

FUND FOR RESTORATION OF MULTI-FAMILY HOUSING – THIRD TRANCHE SCORING CRITERIA AND APPLICATION GUIDE

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CDBG OWNER CERTIFICATION

Please complete, execute and notarize the CDBG Third Tranche Owner Certification and submit in this section of your application.

COMMUNITY DEVELOPMENT BLOCK GRANT – DISASTER RECOVERY (CDBG-DR)
THIRD TRANCHE
 OWNER CERTIFICATION

Date: _____

Property Name:		Total # of Units:	
Property Address:		Total # of CDBG- Assisted Units:	

CDBG National Objectives

Owner certifies that this project meets at least one of the national objectives as defined by 24 CFR 570.483. (Check all that apply)

X	Benefiting Low- and Moderate-Income Persons
	Preventing or Eliminating Slums or Blight
	Meeting Urgent Needs

Direct or Indirect Benefit

Owners are permitted to apply for funding for new construction or to rehabilitate units not damaged by the disaster if the activity clearly addresses a disaster-related impact. Please check one.

_____ Owner certifies that the project is located within one of the 9 most impacted counties

OR

_____ If the project is located outside of the 9 most impacted counties, Owner certifies that the project addresses a direct or indirect impact from the disaster in counties declared by the President to have been impacted by the disaster. **PLEASE ATTACH TO THIS CERTIFICATION AN EXPLANATION OF HOW SUPERSTORM SANDY IMPACTED THE RENTAL POPULATION IN THE COUNTY IN WHICH THE PROJECT IS LOCATED AND WHY FRM-THIRD ROUND FUNDS ARE NEEDED FOR THE PROJECT TO SERVE SANDY IMPACTED RENTERS IN THE MARKET AREA.**

Check applicable county:

Nine Most Impacted Counties			
	Atlantic		Middlesex
	Bergen		Monmouth
	Cape May		Ocean
	Essex		Union
	Hudson		
Remaining Counties			
	Burlington		Morris
	Camden		Passaic
	Cumberland		Salem
	Gloucester		Somerset
	Hunterdon		Sussex
	Mercer		Warren

Priority for Displaced Sandy Victims

Owner certifies the project will comply with the Housing Resource Center registration requirements as well as granting a priority for Low and Moderate Income applicants who were displaced and/or experienced major or severe damage from Superstorm Sandy based on either FEMA registration (or other evidence of damage, impact or displacement) during the first 3 months of lease-up.

Term of Affordability

Owner acknowledges that the term of affordability will be the greater of: 15-year affordability or the length of affordability and/or extended use period required by any non-FRM source of funding used in the project by deed restriction.

Duplication of Benefits

Owner certifies that the project will comply with all regulations regarding Duplication of Benefits as defined by Section 312 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act at 42 U.S.C. 5155, 24 CFR 570 and Federal Register Notice 76 FR 71060.

Federal law prohibits any person, business concern or other entity from receiving federal funds for any part of such loss as to which he has received financing assistance under any other program or from insurance or any other source (such as FEMA, SBA, Insurance proceeds, other federal funds such as HOME, CDBG, local/state government funds, private or non-profit relief assistance and housing trust funds) where the assistance amount exceeds the need for a particular recovery purpose.

List amount and source for ALL financial assistance the project has received:

Source	Amount

Total Sources: \$ _____

Total Development Cost: \$ _____

Eligible Uses

Owner certifies that funds will be used solely for necessary expenses related to disaster relief, long-term recovery, restoration of infrastructure and housing, and economic revitalization in the most impacted and distressed areas for which the President declared a major disaster in the aftermath of Superstorm Sandy, pursuant to the Stafford Act.

Owner further certifies that no funds have been allocated for or will be utilized for “second homes”, as defined in IRS Publication 936.

FEMA Base Flood Elevation Maps

Owner certifies that they will elevate new construction and substantially improved structures one foot higher than the latest Federal Emergency Management Agency (FEMA) issued base flood elevation, as stipulated in the Federal Register Volume 78, Number 76 (Friday, April 19, 2013).

Owner Compliance

Owner agrees to abide by any and all federal, state, and municipal laws, codes, ordinances, rules and regulations applicable to the Project, whether presently existing or hereafter promulgated, including without limitation environmental laws, building codes, land use, and zoning codes. Owner agrees to comply with all Program requirements, HUD regulations and the provisions of 24 CFR Part 570, as amended from time to time, and all federal regulations and policies issued pursuant to these regulations.

Federal Cross-Cutting Requirements:

Owner certifies that the project will comply with the following federal requirements:

Fair Housing Act (42 U.S.C. 3601-19) and implementing regulations at 24 CFR Part 100 and the regulations at 24 CFR Part 107 (Equal Opportunity in Housing)

Title VI of the Civil Rights Act of 1964, as amended in 1988 (42 U.S.C. 2000(d)) (Nondiscrimination in Federally Assisted Programs) and implementing regulations at 24 CFR Part 1.

The Age Discrimination Act of 1975 (42 U.S.C. 6101-07) and implementing regulations at 24 CFR Part 146 “Nondiscrimination on the Basis of Age in HUD Programs or Activities Receiving Federal Financial Assistance.”

Affirmative Marketing Owner must create and comply with the affirmative fair housing marketing plan.

Section 109 of Title I of the Housing and Community Development Act of 1974, and the regulations issued pursuant thereto (24 CFR Part §570.602).

Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and implementing regulations at 24 CFR Part 8 “Nondiscrimination Based on Handicap in Federally Assisted Programs and Activities of the Department of Housing and Urban Development.”

Title II of the Americans with Disabilities Act of 1990

Housing for Older Persons Act of 1995 (HOPA)

National Environmental Policy Act (NEPA) and Related Laws 24 CFR Part 58.6, including ongoing requirements related to any required mitigation for the project resulting from the NEPA review and clearance, and flood insurance as required by the National Flood Insurance Reform Act of 1994, if applicable.

Lead-Based Paint Poisoning Prevention Act and the Residential Lead-Based Paint Hazard Reduction Act of 1992 24 CFR part 35, subparts A, B, J, K, and R.

Davis-Bacon Prevailing Wages 24 CFR Section 570.603, and the requirements of the Secretary of Labor in accordance with the Davis-Bacon Act (40 U.S.C. §276(a) to (a-7))

Contract Work Hours and Safety Standards Act 40 U.S.C. 3141 et seq. Mechanics and Labors are paid wages of not less than one and one-half times their basic wage rates for all hours in excess of forty in a work week.

“Anti-Lobbying” Restrictions (Restrictions on lobbying in 31 USC 1352 and implementing regulations at 24 CFR Part 87 “New Restrictions on Lobbying”.)

2 CFR Part 2424 “Non-procurement Debarment and Suspension” subpart C of 2 CFR Part 180, as required by 2 CFR Part 2424.

Copeland “Anti-Kickback” Act (18 U.S.C. §874) as supplemented by the Department of Labor regulations contained in 29 CFR Part 3.

Minority and Women-Owned Business Enterprises 24 CFR Part 85.36(e) requires Owner to take all necessary affirmative steps to assure that minority firms, women's business enterprises, and labor surplus area firms are used when possible.

Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) as amended, and implementing regulations at 24 CFR part 135. Section 3 requirements apply to all individual properties assisted with these funds, regardless of the actual amount spent on each individual unit/property.

Displacement, Relocation, Acquisition and Replacement of Housing Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 as amended (49 CFR Part 24) and Section 104(d) of the Housing and Community Project Act of 1974 as amended.

Recordkeeping requirements 24 C.F.R. 570.490 Project Activity Records, including supporting documentation such as Housing and Beneficiary Records and Labor standards records (Section 3, CWHSSA, and Davis Bacon), shall be retained for at least five years from closeout of the grant to the state.

State Compliance Requirements

State Uniform Housing Affordability Control, N.J.A.C. 5:80, requirements on bedroom distribution shall control.

LEP Marketing All FRM – Third Round-funded housing shall be marketed in English and the major foreign languages spoken in the county in which the project is located, as indicated in the Chart below.

Major Foreign Languages Spoken in Nine Most Affected Counties

Sandy-Affected County	Top Non-English Languages Spoken	Estimated LEP Population
Atlantic County	Spanish Vietnamese Chinese	15,800 2,000 2,000
Bergen County	Spanish Korean Polish	41,300 26,200 8,300
Cape May County	Spanish	2,300
Essex County	Spanish Portuguese French Creole	59,600 15,300 8,500
Hudson County	Spanish Arabic Tagalog	105,400 5,000 4,700
Middlesex County	Spanish Chinese Gujarati	53,800 11,700 10,500
Monmouth County	Spanish Portuguese Chinese	21,300 4,000 3,900
Ocean County	Spanish Italian Polish	13,400 1,400 1,000
Union County	Spanish Portuguese French Creole	70,400 9,100 5,000
Total	11 LEP Populations	

CERTIFICATION

I, _____, hereby represent and state that the foregoing information, and all information submitted for the purpose of applying for Community Development Block Grant-Disaster Recovery funds (CDBG-DR) , is true and complete. I acknowledge that the New Jersey Housing and Mortgage Finance Agency is relying on said information and thereby acknowledge that the undersigned entity is under a continuing obligation, from the date of this Certification through the completion of the Project, to notify NJHMFA in writing of any changes to the information contained in this certification and in the application. Under penalty of perjury, I acknowledge that I am aware that it is a criminal offense to make a false statement or misrepresentation in this certification, and if I do so, I recognize that I am and/or the undersigned entity is subject to criminal prosecution under the law, and disqualification from future participation awards of CDBG-DR funds in New Jersey.

Sworn and subscribed to before the undersigned
Notary Public on the date appearing below:

Witness/Attest (Secretary)

By: _____
Authorized Representative/
President of Corporation

Print Name and Title

ACKNOWLEDGMENT

CORPORATIONS

I CERTIFY that on _____, _____, _____ personally came before me, and acknowledged under oath, to my satisfaction, that he/she is the Secretary of _____, the Corporation named in the within Instrument; that _____ is the President of said Corporation; that the execution, as well as the making of this Instrument, has been duly authorized by a proper resolution of the Board of Directors of the said Corporation and said Instrument is signed and delivered by said President as and for the voluntary act and deed of said Corporation, in the presence of deponent, who thereupon subscribed his/her name thereto as attesting witness.

LIMITED PARTNERSHIPS

I CERTIFY that on _____, _____, _____ personally came before me, and acknowledged under oath, to my satisfaction, that (a) he/she is the president of _____, the general partner of _____, the Limited Partnership named in this document; (b) he/she was authorized to execute this document on behalf of the partnership and; (c) this document was signed and delivered by him/her as the voluntary act of the general partner and the limited partnership.

LIMITED LIABILITY COMPANIES/PARTNERSHIPS

I CERTIFY that on _____, _____,
_____ personally came before me, and
acknowledged under oath, to my satisfaction, that (a) he/she is the president of
_____, the voting member of
_____, the Limited Liability Company/Partnership
("LLC/LLP") named in this document; (b) he/she was authorized to execute this document on behalf of
the LLC/LLP and; (c) this document was signed and delivered by him/her as the voluntary act of the
voting member and the LLC/LLP.

SWORN TO AND SUBSCRIBED before me this _____ day of _____.

A Notary Public of _____

My Commission Expires on: _____

FRM THIRD TRANCHE SELF SCORE

Please submit the FRM Third Tranche self score in this section.

TOTAL DEVELOPMENT COST CAPS

Please note the Cost Cap Limits (per unit) for projects requesting CDBG-DR subsidy.

4 residential floors or less	\$275,000
5 or 6 residential floors	\$302,500
7 residential floors and above	\$330,000

Permitted Exclusions:

Capitalized permanent reserves and escrows

Non-basis eligible off-site improvements

Deferred developer fee, if any

EQUITABLE DISTRIBUTION

Please note the following conditions stipulated in the Voluntary Compliance Agreement (VCA):

1. The following counties shall receive the minimum percentages of the aggregate FRM funding available.
 - Monmouth and Ocean Counties – 52%
 - Atlantic County – 20%
2. AT LEAST 60% of all FRM funds shall be awarded to projects outside TUMs
3. AT LEAST 60% of the FRM funds awarded outside TUMs shall be for families with children without preference or restriction
4. NO MORE than 20% of the available funds shall be awarded to projects outside of the nine most-impacted counties.

Municipal Limits:

- 1-100,000 people in the municipality – No more than 3 FRM awards
- 100,001-200,000 – No more than 4 awards
- 200,001+ - No more than 5 awards

Exceptions

- 1) Atlantic City – No more than 7 awards
- 2) Projects that meet the following criteria are not subject to municipal limits:
 - Family (non-age restricted) project;
 - Located outside of a TUM;
 - Located in Monmouth, Ocean or Atlantic County; and
 - Located in a municipality that sustained major or severe renter damage based on the attached “Major and Severe Renter Damage by Municipality” chart of physically border a town, or multiple towns, that appear on the aforementioned chart

1. SANDY DAMAGE

Projects in, or adjacent to, a municipality that sustained major or severe renter damage based on the “Major and Severe Renter Damage by Municipality” chart, shall receive up to 22 points according to the following scale:

- Red municipalities: 22 points
- Orange municipalities: 18 points
- Yellow municipalities: 14 points
- Green municipalities: 10 points
- Blue municipalities: 6 points

If the municipality where a project is located physically borders a municipality that appears on the attached chart, then that project scores the *higher* of (i) half of the points allotted for the highest scoring physically bordering municipality, or (ii) its own points if the project location town appears in the attached chart. A waterway between towns would not impact an application's eligibility for points.

Submit in this section a map (or other evidence) as substantiation for the points below.

Please complete the following:

1. Project is located in _____, which is awarded _____ points on the Major and Severe Renter Damage by Municipality chart.

OR

2. Project is located adjacent to _____, which is awarded ½ of _____ points on the Major and Severe Renter Damage by Municipality chart.

- *Please note that projects may be eligible for higher points based on adjacency to a municipality with direct damage, rather than the municipality in which it is located.*

2. IMPACT OF PRIOR CDBG-DR FUNDING THROUGH FRM

Up to 20 points are available in this section.

Please complete the following:

Project is located in _____ County for _____ points.

- 20 points shall be awarded to projects located within Ocean County
- 16 points shall be awarded to projects located in Atlantic County or Monmouth Counties
- 12 points shall be awarded to projects in Hudson, Bergen or Cape May Counties
- 9 points shall be awarded to projects located in Union County
- 3 points shall be awarded to projects located in Salem, Camden or Middlesex Counties
- 0 points shall be awarded projects located in all other counties

3. HOUSING TYPE

2015 Targeted Urban Municipalities (TUM) List

Urban Aid Cities with Poverty Rates greater than 8.1%
Asbury Park
Atlantic City
Bayonne
Bridgeton
Camden
Carteret Borough
Clifton
East Orange
Elizabeth
Garfield
Glassboro
Gloucester City
Hackensack City
Hillside Township
Hoboken
Irvington Township
Jersey City
Kearny
Lakewood Township
Lindenwold Borough
Lodi Borough
Long Branch
Mount Holly
Neptune City
Neptune Township
New Brunswick
Newark
North Bergen
Orange
Passaic
Paterson
Pemberton Township
Penns Grove Borough
Pennsauken
Perth Amboy
Phillipsburg
Plainfield
Pleasantville
Rahway
Roselle
Salem
Trenton
Union City
Vineland
Weehawken
West New York
Winslow Township
Woodbury City

Up to 10 points shall be awarded for the following housing types:

_____ Family (non-age restricted) housing outside of TUMs within a coastal community: 10 points

_____ Family housing within TUMs and a coastal community: 8 points

_____ Family housing outside of TUMs: 5 points

_____ Family housing within TUMs: 3 points

OR

0 points shall be awarded for Senior housing. Please select one of the following options.

_____ At least 80% of the units in the building will be occupied by at least one person 55 years or older

_____ ALL the residents of the project will be 62 or older

Project is located in _____ (municipality).

Source: Urban Aid List SFY 2015, New Jersey Department of Community Affairs; US Census, American Community Survey 2009-2013 Poverty Status in the Past 12 month 5 year estimates

4. SUPPORTIVE HOUSING - 10 points

_____ By checking this section, the applicant pledges to rent 5 units or 5 percent of the total project units, whichever is greater, to individuals with special needs and meet the criteria of N.J.A.C. 5:80-33.12(c)14.

Submit in this section the following documentation:

- i. A supportive housing population needs analysis;
- ii. A supportive housing marketing plan. The plan must identify the organizations that will be used for referrals and evidence, such as a letter of support, must be provided attesting that such organizations have experience serving the target population and can be a source for referrals. For example, if the target population is homeless individuals or homeless families, a resolution indicating that referrals will be provided or a letter of support from the local/county Continuum of Care (CoC) is recommended;
- iii. Evidence of the supportive housing development, management and/or supportive services experience of the owner entity, property management entity and/or social service provider who will be providing the property management and/or supportive services to the residents;
- iv. Sources of funding and a social services plan that includes a detailed description of the scope of services to be provided to the individuals with special needs. If the social service provider is partnering with other community services, that relationship must be substantiated with executed letters of agreement detailing services to be provided and term thereof;
- v. An executed supportive services agreement between the supportive services provider and the owner entity; and
- vi. Evidence of receipt of rental assistance or operating subsidy commitment(s) for special needs populations below 30 percent of area median income and/or evidence that the supportive housing units are affordable to the target population.

5. PROVISION OF SOCIAL SERVICES

Up to 6 points shall be awarded per social service (2 points each).

Applicants who propose to offer social services in their project for the term of at least the compliance period shall submit the following in this section:

- a. Completed Social Services Summary Worksheet (one per service) which summarizes those points more fully described in the firm agreement required below;
- b. Evidence of funding sources or documentation of how or by whom the services will be paid, as well as documentation of how the costs of the services were determined;
- c. Evidence of experience of the service provider for both provision of social services and fulfillment of prior private or governmental contracts;
- d. Firm agreements with service providers for the services; and
- e. Evidence of availability, appropriateness, accessibility and affordability to tenants.

OR

_____ Applicant agrees to participate in the Services for Independent Living (SIL) program. (Senior projects only)

NOTE: Services provided free of charge to all residents/seniors of a county or municipality based solely on residency status shall not qualify for points in this category.

SOCIAL SERVICES SUMMARY

This chart is to be completed by the applicant and will NOT be construed as part of the actual commitment letter between the applicant and social service provider. Please complete one chart for each social service proposed.

SOCIAL SERVICE	
SUMMARY DESCRIPTION of SOCIAL SERVICE (a full description of the social service should be recited in your executed agreement) (attach your executed agreement and any applicable licenses).	
EXECUTED AGREEMENTS (attached hereto)	Term of Agreement: _____
SOCIAL SERVICE PROVIDER	
REFERENCES (attached hereto)	1: _____ 2: _____
FUNDING SOURCES	1: Source: _____ Amount: \$ _____ Term: _____ ONE-TIME or PERIODIC (circle) 2: Source: _____ Amount: \$ _____ Term: _____ ONE-TIME or PERIODIC (circle)
TENANT AFFORDABILITY (describe)	
TENANT ACCESSIBILITY (describe)	

6. LEVERAGE

Up to 10 points shall be awarded based on the following sliding scale. Applicants may value the LIHTCs using a tax credit equity pricing between \$0.93 and \$1.00 (if applicable). For purposes of this category,

Total Development Cost (“TDC”) is defined as the cost to complete the development of the project:

- Less than 5% of Total Development Cost (TDC) from non-CDBG-DR funds: 0 points
- 5%-20% of TDC from non-CDBG-DR funds: 2 points
- 20.01% - 40% of TDC from non-CDBG-DR funds: 4 points
- 40.01% - 60% of TDC from non-CDBG-DR funds: 6 points
- 60.01% - 80% of TDC from non-CDBG-DR funds: 8 points
- 80.01%+ of TDC from non-CDBG-DR funds: 10 points

Complete the following:

$$\frac{\text{_____ Non-CDBG-DR funds}}{\text{_____ Total Development Costs}} = \text{_____ \% of TDC from non-CDBG-DR funds}$$

(should match the breakdown/Form 10)

7. COST PER UNIT

- CDBG-DR request is \$40,000 or less per CDBG-DR eligible unit = 9 points
- CDBG-DR request of \$40,001 - \$80,000 per CDBG-DR eligible unit = 6 points
- CDBG-DR request of \$80,001 - \$120,000 per CDBG-DR eligible unit = 3 points
- CDBG-DR request exceeding \$120,000 per CDBG-DR eligible unit = 0 points

Complete the following:

$$\begin{array}{l} \text{_____ CDBG-DR request / _____ \# of CDBG-DR eligible units} \\ \\ = \\ \\ \text{_____ amount of CDBG-DR per unit} \end{array}$$

8. HIGHER OPPORTUNITY AREAS

Up to 9 points will be awarded in this section (3 points each)

a. Public Transportation – The project must be fully located within a ½ mile of public transportation and the proximity shall be confirmed in the project's market analysis.

b. Proficient School District – School districts that met the requirement of 66% proficient or advanced proficient on the NJ ASK 4 standardized test in both math and language arts during either the most current data available (2014) or the preceding year (2013) will be eligible for 3 points. Please contact the Tax Credit Division at 609-278-7629 for a list of eligible school districts.

c. Submit evidence that the average annual employment for the municipality totals at least 95% of the housing units in the municipality during either most current data available (2013) or the preceding year (2012) based on the New Jersey Department of Labor Quarterly Census of Employment and Wages, Municipal Reports by Sector found at http://lwd.dol.state.nj.us/labor/lpa/employ/qcew/qcew_index.html and the American Community Survey (2013 or 2012) five-year estimates, Table B25001 (Housing Units) found at: <http://factfinder2.census.gov/faces/nav/jsf/pages/searchresults.xhtml?refresh=t>

d. Mixed income projects with a minimum 20% affordability component and minimum 40% market rate component.

9. TIEBREAKER

In the event of a tie score based on the Selection Criteria, FRM – Third Round funds shall be awarded to the Applicant requesting the least amount of CDBG-DR funds per CDBG-DR eligible unit.

Complete the following:

$$\begin{array}{l} \text{_____ CDBG-DR request / _____ \# of CDBG-DR eligible units} \\ \\ = \\ \\ \text{_____ amount of CDBG-DR per unit} \end{array}$$