/or moving assistance
- Payment plan for relocation costs and replacement housing payments
  - Timing of service interruptions, including fire safety systems, electricity, water, and elevators
- Plan for notifying residents and providing directions if any emergency systems become inoperable
  - Plan for ensuring sufficient resident parking is available (including designated parking and storage areas used by Contractor if required)
- Contact information for Management Agent & Contractor in case of emergency

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<sup>i</sup> Residents who are students may self-certify as low-income by filling out the Student Income Disclosure Form and submitting the documentation it requires.

## APPENDIX K – FORMS AND DOCUMENTS REFERENCE LINKS

- [DETROIT PROPERTY MAP](#) – Use this map to determine if your project is within the 2019 Targeted Multifamily Housing Area. Navigate to the Map Data Layers and select the Targeted Multifamily Housing Area layer.



- [PRE-APPLICATION PROJECT REVIEW MEETING SIGN-UP](#) – Use this link to sign-up for the required Pre- Application Project Review Meeting
- [CENSUS TRACT PDF](#) – Use this PDF tool to determine the Census Tract of your project
- [FILE UPLOAD](#) – Use this link to upload files that are larger than 25MB and/or file types that are not in PDF format (i.e. Excel, Word, etc.). Please use a Zip Folder to consolidate these files; labeling your Zip Folder with your project name. All individual files must use File Name Format required per the NOFA Application, Instructions, and Required Forms section that begins on page 52 of this NOFA.
- [MSHDA PROFORMA](#) – The Michigan State Housing Development Authority (MSHDA) Proforma is one of two proforma templates that are accepted for this NOFA for multifamily projects.
- [HRD PROFORMA](#) – The City of Detroit Housing and Revitalization Department (HRD) Proforma is one of two proforma templates that are accepted for this NOFA for multifamily projects.
- [2019 TARGETED MULTIFAMILY MAP](#) – Use this PDF map to determine if your project is within a City Priority Area.
- [SECTION 3 INTENT TO COMPLY](#) - Complete this form for the Affordable Housing Program NOFA
- [SECTION 3 PLAN – DEVELOPER AND GENERAL CONTRACTOR](#) - Complete this form for the Affordable Housing Program NOFA
- [CITY OF DETROIT APPLICATION FOR MINORITY/WOMAN OWNED BUSINESS ENTERPRISE](#) – The Civil Rights and Inclusion Office (CRIO) leads the process for Minority/Women owned business certificates
- [CITY OF DETROIT COMMUNITY HOUSING DEVELOPMENT ORGANIZATION \(CHDO\) APPLICATION](#) – Complete this application to register as a CHDO
- [CITY OF DETROIT PLANNING AND DEVELOPMENT DEPARTMENT](#) – Explore the Planning and Development Department (PDD) to learn more about the City of Detroit’s planning initiatives and strategies.
- [PRELIMINARY PLAN REVIEW \(PPR\)](#) - Schedule the required Preliminary Plan Review (PPR) for the Affordable Housing Program NOFA if you have not yet received Site Plan Approval.
- [HUD AFFIRMATIVE FAIR HOUSING MARKETING PLAN FORM](#) – Use this form to submit a draft marketing plan.

- [UNIFORM RELOCATION ACT \(URA\)](#) - HUD's URA requirements
- [RESIDENTIAL ANTI-DISPLACEMENT AND RELOCATION ASSISTANCE PLAN \(RARAP\) POLICY](#) – Reference policy when doing Tenant Retention Plan (TRP).
- [TENANT RETENTION PLAN \(TRP\) TEMPLATE](#) – Use this template to complete the required Tenant Relocation Plan for PSH projects. Please contact Kyle Ofori for an editable TRP Template at [Kyle.Ofori@detroitmi.gov](mailto:Kyle.Ofori@detroitmi.gov).
- [2023 HUD HOME RENT LIMITS](#) – HUD Reference to determine Rent
- [2023 HUD HOME INCOME LIMITS](#) - HUD Reference to determine Rent
- [NOFA APPLICATION](#) – Please fill out and submit application no later than October 16, 2023.
- [SUPPORTIVE HOUSING 101](#) – Visit CSH's website to learn more about Permanent Supporting Housing and helpful tips for developing PSH.
- [CSH SUPPORTIVE HOUSING SERVICES STAFFING AND BUDGET TOOL](#) – PSH applicants should utilize the Staffing and Budget tool to estimate comprehensive costs for supportive housing services.
- [DETROIT CoC POLICY – PROVIDING A LETTER OF SUPPORT FOR PERMANENT SUPPORTIVE HOUSING \(PSH\) DEVELOPMENT PROJECTS](#) – PSH applicants must follow the Detroit CoC's policy in order to receive a letter of support.

**City of Detroit  
Housing and Revitalization Department**



**Housing Rehabilitation and Development Program**

**Notice of Funding Availability (“NOFA”)  
Application, Instructions, and Required Forms**

**September 2023**



## APPLICATION SUBMISSION

HRD will accept completed electronically submitted applications via DocuSign in compliance with the NOFA. In addition to the primary application form, all applicable Checklist Items in **Attachments 1-12** must be included at the time of final submission of the application. The aforementioned is **due by 11:59pm on October 16, 2023**.

Please note, **for the Affordable Housing Program**, each checklist item requested is required to pass the threshold process. A substantial portion of these requested materials will also be strongly considered during the feasibility and scoring phase of the application review process.

**Attachment 13** - Commitment Level Documents Checklist - This attachment is provided for **INFORMATION ONLY**. Projects that receive a Letter of Interest from the City of Detroit will submit these items through a subsequent submission process and **will be due by December 8, 2023**.

**For the Affordable Housing Program**, Attachments **1-3, 5, and 7-12** are applicable for this submission and are required to pass the threshold review process.

**For the Pre-development Loan Program**, only **Attachments 1-3 and 6** are applicable.

**For Permanent Supportive Housing Projects**, only **Attachments 1-5 and 7-12** are applicable for this submission and are required to pass the threshold review process.

### File Name Format Requirements

For each document that correlates to an Attachment, please use the following naming system:

Attachment #\_Item #\_Project Name\_2023

(**Example: For the Executive Summary, the File Name would read: 5\_A\_Orange Grove Heights\_2023**) Project Name should NOT exceed 20 Characters (Including Spaces).

Initial: \_\_\_\_\_

### File Size Limitations

Each individual document uploaded is not to exceed 25 MB; with the ability to upload multiple files at a time per attachment. For documents that exceed 25 MB and/or are not in PDF format (i.e. Excel, Word, etc.), please use the **Appendix K** to upload using the same File Name Format required.

Initial: \_\_\_\_\_

### Pre-Application Project Review Meeting Requirement

The Development Team must request a Pre-Application Project Review Meeting using the link provided in **Appendix K**, AND provide the required documents at the time the request is submitted.

Initial: \_\_\_\_\_

### Communications with the City of Detroit HRD Team

All inquiries, project updates, and other communications are to be conducted via email, and sent to [HRDNOFA@detroitmi.gov](mailto:HRDNOFA@detroitmi.gov). Any messages sent to individual City of Detroit HRD Team members will not be acknowledged or responded to.

Initial: \_\_\_\_\_

# CITY OF DETROIT HOUSING AND REHABILITATION PROGRAM APPLICATION

1. Application Date:		2. Resubmittal? Yes <input type="checkbox"/> No <input type="checkbox"/> Original Application Date(s):		
3. Name of Project:				
4. Enter the Full Legal Name of Your Organization:				
5. Federal Tax Identification Number:		6. Organization's DUNS number (if applicable):		
7. Name of Organization Lead Contact:				
8. Phone Number and Email Address:				
9. Mailing Address of the Organization:				
10. City:		11. State:		12. Zip:
13. Street Address of the Organization, if Different from Above:				
14. Please indicate the program you are applying for: <input type="checkbox"/> Affordable Housing Program <input type="checkbox"/> Pre-Development Loan Program <input type="checkbox"/> Permanent Supportive Housing for those Experiencing Chronic Homelessness (PSH)				
15a. Is the project within a 2016 Targeted Multifamily Housing Area (TMFHA)? See <b>Appendix K</b> for link to map. Yes <input type="checkbox"/> No <input type="checkbox"/>			15b. Census Tract Number:	
16a. Is the project either listed in or eligible to be listed in the National Register of Historic Places individually or as part of a historic district. This can also include buildings that are designated by the City as a Local Historic District.  16b. If so, please identify the Historic District name.			Yes <input type="checkbox"/> No <input type="checkbox"/>  _____	
17a. Physical/Street Address of the Project:			17d. Walk Score:	
17b. Boundary Streets of Project Site:			17e. Bike Score:	
17c. Neighborhood of the Project:			17f. Transit Score:	
18. Has the Development Team participated in a Preliminary Plan Review (PPR) Meeting with Buildings, Safety Engineering, and Environmental Department (BSEED)? See <b>Appendix K</b> for link to schedule if "No". Yes <input type="checkbox"/> No <input type="checkbox"/>				
19. Will any Variances or Approvals be required for the following:			Yes	No
<input type="checkbox"/>	Parking		<input type="checkbox"/>	<input type="checkbox"/>

<input type="checkbox"/>	Setbacks	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	Exterior Envelop Alterations / Changes	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	Other: _____	<input type="checkbox"/>	<input type="checkbox"/>
20. What is the legal structure of the Applicant?			
<input type="checkbox"/>	Individual (Not a Partnership or Corporation)	<input type="checkbox"/>	For-Profit Corporation
<input type="checkbox"/>	Partnership	<input type="checkbox"/>	Non-Profit Corporation
21. Is the Applicant any of the following?			
<input type="checkbox"/>	% Veteran Owned	<input type="checkbox"/>	51% Minority Business Enterprise
<input type="checkbox"/>	51% Minority Ownership (If For-Profit Applicant)	<input type="checkbox"/>	51% Women Ownership (If For-Profit Applicant)
<input type="checkbox"/>	51% Minority Leadership (If Non-Profit Applicant)	<input type="checkbox"/>	51% Women Leadership (If Non-Profit Applicant)
22a. Is the borrower a designated Community Housing Development Org. (CHDO) per HOME regulations? Yes <input type="checkbox"/> No <input type="checkbox"/>			
22b. <b>If yes</b> , what is the date of your most recent City of Detroit CHDO certification? Please provide a copy of the most recent certification. Otherwise please submit an application for CHDO certification or recertification.  Date: _____			
23. Evidence of Site Control:	<input type="checkbox"/>	Deed	
	<input type="checkbox"/>	Purchase/Development Agreement	
	<input type="checkbox"/>	Lease Agreement	
	<input type="checkbox"/>	Option to Purchase	
	<input type="checkbox"/>	Other:	
24. What type of development is being proposed by your organization with proposed program funding? <i>(Check all applicable boxes)</i>	<input type="checkbox"/>	New construction of multi-family units (4+)	
	<input type="checkbox"/>	Purchase/Rehabilitation of Occupied Multi-Family Units (4+)	
	<input type="checkbox"/>	Mixed-Use Project Including Office and/or Retail Space	
	<input type="checkbox"/>	Preservation Project that Extends Affordability Requirements for Existing Occupied Affordable Housing (Regulated or Naturally Occurring)	
	<input type="checkbox"/>	Home Buyer Program	
	<input type="checkbox"/>	Adaptive Reuse/ Historic Preservation	
	<input type="checkbox"/>	Scattered Site	
	<input type="checkbox"/>	Permanent Supportive Housing (PSH)	
25. Project Square Footages	<input type="checkbox"/>	Residential: _____	
	<input type="checkbox"/>	Commercial (If Applicable): _____	
	<input type="checkbox"/>	TOTAL Project Square Footage: _____	

26. TOTAL No. of HOME Units		27. TOTAL No. of Parking spaces Provided	
28a. TOTAL No. of Units Proposing to Develop:		28b. No. of Proposed Affordable Units:	
28c. No. of Market Rate Units (If Applicable):			
29. Project Timeline – Provide Month and Year:	Acquisition		
	Financial Closing		
	Construction Start		
	Construction End		
	Residential Lease Up		
30. Please indicate Levels of Affordability (Check All that Apply)			<input type="checkbox"/> Up to 30% AMI <input type="checkbox"/> 40% AMI <input type="checkbox"/> 50% AMI <input type="checkbox"/> 60% AMI <input type="checkbox"/> 70% AMI <input type="checkbox"/> 80% AMI <input type="checkbox"/> Market Rate
31. TOTAL Proposed Development Budget for Project:			\$
32a. AMOUNT of Funding Requested :	\$	32b. Low Income Housing Tax Credits (LIHTC) project: 4% <input type="checkbox"/> 9% <input type="checkbox"/> N/A <input type="checkbox"/> 32c. If a LIHTC project, Qualified Census Tract? Yes <input type="checkbox"/> No <input type="checkbox"/>	
33a. Will the project seek Rental Assistance: Yes <input type="checkbox"/> No <input type="checkbox"/>			
33b. If yes, which Agency will provide Voucher(s)?			
33c. How many Voucher(s) will the project have?			
34. 15 Year Average of Debt Service Coverage Ratio:			
35. Other Funding Sources Beyond LIHTC and Rental Assistance (Check all applicable boxes)	<input type="checkbox"/>	AHP	LOI/ Written Commitment Obtained <input type="checkbox"/>
	<input type="checkbox"/>	Historic Tax Credits (HTC)	<input type="checkbox"/>
	<input type="checkbox"/>	Sponsor Equity	<input type="checkbox"/>
	<input type="checkbox"/>	Sponsor Loan	<input type="checkbox"/>
	<input type="checkbox"/>	HUD/MSHDA Mortgage	N/A
	<input type="checkbox"/>	Conventional Mortgage	<input type="checkbox"/>

	<input type="checkbox"/>	Income from Operations	N/A
	<input type="checkbox"/>	Tax Abatement	<input type="checkbox"/>
	<input type="checkbox"/>	Other Grant:	<input type="checkbox"/>
	<input type="checkbox"/>	Other Source:	<input type="checkbox"/>

36. Type of Units to be developed *(Check all boxes that are applicable)*  
 Apartment       Duplex       Townhome       Detached Single Family

37a. Will the project meet Green Building Initiatives? Yes  No

37b. If yes, which green standard(s) will the Project adhere to?  
 Enterprise Green Communities       U.S. Green Building Council LEED  
 Other: \_\_\_\_\_

38a. Will Broadband Access be provided? Yes  No

38b. If yes, please provide details:

39a. Does the present zoning allow the proposed development?  
Yes  No

39b. Is the proposed use considered a conditional use, a regulated use or a controlled use?

39c. What is the present use of the property? \_\_\_\_\_

40a. Is the project located in a Historic Designated Area/Historic District?  
Yes  No

40b. If yes, please provide the Area/District name: \_\_\_\_\_

41. Are all necessary utilities available on the site? Yes  No

42a. Will project require relocation of existing residents?  
Yes  No

42b. Is a relocation plan included in your full application?  
Yes  No  N/A

43. Is Davis Bacon Applicable to this project? Yes  No

44. Are any persons employed or contracting with your organization debarred by HUD or the State of Michigan?  
Yes  No

45. Are there any other contracting restrictions on the Applicant or Contractor for your development team with any federal or state agency or with the City of Detroit?  
Yes  No

46. Has your organization or one of its principals filed for bankruptcy within the past 10 years?  
Yes  No

47. To the best of my (our) knowledge and belief, all information in this Application is true and correct. The governing body of the Applicant has duly authorized this document and the Applicant will comply with all applicable HOME, and/or CDBG Program requirements, if funding is awarded according to funding source. Applicant agrees to adhere to all contracting and hiring requirements of the Federal, State, and City government. Applicant understands and agrees that all units redeveloped with funding under this program must be sold or rented to income eligible households.

Initial: \_\_\_\_\_

48. The undersigned authorizes Housing and Revitalization Department's staff to conduct investigations necessary to establish project feasibility including but not limited to such verifications as employment, credit, construction experience, property ownership and financial condition. It is further authorized that the Department may send requests to receive such information from a lender or lenders so designated by the Developer Applicant for the purpose of securing financial information.

Initial: \_\_\_\_\_

49. Any person, who knowingly makes a false statement or misrepresentation in this Application or causes such a false statement or misrepresentation to be made, shall be subject to a fine of not more than \$5,000 and/or imprisonment for not more than two years, under provisions of the United States Criminal Code.

Initial: \_\_\_\_\_

Authorized Representative:

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Please Print Name and Title)

\_\_\_\_\_  
(Date)

# ATTACHMENT 1: HUD ENTITLEMENT PROGRAMS MANDATORY ACKNOWLEDGEMENT

## “LOBBYING CERTIFICATION”

### **Certification for Contracts, Grants, Loans, and Cooperative Agreements**

The undersigned certifies that to the best of his or her knowledge and belief.

(1) No Federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an office or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

Initial: \_\_\_\_\_

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, “Disclosure Form to Report Lobbying,” in accordance with its instructions.

Initial: \_\_\_\_\_

(3) The undersigned shall require that the language of this certification be included in the award documents for all sub awards at all tiers (including subcontracts, sub grants, and contracts under grants, loans, and cooperative agreements) and that all sub recipients shall certify and disclose accordingly.

Initial: \_\_\_\_\_

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Division 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$1,000,000 for each such failure.

#### **Witnesses:**

1. \_\_\_\_\_

2. \_\_\_\_\_

#### **Developer/Owner:**

By: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_

## ATTACHMENT 2: HOME PROGRAM MANDATORY ACKNOWLEDGEMENT

### “CONFLICT OF INTEREST”

The City of Detroit, Housing & Revitalization Department is now required by HUD to include a new Conflict of Interest clause to all contracts. Please be aware that these requirements will apply if you are awarded a contract with the City of Detroit.

The Contractor warrants that its participation in this contract will conform to the requirements of all applicable HOME regulations including Sections 84.42, 85.36 and 570.611 of Title 24 of the Code of Federal Regulations, and further warrants that such participation will not result in any organizational conflict of interest. Organizational Conflict of Interest is defined as a situation in which the nature of work under this contract and the Contractor’s organizational, financial, contractual or other interests are such that:

- a. Award of the contract may result in an unfair competitive advantage; or The Contractor’s objectivity in performing the contract work may be impaired. Initial: \_\_\_\_\_
- b. In the event the Contractor has an organizational conflict of interest as defined herein, the Contractor shall disclose such conflict of interest fully in the submission of the proposal and/or during the life of the contract. Initial: \_\_\_\_\_
- c. The Contractor agrees that if after award he or she discovers an organizational conflict of interest with respect to this contract, he or she shall make an immediate and full disclosure in writing to the Director and Executive Manager, which shall include a description of the action which the Contractor has taken or intends to take to eliminate or neutralize the conflict. The Housing & Revitalization Department may, however, terminate the contract if it is in best interest of the City. Initial: \_\_\_\_\_
- d. In the event the Contractor was aware of an organizational conflict of interest before the award of this contract and intentionally did not disclose the conflict to the Housing & Revitalization Department, the Department may terminate the contract for default. Initial: \_\_\_\_\_
- e. The provisions of this clause shall be included in all subcontracts and consulting agreements. Initial: \_\_\_\_\_
- f. No Federal, state or local elected official, nor any member of the City of Detroit Planning Commission or employee of the Housing & Revitalization Department, nor any corporation owned or controlled by such person, shall be allowed to participate in any share or part of this contract or to realize any benefit from it. This provision shall be construed to extend to this contract if made with a corporation for its general benefit. Initial: \_\_\_\_\_
- g. No member, officer, or employee of the City of Detroit Housing & Revitalization Department, no member of the governing body of the City of Detroit or any other local government and no other public official of such locality or localities who exercises any functions or responsibilities with respect to the project, shall, during his or her tenure, or for one year thereafter, have any interest, direct or indirect, in this contract or the proceeds thereof. Initial: \_\_\_\_\_
- h. The Housing & Revitalization Department reserves discretion to determine the proper treatment of any conflict of interest disclosed under this provision. Initial: \_\_\_\_\_

**Witnesses:**

- 1. \_\_\_\_\_
- 2. \_\_\_\_\_

**Developer/Owner:**

- By: \_\_\_\_\_
- Its: \_\_\_\_\_
- Date: \_\_\_\_\_



## **ATTACHMENT 3: NO CHOICE-LIMITING ACTION AND REQUIRED NEPA REWIND LANGUAGE ACKNOWLEDGEMENT**

The undersigned acknowledges, understands, and agrees to the following:

1. A "choice limiting action" shall include any of the following: (1) acquisition of any real property associated with the project, (2) entering into a binding purchase agreement for any real property associated with the project, (3) any improvements to the property or properties associated with a project, (4) any rehabilitation of an existing structure located on property associated with the project, (5) any construction of a new structure located on property associated with the project, or (6) demolition of any existing structure located on property associated with the project.

Initial: \_\_\_\_\_

2. Upon application for assistance through this NOFA, the Developer and all project participants (i.e. public or private non-profit or for-profit entities, or any of their contractors) agree that neither the Developer nor any project participant shall undertake any "choice limiting action" until the environmental review process is complete, all parties have executed the development and loan agreements for the project, and the City has issued a notice to proceed.

Initial: \_\_\_\_\_

3. Neither the Developer nor any project participant may undertake any "choice limiting action" between the date of issuance of this NOFA and the date of the notice to proceed from the City. If the City discovers that the Developer or any project participant committed a "choice limiting action" during this time period, then the City may deny funding to an entire project or may disqualify for reimbursement any cost associated with the particular "choice limiting action" and the project may not qualify to apply to any future NOFA or receive support from the City from a federal funding source.

Initial: \_\_\_\_\_

4. A "choice limiting action" shall NOT include either of the following: (1) an option agreement for the acquisition of real property, or (2) a non-binding purchase agreement. An option agreement is an exclusive right to purchase a property at a specific price within a specified time period without an obligation to purchase. A non-binding agreement establishes that there is no legal obligation on the part of the buyer to purchase the property; that acquisition will proceed only if there is compliance with the HUD environmental requirements.

Initial: \_\_\_\_\_

5. The following HUD NEPA Rewind Language must be included in purchase/option agreements that are submitted to demonstrate site control:

Notwithstanding any other provision of this Contract, Purchaser shall have no obligation to purchase the Property, and no transfer of title to the Purchase may occur, unless and until the City of Detroit has provided Purchaser and/or Seller with a written notification that: (1) it has completed a federally required environmental review and its request for release of federal funds has been approved and, subject to any other Contingencies in this Contract, (a) the purchase may proceed, or (b) the purchase may proceed only if certain conditions to address issues in the environmental review shall be satisfied before or after the purchase of the property; or (2) it has determined that the purchase is exempt from federal environmental review and a request for release of funds is not required. The City of Detroit shall use its best efforts to conclude the environmental review of the property expeditiously.

Initial: \_\_\_\_\_

6. The Developer acknowledges that if a Conditional Award is made to the project, the following will be applicable:

Notwithstanding any provision of this Agreement, the parties hereto agree and acknowledge that this Agreement does not constitute a commitment of funds or site approval, and that such commitment of funds or approval may occur only upon satisfactory completion of the environmental review and receipt by the City of Detroit of an Authority to Use Grant Funds from the U. S. Department of Housing and Urban Development under 24 CFR Part §58. The parties further agree that the

provision of any funds to the project is conditioned on the City of Detroit's determination to proceed with, modify, or cancel the project based on the results of a subsequent environmental review.

Initial: \_\_\_\_\_

**Witnesses:**

1. \_\_\_\_\_

2. \_\_\_\_\_

**Developer/Owner:**

By: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_

## ATTACHMENT 4 – PERMANENT SUPPORTIVE HOUSING REQUIRED DOCUMENTS CHECKLIST

		ITEM	DESCRIPTION
<b>A</b>	<input type="checkbox"/>	PSH Project Overview (Required)	<p>PSH Project Overview must address the following:</p> <ul style="list-style-type: none"> <li>• Vision for the PSH project</li> <li>• PSH Project Partners – Name and Lead Contact for PSH Project                             <ul style="list-style-type: none"> <li>○ Developer/Owner</li> <li>○ PSH Service Provider</li> <li>○ Property Management Agent</li> <li>○ Development Consultant (if applicable)</li> </ul> </li> <li>• Total Number of Units</li> <li>• Total number of PSH units and bedroom breakout</li> <li>• Total number of non-PSH units and bedroom breakout</li> <li>• Project population</li> <li>• Project timeline</li> <li>• How the project partners define success, goals and/or outcomes that partners will be using to evaluate the housing and services</li> <li>• Inclusion of individuals with lived experience of homelessness during project planning to inform the project’s physical design, services and operations and how engagement continues throughout the development process, during lease-up and operations.</li> <li>• Onsite amenities available to PSH tenants at no cost</li> <li>• How furnishings, linens, cleaning supplies, etc. will be provided for tenants moving into PSH units.</li> <li>• Describe how the design of the building, access, planning, staffing, technology, or other elements of operation will help ensure the safety of PSH residents.</li> <li>• Any other project information that may be helpful to share.</li> </ul>

B	<input type="checkbox"/>	Developer Experience Narrative (Required)	<p>Provide a narrative that addresses the following:</p> <ul style="list-style-type: none"> <li>• An overview of the developer’s organization and experience developing housing for PSH populations.</li> <li>• Developer Project Staff – Provide a list of internal staff who will be directly involved in the project and their knowledge and understanding of PSH development and operation or how they will increase their knowledge.</li> <li>• Project Experience- Provide a list of the Developer’s current PSH projects that are operational, the annual service budget and funding sources.</li> <li>• How will the developer coordinate with the service provider and property management partner during pre-development, construction to prepare for PSH tenant move-in? What role will the developer have during operations to ensure accountability of the property management and services team?</li> <li>• Include any awards for CoC funding that were <u>transferred, terminated, or returned</u> within the last 5 years. Explain the rationale for these actions and if it was done in coordination with the CoC. This would include any Continuum of Care where the developer or development team operated PSH.</li> </ul>
C	<input type="checkbox"/>	Supportive Service Provider Experience Narrative (Required)	<p>Provide a narrative that addresses the following:</p> <ul style="list-style-type: none"> <li>• An overview of the provider’s experience providing PSH Services to the identified target population, specifically services that are voluntary and for people who are actively using substances and/or engaging in other risky activities and have untreated/unmanaged mental health disorders.</li> <li>• Service Provider Lead Staff – provide a list of internal staff who will be working directly on this project during the pre-development and operations, include title and their role with this project.</li> <li>• If the partner has provided services in PSH before, what outcomes have been tracked to evaluate the effectiveness of services?</li> <li>• If the partner has not provided services in PSH, what steps will they take to ramp up including building knowledge and capacity, developing policies and procedures, hiring and training of staff, etc.?</li> <li>• How will the service provider uphold Housing First and Harm Reduction principles in service delivery?</li> <li>• PSH projects will be required to enter data into Homeless Management Information System (HMIS) in accordance with local HMIS data quality policies. How will project partners ramp up to meet the HMIS requirement, including staff training for HMIS user licenses and cost associate with using the HMIS system? Which partner will have staff that are HMIS licensed users and entering data? Does the supportive services provider have experience entering data in HMIS? Outline experience</li> </ul>

			<p>including number of years of experience, tracking outcomes in HMIS or other and ensuring data quality.</p> <ul style="list-style-type: none"> <li>• Include any awards for CoC funding that were transferred, terminated, or returned in the last 5 years. Explain the rationale for these actions and if it was done in coordination with the CoC. This would include any Continuum of Care where any of the development team member operate PSH.</li> </ul>
<b>D</b>	<input type="checkbox"/>	Property Management Experience Narrative (Required)	<p>Provide a narrative that addresses the following:</p> <ul style="list-style-type: none"> <li>• An overview of their experience managing supportive housing projects that are taking referrals from the Coordinated Entry system and experience working with PSH tenants?</li> <li>• Property Manager Lead Staff – provide a list of internal staff who will be working directly on this project and their experience with managing PSH projects, specifically those that are solely taking referrals from coordinated entry?</li> <li>• What PSH outcomes have been tracked by property management?</li> <li>• How does property management uphold Housing First and Harm Reduction in their work?</li> <li>• What training is provided to onsite property management staff to understand PSH and the target population?</li> <li>• How many property management staff will be dedicated to this site? Will they have an office on site? If not, how will they work with tenants for lease-up and ongoing property maintenance concerns?</li> <li>• Relationship building between property management and service staff is imperative, how will you ensure minimal staff turnover at the property?</li> </ul>
<b>E</b>	<input type="checkbox"/>	CSH Supportive Housing Quality Checklist for Permanent Supportive Housing (Required)	<p>CSH, a national non-profit, works to promote the development of quality PSH throughout the country and works to advance affordable housing aligned with services an approach to help people thrive, by advocating for effective policies and funding, equitable investing in communities, and strengthening the PSH field.</p> <p>CSH developed Quality SH Standards to identify aspects of a high-quality PSH project. For more information about the Standards please visit the link included in Appendix K.</p> <p>PSH Project Teams (developer, service partner, property management) should complete the Checklist together and respond honestly. The Quality Checklist (instructions included at the end this application) was developed for PSH that are in the development phases to identify where its meeting quality and identify opportunities to improve.</p> <p>Instructions for completing the checklist:</p> <ul style="list-style-type: none"> <li>• List the team members that worked together to complete the checklist</li> <li>• For each standard, select “yes”, “no”, or “partial”</li> <li>• If yes is checked, under documentation add where commitment is outlined (i.e. memorandum of understanding, tenant selection plan, service plan, etc.).</li> </ul>

			<p><b>Responding “partial” or “no” to items on the Checklist will <u>not</u> impact funding.</b></p> <p>Based on completion of the CSH Quality Checklist, identify two specific standards to which project partners responded no or partial and outline steps that partners can take to align with these standards? What support is needed?</p>
<b>F</b>	<input type="checkbox"/>	Tenant Selection Plan (Required)	<p>Attach the Property’s Tenant Selection Plan (TSP) that demonstrates an understanding of and commitment to Housing First and Harm Reduction principles. <u>PSH project utilizing MSHDA HCV project-based vouchers cannot add any additional screening criteria beyond MSHDA’s.</u> Partners should demonstrate a commitment to reducing barriers for PSH applicants.</p> <p>Ensure that the following items are addressed:</p> <ul style="list-style-type: none"> <li>• Target population(s),</li> <li>• Application and screening processes including any criminal, eviction history, and credit screening processes and details of any appeal process.</li> <li>• How will the project partners work with HAND - the local HMIS lead, CAM – local Coordinated Entry system, and MSHDA Housing Agents (if applicable) to identify, screen, and lease-up SH tenants? How will decisions about applicants be made?</li> <li>• How does PSH project’s screening criteria align with MSHDA’s Housing Choice Voucher (HCV) minimum screening criteria and where is that reflected in your TSP?</li> <li>• What are the reasons that an applicant would be denied housing?</li> <li>• Describe how the service provider and property manager will work together to prevent PSH tenants returning to homelessness, specifically PSH tenants who are noncompliant with their lease, who have behavioral concerns, and/or are unwilling to engage in services. How would Housing First principles impact how the property manager and support services response and what their specific roles and responsibilities will be.</li> <li>• What are the roles of property management and service provider to prevent evictions?</li> <li>• What actions or circumstances would constitute an eviction, mutual rescission, or non-renewal of lease of PSH tenants?</li> </ul>

G	<input type="checkbox"/>	Project Memorandum of Understanding (MOU) (Required)	<p>The PSH development team must submit written agreement between the developer/ownership, management company, and service provider(s) that outlines:</p> <ul style="list-style-type: none"> <li>• Description of each partners role during the development phase and during operations</li> <li>• Responsibilities of each partner</li> <li>• Frequency that the MoU will be reviewed and revised</li> <li>• Define key shared terms</li> <li>• Principles and values that are guiding the PSH Project Team</li> <li>• Project outcomes that will be tracked including PSH tenant and property goals</li> <li>• Funding responsibilities – who is responsible for raising funds for the supportive services and any other costs that are included in the capital and operating budgets, such as PSH tenant furnishings, linens, etc.</li> <li>• Description of the project partners commitment Housing First and Harm Reduction and how it impacts their roles and responsibilities</li> <li>• How partners make decisions during the development and operations phase</li> <li>• How will partners coordinate?</li> <li>• What is the accountability structure? How will the developer/owner hold property management and services accountable to their responsibilities?</li> <li>• What happens if a partner leaves the project?</li> </ul> <p><b>Note:</b> Coordinated Entry System will enter into the MOU with partners, if the project receives a Letter of Support from the CoC</p>
H	<input type="checkbox"/>	PSH Supportive Service Plan and Service Budget (Required)	<p>Attach PSH Supportive Service Plan, Service Staffing Plan and Service Budget that addresses the following:</p> <p><b>PSH Supportive Service Plan</b> should be comprehensive and address the following (minimally):</p> <ul style="list-style-type: none"> <li>• Describes the target population’s service needs.</li> <li>• Service delivery goals, outcomes that will be tracked, and data collection methods.</li> <li>• Select one of the service delivery models the Service Provider will be utilizing. (Please reference Appendix K: Forms and Documents Reference Links) <ul style="list-style-type: none"> <li>○ Assertive Community Treatment</li> <li>○ Critical Time Invention</li> <li>○ Tenant Support Services</li> <li>○ Intensive Case Management</li> <li>○ Other: Please define and must the PSH staff FTE-to-tenant ratio and supervisor to staff ratio</li> </ul> </li> <li>• List the supportive services that will be available to tenants during the application and lease-up phase, move-in/first few weeks phase, and ongoing.</li> </ul>

			<ul style="list-style-type: none"> <li>• Who provides the services (direct or through community partners)</li> <li>• Where will services be provided (project site, community-based location, etc) and how will tenants access services</li> <li>• The days/hours that staff will be available to provide services,</li> <li>• What are the various ways that service staff will engage PSH tenants, understanding that services are voluntary</li> <li>• How will tenant feedback will be sought and utilized to improve service delivery</li> <li>• How language and literacy barriers are addressed and how staff are responsive to the varying backgrounds and cultures of PSH tenants</li> <li>• What are the types of harm reduction services that will be made available to PSH tenants? Provide an example of what harm reduction looks like in action for property management and services staff that centers PSH tenants' safety and housing stability.</li> <li>• Staffing roles and how many staff will be in each role (i.e.: housing-based case management staff, supervisory staff, peer support specialist, administrative support, etc.). Include the PSH tenant to housing-based case manager ratio. Ratio should match the service plan selected.</li> </ul> <p><b>PSH Service Budget:</b></p> <ul style="list-style-type: none"> <li>• Budget should outline the annual cost to provide services to PSH tenants based on the Service Plan and Staffing plan.</li> <li>• What are the staffing costs (based on Staffing plan, what is the estimated salary for each role and total number of staff for each role)</li> <li>• In addition to staffing costs, what are other service-related costs? Such as professional development/training, technology for staff, Transportation/mileage, data and evaluation, resident council/training, etc.</li> <li>• What is the plan to fund the supportive services for the PSH project? What are the funding sources that project partners will pursue and the amount from each source?</li> <li>• If you currently have PSH units, how are services currently funded? While Medicaid is a helpful funding source, not all SH services are Medicaid billable and some SH tenants will not meet Medicaid requirements. With that said, describe your ability/plan to leverage Medicaid resources (ie. bill directly, partner, etc.) to finance applicable services, including the amount of Medicaid funding you anticipate being able to leverage and how that amount was determined. What is your experience braiding Medicaid and non-Medicaid sources pay for PSH service staffing?</li> </ul>
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## ATTACHMENT 5: ACKNOWLEDGEMENT OF OTHER CITY OF DETROIT NOFA REQUIREMENTS

1. **Marketing:** The City of Detroit’s Central Affordable Housing Portal (“AH Portal”) is a web-based tool that tracks and promotes available affordable housing units in Detroit. Developers benefit from the AH portal by gaining free marketing of their properties and any available affordable units, and prospective tenants benefit from the AH portal by having one source to search and review information on affordable places to live. As a condition to receiving funds from the City of Detroit, applicant hereby agrees to provide City staff with current property listing information to include in the AH Portal (“Property Listing”), including property amenities, rent, and income eligibility information, property contact information, application information, and available affordable units. Further, applicant agrees to keep their Property Listing current by updating any changes in contact information and affordable units available for lease. As Applicants have immediate vacancies and/or have exhausted their tenant waitlists, Applicant agrees to periodically update their Property listing to market such vacancies. To use the AH Portal, City staff will provide developer and their property managers credentialed logins to post their property listings.

Initial: \_\_\_\_\_

2. **Housing Choice Vouchers:** As a condition to receiving funds from the City of Detroit, the Developer hereby agrees to accept prospective residents with Housing Choice Vouchers who would otherwise qualify for the Development and will allow prospective residents to use a Housing Choice Voucher unless Project Based Rental Assistance is in place for the unit. The Developer understands a higher rent cannot be charged for units with Housing Choice Vouchers. Restricted AMI rents will apply to all affordable units.

Initial: \_\_\_\_\_

3. **Project Plan Review:** As a condition to receiving funds from the City of Detroit, the Developer hereby agrees to have a concept plan approval meeting with the City of Detroit Planning and Development Department prior to submitting an application to the NOFA.

Initial: \_\_\_\_\_

4. **Ongoing Compliance:** As a condition to receiving funds from the City of Detroit, the Development Team (Developer, Co-Developer, and Consultant) do hereby certify that no members of the Development Team have outstanding non-compliance findings for any of their active City of Detroit funded projects regarding Section 3, Davis-Bacon prevailing wages, ongoing Environment Compliance, or Asset Management Reviews; including but not limited to ensuring that all CHDO certifications are current.

Initial: \_\_\_\_\_

5. **Existing Loan Status:** As a condition to receiving funds from the City of Detroit, the Development Team hereby certifies that to the best of their knowledge they are current on all payment requirements for all other City of Detroit funded projects in their portfolio. In the event it is determined there are outstanding amounts due, the processing of the application to this NOFA may be suspended or terminated until the outstanding amounts are paid at the sole discretion of HRD.

Initial: \_\_\_\_\_

6. **Build America, Buy America (BABA) Act:** As a condition to receiving funds from the City of Detroit, the Development Team – a “Non-Federal Entity” - hereby certifies that they will comply with the following BABA and the Buy American Preference (BAP) requirements unless they have obtained a waiver:

- The Grantee must comply with the requirements of the Build America, Buy America (BABA) Act, 41 USC 8301 note, and all applicable rules and notices, as may be amended, if applicable to the Grantee’s infrastructure project. Pursuant to HUD’s Notice, “Public Interest Phased Implementation Waiver for FY 2022 and 2023 of Build America, Buy America Provisions as Applied to Recipients of HUD Federal Financial Assistance” (88 FR 17001), any funds obligated by HUD on or after the applicable listed effective dates are subject to BABA requirements, unless excepted by a waiver.

When applicable, the BAP requires that all iron, steel, manufactured products ,and construction materials used in covered infrastructure projects be produced in the United States. Developers subject to the BAP must document compliance or the specifically applicable waiver of the BAP with:

- A copy of the applicable waiver(s),
- Certification(s) from the producer/manufacturer of Covered Materials,
- Certification(s) form the Contractor or entity performing the Covered Activities,
- Self-Certification(s) as to compliance, or
- A combination of one (1) or more of the aforementioned.

Initial: \_\_\_\_\_

## ATTACHMENT 6 – PRE-DEVELOPMENT LOAN PROGRAM REQUIRED DOCUMENTS

### Affordable Housing Program and Permanent Supportive Housing Applicants Should Go To “Attachment 7 – Affordable Housing Program General Requirements Checklist”

ITEM #	ITEM	DESCRIPTION
<b>A</b>	<input type="checkbox"/> Executive Summary (Required)	Include development narrative and timeline for acquisition financial packaging, design development, construction start/end dates, and lease-up
<b>B</b>	<input type="checkbox"/> Developer Experience Narrative (Required)	<p>Please provide a narrative that includes the following:</p> <p><b>Developer organizational overview</b> – Provide an overview of the developer’s organization and if the organization has any presence within Detroit including the nature of any work in Detroit. <i>(2 paragraph max.)</i></p> <p><b>Developer project staff</b> – Provide a brief list of internal staff who will be directly involved in the project with their title and role for the proposed project and their relevant experience, and capacity to take on such a role. <i>(1 paragraph max per internal staff member)</i></p> <p><b>Current scope of work</b> – Provide a list of all of the Developer’s current development projects including each project’s name, location, number of units, projected completion dates, sources of financing and total development budgets. If the Developer is currently managing development projects, please describe how the Developer will manage the proposed project in addition to its current obligations <i>(1 paragraph max.)</i></p> <p><b>Project experience</b> – Provide a list of all of the comparable rental housing projects the Developer has completed in the last 5 years including the projects’ name, location, completion date, number of units, sources of financing, high-level timelines, and total development budget. Please highlight any development projects that were financed by Neighborhood Stabilization Program 1 or 3, CDBG or HOME funds. If the Developer has not completed a rental housing development in the last 5 years, please describe the most relevant activities the organization has completed and how exactly these activities have prepared the Developer for the proposed project. <i>(1 paragraph max.)</i></p>
<b>C</b>	<input type="checkbox"/> Development Team Experience Narrative (Required)	<p>The Development Team includes but is not limited to the Co-Developer, General Contractor, Owner’s Rep, Architect, Engineer(s), Development Consultant, Property Management Company, and Borrower’s Attorney (if applicable).</p> <p>For <b>each entity</b> secured, please provide the following:</p> <p><b>Organizational overview</b> – Provide an overview of the organization and if the organization has any presence within Detroit including the nature of any work in Detroit. <i>(2 paragraph max.)</i> Provide contact information and a resume for the individuals of the organization that</p>

			will be responsible for the work to be performed on the project.
<b>D</b>	<input type="checkbox"/>	Board of Directors Information (Required If Applicable)	Provide brief bios, including current occupation, of the developer's Board of Directors.
<b>E</b>	<input type="checkbox"/>	REO Schedule (Required)	Schedule of real estate including value (and how it is determined), real estate debt, borrower's share of equity, NOI, debt service, cash flow, borrower's share of cash flow and current occupancy levels. If the developer does not currently own any real estate, attach a schedule indicating "None".
<b>F</b>	<input type="checkbox"/>	Evidence of Site Control / Plan For Site Control (Required)	<p>Site control must be demonstrated for every parcel of land proposed within the project definition.</p> <p>For developers that do not have site control yet, outline the timeline and process for acquisition and estimated costs for acquisition.</p> <p>Any purchase/option agreements must include the required HUD Rewind Language.</p>
<b>G</b>	<input type="checkbox"/>	Survey (Optional)	
<b>H</b>	<input type="checkbox"/>	Zoning Documents (Optional)	Evidence of proper zoning or application for rezoning
<b>J</b>	<input type="checkbox"/>	Site Utility Plan (Optional)	
<b>K</b>	<input type="checkbox"/>	Detailed Scope of Work or Plans & Specs (Optional)	
<b>L</b>	<input type="checkbox"/>	Photos / Renderings / Images (Required)	High quality photos of the building's exterior and interior (if rehab) or high-quality renderings / precedent images (new construction)
<b>M</b>	<input type="checkbox"/>	Tentative Construction Schedule (Required)	Draft to be completed by General Contractor
<b>N</b>	<input type="checkbox"/>	Project Timeline (Required)	Must include the projected dates of acquisition, construction start, certificate of occupancy, 100% occupancy of City assisted units, stabilized occupancy.
<b>O</b>	<input type="checkbox"/>	Evidence of Application for all Sources of Financing (Optional)	<p>Letters of Intent and/or term sheets are preferable.</p> <p>Market study requests are sufficient evidence for applicants applying for MSHDA 9% LIHTC.</p>
<b>Q</b>	<input type="checkbox"/>	Section 3 Intent to Comply Document (Optional)	Attach the Section 3 Intent to Comply document. A link to this document is included in <b>Appendix K</b> . Please see <b>Appendix D</b> for additional information.

<b>R</b>	<input type="checkbox"/>	Section 3 Plan – Developer and General Contractor Document (Optional)	Attach the Section 3 Plan – Developer and General Contractor document. A link to this document is included in <b>Appendix K</b> . Please see <b>Appendix D</b> for additional information.
<b>S</b>	<input type="checkbox"/>	Proof of Certificate as a Minority/Women Owned Business Enterprise (Optional)	Provide documentation showing the developer is certified as a Minority/Woman Owned Business Enterprise. A link to this the certification process is included in the NOFA ( <b>Appendix K</b> ).
<b>T</b>	<input type="checkbox"/>	City of Detroit approval as a Community Housing Development Organization (CHDO) (Optional)	Provide documentation showing the developer has received City of Detroit approval as a Community Housing Development Organization (CHDO). See <b>Appendix K</b> for link.
<b>V</b>	<input type="checkbox"/>	Community-Based Development Organization (CBDO) Certification (Optional)	Provide documentation showing the developer has received City of Detroit approval as a Community-Based Development Organization (CBDO). Please email <a href="mailto:HRDNOFA@detroitmi.gov">HRDNOFA@detroitmi.gov</a> to learn more about the CDBO Certification Process.
<b>W</b>	<input type="checkbox"/>	Evidence of Historic designation (Optional)	
<b>X</b>	<input type="checkbox"/>	Targeted Multifamily Housing Area (TMFHA) (Required If Applicable)	If this is a new construction and/or a rehab project, provide a detailed map outlining the Multifamily Housing Area that the project is located within .
<b>Y</b>	<input type="checkbox"/>	Alignment with City Goals: Priority Projects (Optional)	Provide information on how the project qualifies for one of the City priority project categories. For projects that are considered an initiative tied to a City planning study, please provide a brief summary of the City planning study and how the project is formally considered an initiative of said study. Please provide any relevant and available hyperlinks to further outline these details. <i>(1 paragraph max)</i>
<b>Z</b>	<input type="checkbox"/>	Development Proforma (Required)	Developers are strongly encouraged to use the HRD Rental Development Proforma or the MSHDA LIHTC application proforma templates. Links to templates for the proformas are provided in <b>Appendix K</b> of the NOFA and on the HRD website. The proforma will only be accepted in excel format with formulas. The Development Proforma Instructions included at the end this application provide additional guidance on how to prepare a proforma for the development.
<b>AA</b>	<input type="checkbox"/>	Letters of Intent From All Equity Funding Sources & Grant Award Notifications Included In the Proforma (Required)	Provide Letters of Intent from all equity funding sources and grant award notifications for grant funding included in the proforma (if applicable).  In lieu of Letters of Intent, proof of application for funding should be supplied.

			All Letters of Intent must be dated within six (6) months of the funding round deadline.
<b>BB</b>	<input type="checkbox"/>	List of Potential Expenses for Pre-Development Loan Funds (Required)	Depending on the nature of the project, eligible expenses can include: Environmental Testing Technical Assistance (i.e. Development Consultants, Environmental Consultants) Architectural fees Engineering Fees Surveying Legal Fees Acquisition (for Non-Publicly Owned Land)
<b>CC</b>	<input type="checkbox"/>	Explanation of Failure to Complete Previous Development(s) (Required if Applicable)	Provide an explanation of any project(s) that the Developer received a Conditional Award for in a prior NOFA, and the Developer rescinded their request – canceling the Conditional Award.
<b>DD</b>	<input type="checkbox"/>	Preliminary Plan Review (PPR) Summary - (Required)	Provide the “Preliminary Plan Review Summary” provided by BSEED with their feedback. If not available, provide the date of the scheduled Preliminary Planning Review (PPR) meeting with the Buildings, Safety Engineering, and Environmental (BSEED) Department. See <b>Appendix K</b> for link to schedule. If the project has obtained Site Plan Approval, provide the Site Plan Approval Letter. Note that the project will still be subject to the Design Review Process with the Planning and Development Department (PDD).

## ATTACHMENT 7 – AFFORDABLE HOUSING PROGRAM GENERAL REQUIREMENTS CHECKLIST

		ITEM	DESCRIPTION
<b>A</b>	<input type="checkbox"/>	Executive Summary (Required)	Provide a one-page executive summary stating the reasons for pursuing this NOFA and the reason the City should seriously consider this project/organization for funding. Include a development narrative and a concise summary of the acquisition, design and construction timeline including projected lease-up and/or sales dates.
<b>B</b>	<input type="checkbox"/>	Developer Experience Narrative (Required)	Please provide a narrative that includes the following: <b>Developer organizational overview</b> – Provide an overview of the developer’s organization and if the organization has any presence within Detroit including the nature of any work in Detroit. <i>(2 paragraph max.)</i> <b>Developer project staff</b> – Provide a brief list of internal staff who will be directly involved in the project with their title and role for the proposed project and their relevant experience, and capacity to take on such a role. <i>(1 paragraph max per internal staff member)</i>

			<p><b>Current scope of work</b> – Provide a list of all of the Developer’s current development projects including each project’s name, location, number of units, projected completion dates, sources of financing and total development budgets. If the Developer is currently managing development projects, please describe how the Developer will manage the proposed project in addition to its current obligations <i>(1 paragraph max.)</i></p> <p><b>Project experience</b> – Provide a list of all of the comparable rental housing projects the Developer has completed in the last 5 years including the projects’ name, location, completion date, number of units, sources of financing, high-level timeliness, and total development budget. Please highlight any development projects that were financed by Neighborhood Stabilization Program 1 or 3, CDBG, or HOME funds.</p> <p>If the Developer has not completed a rental housing development in the last 5 years, please describe the most relevant activities the organization has completed and how exactly these activities have prepared the Developer for the proposed project. <i>(1 paragraph max.)</i></p>
C	<input type="checkbox"/>	Development Team Experience Narrative (Required)	<p>The Development Team includes but is not limited to the Co-Developer, General Contractor, Owner’s Rep, Architect, Engineer(s), Development Consultant, Property Management Company, and Borrower’s Attorney (if applicable).</p> <p>For <b>each entity</b> secured, please provide the following:</p> <p><b>Organizational overview</b> – Provide an overview of the organization and if the organization has any presence within Detroit including the nature of any work in Detroit. <i>(2 paragraph max.)</i> Provide contact information and a resume for the individuals of the organization that will be responsible for the work to be performed on the project.</p> <p><b>Project experience:</b> Provide a list of all of the comparable rental housing projects the entity has completed in the last 3 years including the projects’ name, location, completion date, and number of units. Please highlight any development projects that were financed by Neighborhood Stabilization Program 1 or 3, CDBG or HOME funds. Please indicate whether or not a management agent has been secured for the proposed project. If a management agent has been secured, please provide a brief description on the agent’s experience in managing restricted units and maintaining ongoing compliance.</p>

D	<input type="checkbox"/>	Program Scope and Feasibility Narrative (Required)	<p><b>Program Scope</b> – Provide an overall description of the project including the number of floors, common space, parking spaces, and/or commercial space; as well as the overall rental composition including the number of units, bedroom types, amenities, rents, and anticipated income restrictions. If this is a project that is part of a larger initiative (by building, block, or neighborhood), please describe the larger initiative in detail.</p> <p><b>List of Funding Sources</b> – provide a list of all other sources of financing. For each additional source of financing, please include funding amounts, key business terms, and conditions that must be satisfied before each funder is willing to close.</p> <p><b>Methods to Ensure Cost Effectiveness</b> – Provide a brief overview as to how the developer uses a creative approach to financing or cost containment to meet affordable housing needs. <i>(1 paragraph max)</i></p> <p><b>Explanation of projected rents</b> – Provide a brief synopsis of the market study (if available) and how it relates to the projected rents within the proposal. If the market study has not been completed, describe how the proposed rents have been determined. <i>(1 paragraph max)</i></p>
E	<input type="checkbox"/>	Board of Directors Information (Required If Applicable)	Provide brief bios, including current occupation, of the developer’s Board of Directors.
F	<input type="checkbox"/>	Explanation of Failure to Complete Previous Development(s) (Required if Applicable)	Provide an explanation of any project(s) that the Developer received a Conditional Award for in a prior NOFA, and the Developer rescinded their request – canceling the Conditional Award.
G	<input type="checkbox"/>	Emerging LIHTC Developer Narrative (Required If Applicable)	<p>Please provide a narrative that includes the following:</p> <p><b>Developer organizational overview</b> – Provide an overview of the developer’s organizational structure identifying the Emerging Developer with no less than 25% interest in the General Partnership or as a Managing Member of the partnership (earning a percentage of the paid and deferred developer fee at least equal to their parentage of the ownership).</p> <p><b>Emerging Developer experience</b> – Provide an overview of the Emerging Developer’s previous real estate and LIHTC development experience.</p> <p><b>Emerging Developer Plan for Development</b> – Provide an overview detailing the Emerging Developer’s future plans for developing affordable housing in the City of Detroit. This should be inclusive of past, current, and future goals.</p> <p><b>Emerging Developer Relationship</b> – Provide sufficient documentation to demonstrate that the Emerging Developer does not have any relation to other General Partners or any other development entity that would qualify for points.</p>



## ATTACHMENT 8 – AFFORDABLE HOUSING PROGRAM DEVELOPER FINANCES CHECKLIST

		ITEM	DESCRIPTION
<b>A</b>	<input type="checkbox"/>	Financial Statements of Sponsor/Guarantor - For Profit (Required if Applicable)	Provide audited, unconsolidated financial statements that present the “parent-only” (i.e., borrower) financial position for the past 3 years; Include consolidating schedule. Financials that are at least 90 days within application date including statement of financial position; statement of activities; statement of cash flows. Board approved budget for current fiscal year. Cash flow projections for 2 years.
<b>B</b>	<input type="checkbox"/>	Financial Statements of Sponsor/Guarantor – Nonprofit (Required if Applicable)	Provide tax returns for the last 3 years (990s or personal tax returns for each party with 20% or greater ownership). Signed, current PFS statement for each party with 20% or greater ownership. Required for personal guarantees and allows pulling of credit report.
<b>C</b>	<input type="checkbox"/>	Real Estate Owned (REO) Schedule (Required)	Schedule of real estate owned by the developer including value (and how it is determined), real estate debt, borrower’s share of equity, NOI, debt service, cash flow, borrower’s share of cash flow and current occupancy levels. NOTE: Email <a href="mailto:HRDNOFA@detroitmi.gov">HRDNOFA@detroitmi.gov</a> if you would like a template to use.
<b>D</b>	<input type="checkbox"/>	Development Financial Statements (Required if Applicable)	For currently occupied and operating projects only, provide operating financial statements for the most recent 3 years.

## ATTACHMENT 9 – AFFORDABLE HOUSING PROGRAM READINESS TO PROCEED CHECKLIST

		ITEM	DESCRIPTION
<b>A</b>	<input type="checkbox"/>	Project Timeline (Required)	Must include the projected dates of acquisition, construction start, certificate of occupancy, 100% occupancy of City assisted units, stabilized occupancy.
<b>B</b>	<input type="checkbox"/>	Evidence of Site Control (Required)	Site control must be demonstrated for every parcel of land proposed within the project definition.  Any purchase/option agreements must include the required HUD Rewind Language.
<b>C</b>	<input type="checkbox"/>	Preliminary Plan Review (PPR) Summary - (Required)	Provide the “Preliminary Plan Review Summary” provided by BSEED with their feedback. If not available, provide the date of the scheduled Preliminary Planning Review (PPR) meeting with the Buildings, Safety Engineering, and Environmental (BSEED) Department. See <b>Appendix K</b> for link to schedule. If the project has obtained Site Plan Approval,

			provide the Site Plan Approval Letter. Note that the project will still be subject to the Design Review Process with the Planning and Development Department (PDD).
<b>D</b>	<input type="checkbox"/>	Site Plan Approval - (Optional)	Provide evidence of the site plan approval from the Buildings, Safety Engineering, and Environmental Department (BSEED).
<b>E</b>	<input type="checkbox"/>	Evidence of Historic Designation (Optional)	Provide evidence of the historic designation of the property.
<b>F</b>	<input type="checkbox"/>	Letter of Support from Continuum of Care Organization (PSH Projects ONLY – Required)	Provide a letter of support from the Continuum of Care Organization as evidence of your commitment to take all references through the Coordinated Entry Process.
<b>G</b>	<input type="checkbox"/>	Letter of Support from Veterans Administration (Projects with Veterans Preference ONLY – Required)	Provide a letter of support from the Veterans Administration indicating their support for the project.

### ATTACHMENT 10 – AFFORDABLE HOUSING PROGRAM GOALS & REQUIREMENTS CHECKLIST

		ITEM	DESCRIPTION
<b>A</b>	<input type="checkbox"/>	Section 3 Experience and Future Outreach Narrative (Required)	<b>Please update your Section 3 information. Do not submit old information and documents prior to 2019.</b> Attach a statement with updated future outreach efforts to comply with Section 3 requirements under 24 CFR Part 75. If the developer has had Section 3 experience within the <b>past 5 years</b> , please provide a list of projects, addresses, number of units, total development costs, and how the project met Section 3 compliance. If the developer does not have previous experience complying with Section 3 requirements, attach a statement indicating as such and include if other members of the development team have experience complying with Section 3 requirements, especially experience under the <b>new Section 3 regulation, 24 CFR Part 75.</b>
<b>B</b>	<input type="checkbox"/>	Section 3 Plan – Developer and General Contractor Document (Required)	Attach the Section 3 Plan – Developer and General Contractor document. A link to this document is included in <b>Appendix K</b> . Please see <b>Appendix D</b> for additional information.
<b>C</b>	<input type="checkbox"/>	Section 3 Intent to Comply Document (Required)	Attach the Section 3 Intent to Comply document. A link to this document is included in <b>Appendix K</b> . Please see <b>Appendix D</b> for additional information.

D	<input type="checkbox"/>	Proof of certificate as a Minority/Women Owned Business Enterprise (Optional)	Provide documentation showing the developer is certified as a Minority/Woman Owned Business Enterprise. A link to this the certification process is included in the NOFA ( <b>Appendix K</b> ).
E	<input type="checkbox"/>	City of Detroit approval as a Community Housing Development Organization (CHDO) (Optional)	Provide documentation showing the developer has received City of Detroit approval as a Community Housing Development Organization (CHDO). See <b>Appendix K</b> for link.
F	<input type="checkbox"/>	Community-Based Development Organization (CBDO) Certification (Optional)	Provide documentation showing the developer has received City of Detroit approval as a Community-Based Development Organization (CBDO). Please email <a href="mailto:HRDNOFA@detroitmi.gov">HRDNOFA@detroitmi.gov</a> to learn more about the CDBO Certification Process.
G	<input type="checkbox"/>	Targeted Multifamily Housing Area (TMFHA) (Required If Applicable)	If this is a new construction and/or a rehab project, provide a detailed map outlining the Multifamily Housing Area that the project is located within
H	<input type="checkbox"/>	Alignment with City Goals: Priority Projects (Optional)	<p>Provide information on how the project qualifies for one of the City priority project categories.</p> <p>For projects that are considered an initiative tied to a City planning study, please provide a brief summary of the City planning study and how the project is formally considered an initiative of said study. Please provide any relevant and available hyperlinks to further outline these details. <i>(1 paragraph max)</i></p> <p>For projects that are considered a preservation of current affordability (NOAH or income restricted), describe how exactly the project qualifies as NOAH and how exactly this proposed project will protect and preserve its current affordability. For income-restricted projects, describe the current sources of funding, their related income restrictions, and potential expirations. <i>(2 paragraphs max)</i></p> <p>For projects that are considered permanent supportive housing, describe any targeting for special populations, including if and how this project is to be completed in coordination with the continuum of care, the accommodations, and services to be provided in order to meet the needs of the special population, and any Federal or other subsidy being brought to the project based upon this targeting. <i>(1 paragraph max)</i></p>
I	<input type="checkbox"/>	Green Building Initiatives (Optional)	<p>For projects that meet either of the below green standards, describe the project’s adherence to the chosen standard and the related potential long term cost savings.</p> <ul style="list-style-type: none"> <li>• Enterprise Green Communities: New Construction Mandatory +35 Optional; Moderate Rehabilitation Mandatory +30 Optional; Substantial Rehabilitation Mandatory +30 Optional</li> </ul> <p>U.S. Green Building Council LEED: Certified, Silver, Gold, or Platinum.</p>

J	<input type="checkbox"/>	Broadband Access (Optional)	<ul style="list-style-type: none"> <li>If interested in being considered for points for providing broadband access, provide a written agreement to commit to providing complimentary, high-speed internet access in common areas. If interested, please also provide a written agreement to commit to providing dedicated computers (a ratio of 1 computer per 10 units) with complimentary high-speed internet access. To ensure compliance, commitments will become a loan covenant.</li> </ul>
K	<input type="checkbox"/>	General Information Notice (GIN) (Required if Applicable)	For projects with existing residents, provide a copy of the General Information Notice (GIN) to be distributed to residents at time of application. For more information, see Uniform Relocation Act (URA) resource linked in <b>Appendix K</b> .

### ATTACHMENT 11 – AFFORDABLE HOUSING PROGRAM PROJECT FINANCING CHECKLIST

		ITEM	DESCRIPTION
A	<input type="checkbox"/>	Development Proforma (Required)	Developers are strongly encouraged to use the HRD Rental Development Proforma or the MSHDA LIHTC application proforma templates. Links to templates for the proformas are provided in <b>Appendix K</b> of the NOFA and on the HRD website. The proforma will only be accepted in excel format with formulas. The Development Proforma Instructions included at the end this application provide additional guidance on how to prepare a proforma for the development.
B	<input type="checkbox"/>	Letters of Intent From All Equity Funding Sources and Grant Award Notifications Included In the Proforma (Required)	Provide signed Letters of Intent from all equity funding sources and grant award notifications for grant funding included in the proforma.  All Letters of Intent must be dated within six (6) months of the funding round deadline.
C	<input type="checkbox"/>	Evidence of Application for All Sources of Financing (Required)	Lender Letters of Intent (LOI) and/or term sheets are preferred for all sources of financing included in the proforma. For any sources that an LOI or term sheet has not been obtained, provide evidence that an application has been submitted and provide a detailed explanation of the status of the application and when an LOI or term sheet will be provided. An LOI or term sheet must be provided with the commitment level documents for all sources other than MSHDA funds that are contingent upon an award of LIHTCs for the source to be considered secured for scoring purposes.
D	<input type="checkbox"/>	Project Based Vouchers (PBV) Award Letter or Evidence of Application (Required If Applicable)	Provide award letters or evidence of application for any project based rental assistance vouchers included in the proforma.

<b>E</b>	<input type="checkbox"/>	Rent Roll (Currently Occupied and Operating Projects Only) (Required if Applicable)	The rent roll must include affordability restriction, lease terms and tenant annual income by unit. Please remove any sensitive information such as tenants' social security numbers, etc.
<b>F</b>	<input type="checkbox"/>	Utility Allowance Calculation (Required)	Attach schedules showing how the utility allowance for each unit type was calculated. Indicate which utility table was used, which utilities the tenant is responsible for paying, and each applicable utility item.

**ATTACHMENT 12 – AFFORDABLE HOUSING PROGRAM CONSTRUCTION AND ENVIRONMENTAL CHECKLIST**

		ITEM	DESCRIPTION
<b>A</b>	<input type="checkbox"/>	AIA Document A305-1986 Contractor's Qualification Statement (Required)	
<b>B</b>	<input type="checkbox"/>	Detailed Scope of Work or Plans & Specs (Required)	
<b>C</b>	<input type="checkbox"/>	Zoning Documents (Required)	Provide evidence of proper zoning or application for rezoning to confirm that variances will not be required.
<b>D</b>	<input type="checkbox"/>	Letter of Confirmation of City Approvals and Permits (Optional)	
<b>E</b>	<input type="checkbox"/>	Site Survey (Required)	Provide the site survey for the development.
<b>F</b>	<input type="checkbox"/>	Site Utility Plan (Required)	Provide the site utility plan for the development.
<b>G</b>	<input type="checkbox"/>	Building/Site Images (Required)	Provide high-quality photos of building/site's exterior and interior (Rehab or Preservation) OR high-quality renderings (New Construction)
<b>H</b>	<input type="checkbox"/>	Trade Payment Breakdown (TPB) (Required)	Provide a draft Trade Payment Breakdown (TPB) that has been completed by the general contractor
<b>J</b>	<input type="checkbox"/>	Tentative Construction Schedule (Required)	Provide a draft tentative construction schedule that has been completed by the general contractor

## ATTACHMENT 13 - AFFORDABLE HOUSING PROGRAM COMMITMENT LEVEL CHECKLIST

**Due December 8, 2023**

**THIS ATTACHMENT IS PROVIDED FOR INFORMATION ONLY. PROJECTS THAT RECEIVE A LETTER OF INTEREST FROM THE CITY OF DETROIT WILL SUBMIT THESE ITEMS THROUGH A SUBSEQUENT SUBMISSION PROCESS.**

		ITEM	DESCRIPTION
<b>A</b>	<input type="checkbox"/>	Market Study (Required)	The market study should be both site and project specific, and no less than one year old. Homebuyer projects must provide a market analysis that supports the sales prices included in the budget/financial model for the project.
<b>B</b>	<input type="checkbox"/>	ASTM Phase I – Environmental Site Assessment (ESA) (Required)	MSHDA Phase I preferred, if available. Phase I ESA does not need to be printed.
<b>C</b>	<input type="checkbox"/>	Additional Environmental Due Diligence Documents (Optional)	Including Phase II ESA, BEA, Response Activity Plan, etc.
<b>D</b>	<input type="checkbox"/>	Capital Needs Assessment (Required if Applicable)	Provide a capital needs assessment for preservation/rehab projects.
<b>E</b>	<input type="checkbox"/>	Affirmative Fair Housing Marketing Plan (Required)	Applicants will need to submit a draft Affirmative Fair Housing Marketing Plan. A link to the HUD form is included in <b>Appendix K</b> of the NOFA.
<b>F</b>	<input type="checkbox"/>	Tenant Relocation Plan - Occupied Only (Required if Applicable)	A tenant relocation plan must be submitted that meets both the requirements of the <a href="#">Uniform Relocation Act (URA)</a> as well as the City standards as discussed in the NOFA. Include the General Information Notice (GIN) that was issued to the residents of the property at the time the NOFA Application was submitted. See <b>Appendix K</b> in the NOFA for a link to Uniform Relocation Act (URA).
<b>G</b>	<input type="checkbox"/>	Primary Market Area AMI and Summary (Required)	Provide information from the Market Study summarizing household incomes of the project area.
<b>H</b>	<input type="checkbox"/>	Letter of Support from Detroit Continuum of Care (Required)	Provide letter of support from the Continuum of Care as evidence of your alignment with CoC Priorities and expectations and commitment to take all tenant referrals through the Coordinated Entry Process.
<b>I</b>	<input type="checkbox"/>	Other Requested Project Documents	Attach any additional items that have been requested by HRD that were identified during the Threshold Review process.
<b>J</b>	<input type="checkbox"/>	Executed Partnership Agreement (Required if Applicable - for Emerging Developer Projects)	Provide a fully executed Partnership Agreement between each Partner/Entity/Member – minimally identifying: <ul style="list-style-type: none"> <li>• A comment to remain a part of the Ownership Entity for the minimum Compliance Period as confirmed by the City of Detroit;</li> <li>• Roles and responsibilities of each Partner/Entity/Member for the duration of the Development and Operational periods;</li> </ul>

			<ul style="list-style-type: none"><li>• The length of time each Partner/Entity/Member will be a part of the Ownership Entity;</li><li>• The Developer Fee amount for each Partner/Entity/Member; and</li><li>• Which Partner/Entity/Member will provide the guarantees for the equity investment and construction financing.</li></ul>
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**DEVELOPMENT PROFORMA INSTRUCTIONS**

As mentioned above, developers are strongly encouraged to use the HRD Rental Development Proforma template. If a development proforma is required by MSHDA for Low Income Housing Tax Credits, the Developer may submit that proforma. Links to both of these templates are provided in the NOFA and on the HRD website. Otherwise, the Developer must include all of the following elements in excel format:

- Sources and Uses
- Schedule of Rents by Unit Type (including utility allowances)
- Stabilized Operating Income & Expenses
- Rent Roll (if applicable)
- 20-year Operating Projection
- Construction and Lease-Up Period Cash Flow

### **Sources and Uses**

The Developer is responsible to ensure that all project development costs are accounted for in the submitted development budget, and that proposed sources of funding are adequate. Failure to provide adequate development costs and sources may result in the proposed project not receiving funding upon review. The project costs must comply with the following:

#### *Construction Costs*

At the time of application, the Developer must submit itemized cost estimates from the project architect or other qualified cost estimator to substantiate the construction costs in the development budget and indicate if it is expected that Davis Bacon requirements will apply to the project. The application must also state whether the Developer has solicited or received any proposals (bids) from general contractors.

Initial: \_\_\_\_\_

#### *Builder Overhead and Profit and General Requirements*

The contractor will be governed by the following maximum ratios: Contractor Fee/ Profit-6%, Overhead -2%, and General Conditions -6%. The City of Detroit may consider higher percentages for these fees if MSHDA or other funder approves higher percentages. The application narrative must state how the estimated amounts for builder fee / profit, general requirements, and general overhead in the construction budget were determined. The City of Detroit may also consider an exception to these percentage amounts for developments with a small number of units.

Initial: \_\_\_\_\_

#### *Owner's Hard Cost Construction Contingency Requirements*

The Developer must use the following contingency standards in preparing the development budget:

- Use a five percent (5%) contingency for new construction projects
- Use a twelve and a half percent (12.5%) contingency for rehabilitation projects
- Use a fifteen percent (15%) contingency for historic rehabilitation projects

Initial: \_\_\_\_\_



### *City Legal Fees*

The City requires Developers of HOME assisted projects to pay the City's legal fees, which are currently estimated at \$40,000 per entity receiving City funds as part of the project. Fees may be higher for projects with additional complexity. The legal fees are an eligible HOME cost that can be paid out of the HOME award.

Initial: \_\_\_\_\_

### *Lease-up Costs*

The development budget must include lease-up costs and adequate reserves.

Initial: \_\_\_\_\_

### **Operating Cash Flow**

The Developer must demonstrate through an operating cash flow projection that the project remains solvent over a 20-year period. The developer must provide support to the project over time, including adequate operating and replacement reserves. Other items to consider in completing the operating projections include:

The proforma must be based on sound, appropriate information, convincing data, and realistic inflators as well as operating cash flows that are realistic and adequate.

Initial: \_\_\_\_\_

Leveraging of private or HOME funded long term debt as a source of funds will be subject to the project's ability to support such financing as demonstrated by the project's operating proforma. Using standard underwriting criteria and cost reasonableness, the Developer must clearly demonstrate through the project's operating proforma that the repayment of this debt will not be a burden on the long-term viability and affordability of the project. The combined debt service coverage ratio taking into account all must-pay debt on viable projects should target a minimum of 1.10 and a maximum of 1.25.

Initial: \_\_\_\_\_

Affordable Rent Restrictions – Developers must propose rents for the HOME assisted units that do not exceed the lesser of comparable market rents or the HOME rent limits minus utility allowances. Please see the maximum rent standards for the City of Detroit provided in **Appendix B** of the NOFA. Although a project's rents may be lower than the rents listed, they cannot be more than the amounts listed. All rents listed must be adjusted for any utilities paid by the tenant using the appropriate amounts from the utility allowance charts included in **Appendix B** of the NOFA or the utility allowance amounts applicable to any project-based vouchers included in the proforma.

Initial: \_\_\_\_\_

If a project receives Federal or State project-based subsidies and the household pays no more than 30% of the household income, the maximum rent may be the rent allowable under the project-based subsidy program.

Initial: \_\_\_\_\_

Rents must be supported by the submitted market study. The rent must be reduced if the tenant pays for utilities because the calculation of these rent standards includes all utilities excluding telephone. Utility allowances provide a mechanism for adjusting the maximum allowable HOME rents when the tenant pays some or all utilities. Please see the utility allowance charts by housing type included in **Appendix B** the NOFA.

Initial: \_\_\_\_\_

The proforma must include the required payment amount for the City of Detroit loan based on the following standard loan terms:

1. **Term:** 480 months commencing from the date of construction completion.
2. **Interest Rate:** Fixed 1% simple interest.
3. **Repayment:** The repayment will be the greater of (a) \$2,500; or (b) the lesser of 1% interest only or 50% of net cash flow after operating expenses, required deposits to reserves, deferred developer fee and required senior debt service payments. The cash-flow contingent repayment will be deferred while cash-flow contingent payments are due to a senior lender. The \$2,500 minimum annual repayment will not be deferred.
4. **Optional Prepayment:** No penalty for prepayment; Borrower must provide Lender ten (10) business days' notice prior to prepayment.
5. **Reserves:** Annual Replacement Reserve deposit equal to \$300 per unit.

Initial: \_\_\_\_\_

### **Replacement Reserves**

Developers will be expected to execute a Replacement Reserve Agreement, and to establish and maintain a Replacement Reserve Fund. The Developer will be responsible for depositing a per unit amount per annum (PUPA) into the fund for capital improvements to the property, as outlined in the Replacement Reserve Agreement. In the event that there is a conflict between this provision and the requirements of other funders, the need for reserves will be analyzed and negotiated between the various parties. The City may waive this requirement at its discretion. The amount of the Replacement Reserve shall be determined as follows:

**For acquisition-rehabilitation projects**, the Developer must conduct a capital needs assessment (CNA) for all rehabilitation projects, and set the annual reserve, at a minimum, at the level needed to cover 100% of capital needs identified in the CNA over the HOME affordability period.

Initial: \_\_\_\_\_

**For new construction projects**, the Developer must deposit at least \$300 per unit annually into a Replacement Reserve. The City may consider a lower amount only if the Developer submits evidence acceptable to the City establishing that a lower deposit amount will cover 100% of likely long term capital needs over the HOME affordability period .

Initial



# Supportive Housing Planning Quality Checklist

This checklist is based on [CSH’s Standards for Quality Supportive Housing](#) and is intended to be completed by PSH projects in the pre-development or planning phase. The Standards are aspirational and PSH projects completing the Checklist are encouraged to be self-reflective and honest while identifying areas of potential growth. To complete the Checklist:

- PSH development team - the developer/owner, service provider, and property management - should complete the Checklist together and sign verifying that they actively participated and commitment to quality SH.
- For each Standard, check one of the following: Yes-we are doing this, No-we are not doing this, or Partial-we have started and/or are in discussion
- If yes, list where this is documented (i.e. project narrative, service plan, MOUs, community engagement plans, etc.). Projects do not have to submit documents.

For more information and/or questions, contact the CSH Michigan Team at [MI@csh.org](mailto:MI@csh.org). The CSH MI staff can provide individualized Technical Assistance (TA) to PSH Projects. Thanks to CSH’s generous funders, TA is available at no cost to MI Projects.

Indicator	Commitment to Quality	Verifiable Quality Measures in Pre-Development and Program Planning
<b>Tenant Centered</b>		
<b>Tenant-Driven Planning</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Partial	During the project planning process, individuals representing the priority target population have been involved, either through at least one individual meeting with the supportive housing project team and/or at least one focus group with members of the targeted tenancy. <b>Documentation:</b>
	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Partial	There are multiple documented plans of how tenant feedback is, and will continue to be incorporated into the supportive housing project. <b>Documentation:</b>
<b>Commitment to Supportive Housing Goals</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Partial	There are written goals and/or targeted tenant outcomes for the supportive housing project. <b>Documentation:</b>
	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Partial	The project will have a reliable method for collecting and reviewing data on the targeted tenant outcomes (such as housing retention, income, changes in health outcomes, employment, social connectedness). <b>Documentation:</b>
	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Partial	There are written goals and/or targeted tenant outcomes that affirm the agency’s commitment to anti-racism/anti-oppression and to effective implementation of equitable practices. <b>Documentation:</b>

Unit Design and Features	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Partial	<p>Each unit will have its own private bathroom and kitchen. Kitchens will include basic cooking appliances such as refrigerator, stovetop, and microwave.</p> <p><b>Documentation:</b></p>
	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Partial	<p>Units have adequate living space and appliances for essential daily activities, such as cooking, eating, sleeping, and any other activities related to their personal goals and hobbies.</p> <p><b>Documentation:</b></p>
	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Partial	<p>Based on the household composition of the planned priority population, there are a range of units available with enough bedrooms for the size of households.</p> <p><b>Documentation:</b></p>
	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Partial	<p>There are options for tenants to live on their own or with household members of their choice.</p> <p><b>Documentation:</b></p>
	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Partial	<p>There are plans to include common/shared indoor and outdoor spaces or access to spaces (on or off-site), such as community rooms, and gardens that can accommodate a variety of activities and gatherings.</p> <p><b>Documentation:</b></p>
Tenant Education	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Partial	<p>The Property Management Plan will require the management company to provide residents an orientation introducing them to their apartment and neighborhood, and their rights and responsibilities as leaseholders as part of the move-in process.</p> <p><b>Documentation:</b></p>
	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Partial	<p>The Services Plan will include an adequate level of on-site tenancy supports (caseloads of 1:10-1:25) and opportunities for tenants to build their skills through on-site workshops/ or outside linkages.</p> <p><b>Documentation:</b></p>
Tenant Feedback	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Partial	<p>The Property Management and/or Services Plan will indicate that a tenant satisfaction survey will be administered on an annual basis. There will be a written description of the system for reviewing survey results and responding to tenant feedback.</p> <p><b>Documentation:</b></p>
	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Partial	<p>The Property Management or Services Plan indicates that there will be a tenant council, focus group or another tenant-led group that meets regularly with the supportive housing project partners. There will be a written description of the system for reviewing and responding to tenant feedback.</p> <p><b>Documentation:</b></p>
	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Partial	<p>The Property Management or Services Plan indicates that feedback is reviewed using disaggregated data by race, ethnicity, gender identity and other key categories to support continuous quality improvement processes and develop clear action steps that include tenant feedback in the solution.</p>

		<b>Documentation:</b>
<b>Services Design</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Partial	<p>The services plan demonstrates that participation in services is voluntary, meaning that tenants can choose whether to participate and select the services they prefer.</p> <p><b>Documentation:</b></p>
	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Partial	<p>There is a plan to recruit and hire program staff includes strategies in help ensure staff reflect the demographics of the program’s participant population and have the experience and expertise needed to provide quality services.</p> <p><b>Documentation:</b></p>
	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Partial	<p>The services plan outlines how staff will explore participants’ cultural views of wellness and support, if requested or welcomed by the tenant.</p> <p><b>Documentation:</b></p>
	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Partial	<p>The services plan outlines how staff will support participants in accessing alternative treatments, (including those that address emotional, cultural and spiritual wellbeing), as desired by tenants.</p> <p><b>Documentation:</b></p>

Indicator	Commitment to Quality	Verifiable Quality Measures in Pre-Development and Program Planning
<b>Accessible</b>		
<b>Affordability</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Partial	<p>Tenants pay 30% or less of their income for housing costs.</p> <p><b>Documentation:</b></p>
<b>Location</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Partial	<p>Tenants can easily access a wide array of amenities on their own (public transportation, grocery stores, community centers, health clinics, etc.) that reflect local community standards.</p> <p><b>Documentation:</b></p>
	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Partial	<p>In locations where this is not feasible, the project will have a plan to assist tenants in accessing needed resources.</p> <p><b>Documentation:</b></p>
<b>Physical Accessibility</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Partial	<p>There will be a system in place to ensure that any needed accommodations are requested and completed prior to tenant move-in.</p> <p><b>Documentation:</b></p>
<b>Housing First</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Partial	<p>The Tenant Selection Plan and all written policy and procedures will state that the eligibility criteria for the supportive housing meet the minimum that the funder(s) or landlord requires (without additional criteria imposed). (I.e. The project minimizes barriers to entry to ensure that its targets tenants can quickly and easily access the supportive housing.)</p> <p><b>Documentation:</b></p>

	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Partial	The Tenant Selection Plan and all written policy and procedures will not require sobriety as an eligibility requirement to enter the supportive housing. <b>Documentation:</b>
	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Partial	The Tenant Selection Plan and all written policy and procedures will not require medication compliance as an eligibility requirement to enter the supportive housing. <b>Documentation:</b>
	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Partial	The Tenant Selection Plan and all written policy and procedures will not require participants to participate in services as an eligibility requirement to enter the supportive housing. <b>Documentation:</b>
	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Partial	The Tenant Selection Plan and all written policy and procedures will not require a minimum income as an eligibility requirement to enter the supportive housing. <b>Documentation:</b>
<b>Application Process</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Partial	There are (existing, or plans for) outreach protocols and designated staff assigned to find households after receiving referrals. <b>Documentation:</b>
	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Partial	The housing application and screening processes will be fully accessible to persons with disabilities. <b>Documentation:</b>
	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Partial	Appropriate, reasonable accommodations and necessary supports will be provided, as needed, during the application and screening processes. <b>Documentation:</b>
	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Partial	The housing application will be separate from any service needs assessment and will not request detailed clinical information. <b>Documentation:</b>
	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Partial	There will be a timely and clearly stated process for the approval or denial of housing applications and appeals. <b>Documentation:</b>
	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Partial	There will be an established system for staff to communicate with tenants and referral sources during the application process and to track and retain documentation. <b>Documentation:</b>
	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Partial	The supportive housing application and intake processes will ONLY include the minimum number of questions needed to determine tenant eligibility, such as those required by funders. <b>Documentation:</b>
<b>Availability of Services</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Partial	The services plan outlines responsibility of services staff to ensure that tenants are aware of available services, can modify their services at any time, and that service hours and locations are convenient (including outside of normal business hours and in crisis situations). <b>Documentation:</b>

<b>Anti-Racism and Cultural Humility</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Partial	<p>The application materials for tenants will be written in plain language. And staff will assist tenants in understanding the content of written materials, when necessary.</p> <p><b>Documentation:</b></p>
	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Partial	<p>The intake/screening process will be delivered in a manner that is trauma-informed and culturally responsive to the needs of each individual tenant.</p> <p><b>Documentation:</b></p>
	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Partial	<p>All written materials will be available in multiple languages.</p> <p><b>Documentation:</b></p>
	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Partial	<p>Multilingual staff and/or interpretation and translation services will be available to tenants, as needed.</p> <p><b>Documentation:</b></p>
	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Partial	<p>Services staff will receive training on cultural competency in service delivery including how to take into account each tenant’s age, race, gender identity, sexuality, culture, background and/or disability.</p> <p><b>Documentation:</b></p>
	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Partial	<p>There will be educational activities in which anti-racism and anti-racism related issues (including anti-oppression, cultural humility, holistic theory and practice, etc.) are addressed and all staff is required to have adequate training on these topics.</p> <p><b>Documentation:</b></p>
	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Partial	<p>There will be a formal mechanism for tenants and staff to file, track and respond to discrimination complaints.</p> <p><b>Documentation:</b></p>
	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Partial	<p>The board and leadership of the supportive housing organization(s) is or will be diverse and representative of the tenant population and include individuals from historically underrepresented groups and at least one person with lived experience.</p> <p><b>Documentation:</b></p>

Indicator	Commitment to Quality	Verifiable Quality Measures in Pre-Development and Program Planning
<b>Coordinated</b>		
<b>Roles and Responsibilities</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Partial	<p>There are written descriptions of each supportive housing partner's role, including, at minimum, the project sponsor, housing and/or property manager and supportive services provider. These descriptions detail the responsibilities of each partner.</p> <p><b>Documentation:</b></p>
	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Partial	<p>Written descriptions will be reviewed and revised annually by all partners.</p> <p><b>Documentation:</b></p>

	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Partial	<p>Written agreements between partners will prioritize and center racial equity as a key component of property management and service delivery.</p> <p><b>Documentation:</b></p>
<b>Communication</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Partial	<p>There are forums for all partners to discuss the status of the project, their roles and the coordination of their efforts on a regular basis.</p> <p><b>Documentation:</b></p>
	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Partial	<p>There are established procedures for communication between scheduled meetings.</p> <p><b>Documentation:</b></p>
<b>Coordinating Property/Housing Management &amp; Supportive Services</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Partial	<p>Both the service provider AND property management group (if project based) or housing management office (if scattered site) are committed to developing an eviction prevention plan and a rent repayment plan template. (This commitment can be included in MOUs outlining roles or demonstrated in meeting minutes)</p> <p><b>Documentation:</b></p>
<b>Connections with Mainstream and Community-Based Service Providers</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Partial	<p>Supportive Housing Service Plan and/or the MOU with the service provider includes serving as a coordinator with other mainstream service providers. (The primary service provider facilitates tenants' connections to resources and supportive services in the community, particularly behavioral healthcare, primary healthcare, substance use treatment and support, and employment.) <b>Documentation:</b></p>
	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Partial	<p>Service provider will coordinate with community-based resources that are inclusive of and represent the diverse community and tenant population demographics and needs.</p> <p><b>Documentation:</b></p>
	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Partial	<p>Service provider will develop and maintain profile of social and cultural resources for various ethno-racial groups in the service area (houses of worship, community-based organizations, etc.)</p> <p><b>Documentation:</b></p>
<b>Targeting Units</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Partial	<p>The supportive housing partners prioritize persons who are experiencing complex needs or who are high utilizers of other systems (e.g. hospital, jail, shelter) for all or a portion of available units.</p> <p><b>Documentation:</b></p>
<b>Continuous Quality Improvement</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Partial	<p>The supportive housing partners involved in ongoing operations schedule regular times to communicate and engage in a continuous quality improvement process to ensure project goals are being met.</p> <p><b>Documentation:</b></p>
	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Partial	<p>Leadership within the supportive housing organization(s) will regularly review data that is disaggregated by race, ethnicity, gender identity and other key categories, in order to monitor performance against goals, identify needed strategies for improvement and any disparities in access and/or outcomes, and develop clear action steps.</p> <p><b>Documentation:</b></p>



	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Partial	Tenants engaged in leadership opportunities are included in the quality improvement process, providing feedback and accountability in partnership with supportive housing leader organizations. <b>Documentation:</b>
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Indicator	Commitment to Quality	Verifiable Quality Measures in Pre-Development and Program Planning
Integrated		
<b>Appearance</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Partial	The scale, appearance, design, maintenance and quality of the building(s) will be consistent with the neighborhood and reflect local community standards. <b>Documentation:</b>
	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Partial	The project will meet or exceed HUD's Quality Standards and comply with local housing standards. <b>Documentation:</b>
<b>Community Dialogue</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Partial	The supportive housing project partners have <u>identified a lead partner</u> who will be active in ongoing community dialogue and activities (including participating in community improvement activities, soliciting neighborhood input on design, development and operating plans, identifying neighborhood needs or preferences for the design, receiving and responding to community concerns, and providing regular updates on the development process). <b>Documentation:</b>
<b>Housing Unit Choice</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Partial	Supportive housing partners have a clear understanding of and written description of <u>which partner</u> will work with tenants to: Develop an understanding of their needs and wants from a housing unit and Search for and select a housing unit that meets their needs, including any accessibility needs and reasonable accommodations requests. <b>Documentation:</b>
<b>Leases and Tenant Rights</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Partial	All supportive housing tenants will be provided with leases or subleases identical to non-supportive housing tenants — without service participation requirements or limits on length of stay (as long as lease terms are met). Ideally, the initial term of a lease or sublease is at least one year. <b>Documentation:</b>
	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Partial	The project has procedures in place to ensure that tenants are provided with a copy of their lease and have a clear understanding of their rights and responsibilities as tenants. <b>Documentation:</b>
<b>Community Connections</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Partial	The primary service provider is committed to working with tenants to 1) identify community opportunities, resources and relationships to support community connection, and to 2) ensure that tenants have the support and access to resources needed to pursue these connections. <b>Documentation:</b>

	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Partial	<p>The primary service provider is committed to coordinates with community-based resources that are inclusive of and represent the diverse community and tenant population demographics and needs.</p> <p><b>Documentation:</b></p>
	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Partial	<p>The primary service provider will develop a profile of social and cultural resources for various ethno-racial groups in the service area is maintained and made available to program participants (houses of worship, community-based organizations, etc.)</p> <p><b>Documentation:</b></p>

Indicator	Commitment to Quality	Verifiable Quality Measures in Pre-Development and Program Planning
<b>Sustainable</b>		
Service Funding	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Partial	<p>The funding source(s) is/are as flexible as possible (or coordinated) to allow for the specific services to change with tenant needs, both daily and throughout the life of the program.</p> <p><b>Documentation:</b></p>
	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Partial	<p>The budgets identify any potential gaps in funding needed to fully implement the service plan and outlines potential sources to address those gaps.</p> <p><b>Documentation:</b></p>
	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Partial	<p>Funding for the program is committed/contracted for a multi-year period or the service budget identifies a funding reserve or source sufficient to meet service costs for maintaining the family supportive housing service plan.</p> <p><b>Documentation:</b></p>
Capital Funding	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Partial	<p>The project sponsor is committed to long-term affordability (i.e. tenants pay no more than 30% of their income toward housing costs)</p> <p><b>Documentation:</b></p>
	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Partial	<p>There is a commitment, either through funding restriction or the presence of a mission-focused owner, to the property affordable for a significant period of time, typically at least 30 years.</p> <p><b>Documentation:</b></p>
Operating Funding	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Partial	<p>The operating budget includes long-term operating subsidies or a rent reserve sufficient to meet operational costs for the supportive housing units while maintaining affordable tenant rents.</p> <p><b>Documentation:</b></p>
	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Partial	<p>The operating budget will include a recurring contribution to a replacement reserve to repair/replace major systems that is consistent with state housing finance agency or other funder standards.</p> <p><b>Documentation:</b></p>
Housing Maintenance	<input type="checkbox"/> Yes <input type="checkbox"/> No	<p>Property management staff has a comprehensive, written plan and schedule for inspections, pest control, routine maintenance and replacement activities designed to sustain the quality of the physical environment.</p>

	<input type="checkbox"/> Partial	<b>Documentation:</b>
<b>Efficiency</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Partial	The housing is designed with consideration of environmental factors (flood, hurricane, other natural disasters) and appropriate construction is planned to ensure the units are secure and sustainable in areas where unpredictable weather can present hazards. <b>Documentation:</b>
	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Partial	The housing incorporates appropriate and feasible green design practices, such as the use of energy-efficient and water-conserving fixtures and products. <b>Documentation:</b>
	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Partial	The housing utilizes durable materials chosen to reduce future maintenance costs. <b>Documentation:</b>

We hereby certify that the information indicated above is true and accurate and understand that in affirming our Commitment to Quality Supportive Housing this project and its supporting documentation may be subject to review for verification of the

X

commitment to quality standards.

**Developer/Owner Signature:**

Print Name:

Title:

Date:

**Service Provider Signature:**

Print Name:

Title:

Date:

**Property Management**

**Signature:**

Print Name:

Title:

Date:

# RESOLUTION OF CERTIFICATE OF AUTHORITY

ENTITY TYPE (Please Check One):

LLC    LDHA LP    Partnership    Corporation    Sole Proprietorship

Other: \_\_\_\_\_

I, \_\_\_\_\_, a Manager, Member, or Owner of (APPLICANT) \_\_\_\_\_ (full legal name of the “COMPANY”) DO HEREBY CERTIFY that I am a Manager, Member, or Owner of the Company who has the authority to act as an agent of the Company in executing this Certificate of Authority. I further certify that the following individuals have authority to execute and commit the Company to conditions, obligations, stipulations and undertakings contained in the City of Detroit Housing and Revitalization Department Housing Rehabilitation and Development Program Notice of Funding Availability (“NOFA”) Application:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**FURTHER, I CERTIFY** that all necessary approvals by the Manager(s), Member(s), or Owner(s) of the Company have been obtained with respect to the execution of said NOFA Application, which is for the period of the application process.

**IN WITNESS THEREOF**, I have set my hand this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

CORPORATE SEAL

(if any)

\_\_\_\_\_  
Manager, Member, or Owner