



Barnstable County

Regional Government of Cape Cod
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Department of Human Services

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Barnstable County HOME Consortium HOME and HOME-ARP Programs Rental Housing Development Project Underwriting, Subsidy Layering, and Risk Analysis Evaluation Policies and Guidelines

APPLICABILITY

These Policies and Guidelines apply to the HOME Investments Partnership Program (the “HOME Program”) and the HOME-ARP Investments Partnership American Rescue Plan Program (the “HOME-ARP” Program); collectively “the HOME Programs”. Policies and Guidelines herein refer collectively to the HOME Programs unless otherwise specifically stated as referring to an individual program.

For HOME-ARP applications, please refer to the HOME-ARP addendum for revisions and additional requirements.

APPLICATION AND REVIEW PROCESS

Overview

Decisions on funding requests are made by the Barnstable County HOME Consortium Advisory Council, a 17-member body with representation from each of the Cape’s fifteen communities and two at-large members. Barnstable County HOME Consortium Advisory Council will review and evaluate rental project funding requests as follows:

- Concurrent with the release of funding from the Massachusetts Executive Office of Housing and Livable Communities (EOHLC) (formerly, the Department of Housing and Community Development), Barnstable County HOME Consortium (the Consortium) will accept applications for the HOME Programs rental development projects.
- Priority for review and funding: Due to the limited allocation and staff resources of the HOME Programs, a priority for review and funding will be based on the following criteria:
 - a) projects will be evaluated for priority based on their readiness to proceed. Applicants should submit documentation on their readiness to proceed including evidence of

comprehensive permit or zoning approval, evidence of site control, commitment or other documentation of other funding sources, and evidence of the ability to financially close on the project within 6 months of award;

- b) for projects seeking EOHLC funding as well as Barnstable County HOME Programs funding, projects in their second round of the EOHLC funding process will be given priority for review and funding. Notwithstanding the above, depending upon availability of funds, number of applications, and potential special circumstances, first-round EOHLC applicants may be accepted by the Consortium.

Information and forms for the HOME Programs applicable to both EOHLC and Barnstable County can be found under 'Program Information' on the Mass.gov HOME Investment Partnership Program website: <https://www.mass.gov/service-details/home-investment-partnerships-program-home>.

- For projects not seeking EOHLC funding in conjunction with an application for Barnstable County HOME Programs funding, contact the Barnstable County HOME Program Manager regarding the availability of funding and the application process at homeprogram@capecod.gov.
- Upon receipt of an application for funding, HOME Programs staff will inform the applicant of available funding and priority for review. If it is determined that the application will be formally reviewed, HOME Programs staff will review the application for completeness and contact the applicant to clarify issues and/or to request additional information. Applications are not considered complete until all the information requested has been supplied by the applicant. When staff has the necessary information to deem the application complete, the application will be date stamped and an Underwriting Risk Analysis will be prepared in accordance with the policies in this document.
- The HOME Consortium Project Review Subcommittee (made up of three to five members of the Barnstable County HOME Consortium Advisory Council) will review the application and the Underwriting Risk Analysis and make a recommendation to the Consortium's full Advisory Council.
- The Advisory Council meets on a regular basis and will review and discuss the recommendation of the Project Review Subcommittee and make the final determination on the funding request.
- In the event EOHLC has not issued a Notice of Funding Availability "NOFA" for funds and Barnstable County has available funds, Barnstable County may issue a NOFA soliciting project applications.

Applications for Barnstable County HOME Programs funding will be evaluated on the following criteria:

- Experience of the applicant and of development team members in projects of similar size and type;
- Financial strength of the applicant to adequately carry out the project and the project's financial feasibility, including an assessment of the development and operating budgets;
- A subsidy layering analysis that determines the minimum amount of HOME Programs funds necessary for project feasibility;
- Documented market needs for the project and a satisfactory marketing plan;
- Readiness to proceed documentation;
- The applicant and members of the development team are in Good Standing with respect to prior HOME Programs funding awards, including but not limited to having no unresolved findings or corrective actions from annual project monitoring reviews; and
- Project Score.

While the above are the primary criteria, the Consortium reserves the right to consider other factors such as geographic balance, population served, local financial support, etc. in making its funding awards.

Development Entity and Project Team's Capacity

The Consortium will assess the capacity of the developer/development entity and key members of the development team, in particular, the contractor if one has been selected; the architect; the marketing entity; and the management entity, to successfully complete the project. The Consortium will assess the level of risk associated with the following:

- The experience of the developer and development team on projects of similar size, scope, and complexity. The Consortium will review the resumes and when appropriate the references of the developer, contractor, architect, marketing agent, and property management entity.
- The overall staff capacity and the assigned staff to the project of the developer and development team to carry out the project tasks within the projected time frame.
- The financial strength of the developer, including its liquidity and level of unrestricted net assets or net worth. The Consortium primarily will review the two most recent years of audited financial statements to make a determination.
- Whether the developer is in Good Standing on prior Consortium funded rental developments and the Consortium's experience on Consortium funded projects, if any, with any/all members of the development team.

Market Need/Study and Marketing/Tenant Selection Plan

Projects will be required to provide a market study done by an independent third party. The Consortium will assess the level of market risk associated with the project through a review of the submitted data along with the Consortium's experience on recently completed affordable rental developments.

As a condition of any funding, the Consortium will require the submission of an Affirmative Fair Housing Marketing Plan (AFHMP) that fully complies with EOHLC's Chapter 40B AFHMP Guidelines and an approved Tenant Selection Plan (TSP). The AFHMP will describe the proposed marketing efforts, the lottery process for filling the initial units, including any EOHLC approved local preference, and how subsequent vacancies will be filled. The Consortium will review the lottery/marketing agent's qualifications as part of the analysis of the project team's capacity.

As a condition of HOME-ARP Program funding, the Consortium requires a referral method for filling HOME-ARP assisted units reserved for the Qualifying Population; see HOME-ARP Addendum for guidance.

Location and Property and Neighborhood Standards

To the greatest extent feasible, the Consortium looks to fund developments that:

- are located close to (within a mile) of employment opportunities, public and other services, health care, public transportation, schools, and recreational areas;
- have no environmental impacts or none that cannot be mitigated; and
- are consistent with EOHLC's sustainable development principles.

The applicant must also demonstrate that their project promotes greater choice of housing opportunities and avoids undue concentration of assisted persons in areas containing a high proportion of low-income and/or minority households.

An analysis of the locational, environmental, and sustainability issues along with whether the project provides a greater choice of housing opportunities for low income and minority households will be included in staff's Underwriting Risk Analysis.

Design and Accessibility

In general, the Consortium's Design guidelines are consistent with those of EOHLC's Qualified Allocation Plan (<https://www.mass.gov/service-details/qualified-allocation-plan>) and EOHLC HOME Design Guidelines (<https://www.mass.gov/service-details/home-investment-partnerships-program-home>) that encourage energy efficient building envelopes and major building systems, healthy interior air quality, universal design, and "green" design elements.

In addition to the EOHLC HOME Design Guidelines, the Consortium will incentivize Applicants to provide additional individual tenant storage space for each unit beyond what is provided inside the units.

For new construction of five (5) or more rental units and/or substantial rehabilitation projects of fifteen (15) or more dwelling units, a minimum of five (5) percent of the dwelling units in the project (but no less than one unit) must be accessible to and usable by persons with mobility impairments.

An additional two (2) percent of the dwelling units (but at a minimum no less than one unit) must be accessible to individuals with sensory impairments (i.e. hearing or vision impairments).

For new construction projects, adoption of visit-ability standards is strongly encouraged. A unit is visit-able when a person with mobility impairments can enter the unit and navigate throughout the first floor and have access to an accessible bathroom. An analysis of the design and accessibility issues will be included in staff's Underwriting Risk Analysis.

Financial Feasibility Analysis

The Consortium ultimately needs to decide that the project is financially feasible to make any conditional funding award. The financial feasibility analysis included in staff's Underwriting Risk Analysis will include a review of both the project's development (sources and uses) and operating budgets.

A. Development Budget:

Sources: Applicants will be required to provide copies of commitment letters or at a minimum, letters of interest from lenders for all the funding sources identified in the development budget. For projects submitting in their second or more EOHLC funding round, staff will review the projected state sources for consistency with EOHLC's various program guidelines. For low income housing tax credit projects, staff will analyze the projected amount of equity raised with the guidance provided to applicants by EOHLC. Staff will compare the total amount of public/EOHLC subsidy requested against that of recent (within last 3 years) of other HOME funded projects of similar size and type.

Uses - Acquisition: For projects that have an acquisition expense, the applicant will be required to provide an appraisal from an independent party that justifies the acquisition cost.

Uses - Construction: The applicant will be required to provide a line item construction cost estimate that includes both site work and building construction. Staff will assess the reliability of the estimate based upon by whom (developer, architect, contractor) and by what method (comparable projects, contractor pricing, actual bids) the estimate was produced. A construction contingency of up to 7.5% above the estimate for new construction and 10% for substantial rehab projects is acceptable.

Staff will compare the overall per square foot (PSF) total construction cost (site and building) to the range of PSF costs of recent similar HOME projects. The analysis will note any unusual project factors- difficult topography, lack of nearby infrastructure, or environmental issues that affect site work costs, special project design elements such as enhanced accessibility or solar panels, etc.- that impact the cost estimate.

In general, the Consortium shall expect that the contractor's general conditions, overhead, and profit should be no more than the EOHLC related party 40B standard of 14% of the site and building construction costs.

Uses - Soft Costs: These include financing costs such as loan interest, permits, legal fees, property appraisals, credit and title costs, etc. Also included are engineering, architectural, or related professional services, project related audit costs, relocation costs, affirmative marketing expenses, and any lender required capitalized reserves. HUD requirements specifically state that project soft costs must be "reasonable and necessary". A soft cost contingency of up to 5% is acceptable.

The Consortium generally will require additional documentation and justification from the applicant when soft costs exceed 15% of total development costs on non-tax credit projects and when soft costs exceed 20% of total development costs on tax credit projects.

Uses - Developer Overhead and Fee: The Consortium's maximum allowable developer overhead and fee is 15% of the total of hard (acquisition and construction) and soft costs.

Uses - Total Development Cost (TDC) Per Unit: Consistent with EOHLC's policy, the Consortium does not have a maximum per unit TDC limit; however, the Consortium has an obligation to use its limited HOME Programs resources in the most efficient manner possible. As with other parts of the development budget, the Consortium will review the project's per unit TDC in comparison with that of other recent, similar HOME Programs funded projects to make its assessment of the reasonableness of the project's overall costs.

B. Operating Budget:

Revenue- Rents and Other Revenue: All the HOME Programs assisted units shall have rents that are at or below the published HOME rents as of the date of the application. In general, and to allow for a marketing window, the Consortium will approve rents that are set about 10% below the maximum allowable HOME rents. A vacancy rate of 5% is generally appropriate although a lower vacancy rate would be acceptable for project-based units and a slightly higher vacancy rate allowable for any market rate units.

The Applicant will need to document the basis of its estimate of any additional revenue sources, e.g. laundry income. Application/wait list fees and other fees other than those that the Consortium has deemed reasonable and customary for the location or market area shall not be allowed.

Expenses - Operating Costs: The Consortium will review both individual line item expenses as well as the overall per unit per year operating expenses against other recent, similar HOME funded projects. Property management fees of 5% to 8% of collected rents shall be acceptable. The Consortium's replacement reserve requirement will be consistent with that of EOHLC (currently \$350 per unit per year) on EOHLC projects; however, the Consortium may impose a higher replacement reserve requirement on non-EOHLC funded projects. The Consortium's annual monitoring fee currently is \$35 per HOME Programs unit plus the actual cost of the property inspections. Such a fee must be carried as an expense in the project's operating budget.

Debt Service Coverage (DSC): The minimum acceptable debt service coverage (annual net operating income divided by annual mortgage(s) expense) shall be 1.15. The Applicant will be required to provide an analysis of revenues and expenses over at least a fifteen (15) year period. In exceptional circumstances and with the concurrence of the permanent lender, the Consortium may accept a DSC as low as 1.10. In general, the permanent loan shall have a fixed rate for at least twenty (20) years.

C. Number of HOME Programs Units Required

HOME Programs funding requires eleven (11) HOME-assisted units in the project. HOME-assisted units also funded with EOHLC HOME Programs funding will fund the same eleven HOME-assisted units. The Consortium will consider a waiver request to reduce the number of HOME-assisted units under special circumstances.

D. Maximum Per Unit/Total HOME Subsidy Limit for Project:

The HOME Program has maximum allowable subsidy limits for HOME funds permitted in projects depending upon the number of HOME units and the bedroom composition. While the amount of County HOME funding will likely never exceed the allowable maximums, staff's Underwriting Risk Analysis will include this HOME required calculation.

The HOME-ARP Program does not have a maximum allowable subsidy limit and is not counted in the HOME Program subsidy limit calculation.

E. Subsidy Layering Analysis/Conclusion:

HOME Programs require that the amount of HOME funds invested in a project be the minimum amount needed to make it feasible. Based upon the results of the foregoing financial feasibility analysis, staff's Underwriting Risk Analysis will include a determination of the amount of HOME Programs funding that satisfies the subsidy layering and cost allocation requirements.

ATTACHMENT A

RENTAL HOUSING DEVELOPMENT PROGRAM GUIDELINES

SECTION 1. INTRODUCTION

Applications from non-profit organizations, housing authorities, for profit entities, and municipalities in cooperation with any of the above that are interested in receiving HOME Programs funds to assist them in undertaking the creation or preservation of affordable rental units for families and individuals of very low and low-income are welcome.

HOME Program funds are available for 1) the creation of new affordable rental units- whether via new construction or rehabilitation/redevelopment; and 2) transactions that involve the acquisition and/or rehabilitation of existing affordable units whose affordability restrictions are about to expire in the near term (in general within the next 36 months). Except for preservation projects noted in 2) above, HOME Programs rental development funds are not available for the rehabilitation of existing affordable rental units.

No HOME Programs funds can be awarded until the Consortium certifies that it has adequate resources and has conducted an underwriting review, assessed developer capacity and fiscal soundness, and examined market conditions to ensure adequate need.

Applications for HOME Programs funding are available at [Barnstable County HOME Program HOME Program Forms and Policies](#) or by contacting Barnstable County HOME Consortium: homeprogram@capecod.gov / 508-375-6622. Additional HOME—ARP guidance is available at [Barnstable County HOME-ARP Program](#).

SECTION 2. PROGRAM REQUIREMENTS

The following terms and conditions shall apply to any HOME Programs funded rental housing developments:

Eligible Applicants	Non-profit organizations, for profit entities, housing authorities, municipalities, and Affordable Housing Trusts, in cooperation with any of the above.
Eligible Activities	HOME Programs funds are available for 1) the creation of new affordable rental units- whether new construction, rehabilitation or redevelopment; and 2) transactions that involve the acquisition and/or rehabilitation of existing affordable units whose affordability restrictions are about to expire in the near term (in general within the next 36 months).

	<p>Except for preservation projects noted in 2) above, HOME rental development funds are not available for the rehabilitation of existing affordable rental units.</p> <p>The Consortium will not accept rental housing funding applications for projects containing less than three (3) HOME assisted units, unless determined otherwise for good cause.</p>
Site Control	The applicant must demonstrate site control, either via a deed, signed Purchase & Sale or Designated Developer agreement, or some other comparable evidence of site control at the time of application.
Permitting	The applicant's development must be fully permitted (except for building permits) and include evidence of being allowed as-of-right or required zoning approvals and/or a Comprehensive Permit with all appeals periods ended to apply for HOME Programs funds.
Location	<p>To the greatest extent feasible, the Consortium looks to fund developments that 1) are located close to (within a mile) employment opportunities, public and other services, health care, public transportation, schools, and recreational areas; 2) have no environmental impacts or none that cannot be mitigated; and 3) are consistent with EOHLC's sustainable development principles.</p> <p>The applicant must also demonstrate that their project promotes greater choice of housing opportunities and avoids undue concentration of assisted persons in areas containing a high proportion of low-income and/or minority households.</p>
Eligible Costs	<p>In general, with the exceptions of the timing of the expenses noted below and with the list of ineligible costs noted in the following section, most development related expenses: acquisition, site improvements, hard and soft costs, and developer overhead and fee are eligible costs. The maximum allowable overhead and fee is 15% of the total of hard and soft costs.</p> <p>Consortium policy is to reimburse only for those expenses incurred after the date of the HUD Regional Office's approvals of the environmental review and Request for Release of Funds.</p>
Ineligible Costs	<p>Include but not limited to:</p> <p>Initial operating and other capitalized reserves;</p> <p>Non-HOME affordable unit costs:</p>

	<p>Non-residential portions of the development;</p> <p>Working capital;</p> <p>Syndication costs;</p> <p>Providing assistance to a project previously assisted with HOME funds during the established period of affordability unless the project is subsequently determined to be a “troubled” project;</p> <p>Providing assistance to federal public housing;</p> <p>Project-based rental assistance.</p>
<p>Maximum Award/ Loan Amount</p>	<p>HOME Program: The minimum HOME expenditure is \$1,000 per HOME assisted unit, while the maximum award is \$50,000 per HOME assisted unit for projects scoring less than 95 points or \$60,000 per HOME assisted unit for projects scoring 95 points or more.</p> <p>No single funding award, unless determined otherwise for good cause by the Consortium, will exceed \$250,000 for projects scoring less than 95 points and \$300,00 for projects scoring 95 points or more (see chart below).</p> <p>HOME-ARP Program: maximum award is \$665,000 per project subject to the requirements listed in the HOME-ARP Addendum. The HOME-ARP funds are a one-time allocation and Barnstable County has an allocation to fund a maximum of two HOME-ARP projects; see HOME-ARP Addendum for details.</p>
<p>Project Cost Limits</p>	<p>Consistent with EOHLIC’s policy, the Consortium does not have a maximum per unit Total Development Cost (TDC) limit; however, the Consortium is obligated to use its limited HOME Programs resources in the most efficient manner possible. The Consortium will review the project’s per unit TDC compared with that of other recent, similar HOME funded projects to assess the reasonableness of the project’s overall costs.</p>
<p>Term of Loan</p>	<p>Generally, awards are provided as a Deferred Payment Loan (DPL) with a term of up to forty (40) years. During the final year of the loan, the borrower may request an extension of up to forty (40) years to preserve the affordability of the housing.</p> <p>During the term of the Affordable Housing Restriction, the affordability requirements will remain in effect regardless of a transfer occurring during its term or whether the loan is repaid. The full amount of the DPL</p>

	will be repaid if the property is sold, transferred or otherwise encumbered during the term of the mortgage or if the terms and conditions of the loan are violated.
Interest Rate	<p>Generally, HOME Programs loans are 0% interest rate with no monthly payments required.</p> <p>For projects receiving federal or state Low Income Housing Tax Credits, if a 0% interest rate is infeasible for tax credit underwriting purposes, the interest rate on the Note and Mortgage can therefore be the Applicable Federal Rate at the time of closing.</p>
Security	The DPL will be secured through a Promissory Note and Mortgage on the property to be executed between the County and the Borrowing entity. HOME funds are usually subordinate to other loans although the subordinate position will depend upon the financial structure of the deal. Barnstable County is a MassDocs participant and for the most part will be part of the MassDocs loan document process. However, Barnstable County HOME Programs reserves the right, in the best interest of the County, to process the DPL documents unilaterally.
Recourse	The loan will be non-recourse.
Holdback	HOME Programs funds are provided through the regular requisition process with 10% of the loan held back until both substantial completion of the project and submission of a HOME Rental Completion Report and M/WBE and Section 3 reports. Forms available at the following webpage or contact homeprogram@capecod.gov : Barnstable County HOME Program HOME Program Forms and Policies
Replacement Reserve	The Consortium's replacement reserve requirement will be consistent with that of EOHLC on EOHLC projects; however, the Consortium may impose a higher replacement reserve requirement on non-EOHLC funded projects.
Permanent Loan	In general, the permanent loan shall have a fixed rate for at least twenty (20) years.
Debt Service Coverage (DSC)	The minimum acceptable DSC (annual net operating income divided by annual mortgage(s) expense) shall be 1.15. In exceptional circumstances and with the concurrence of the permanent lender, the Consortium may accept a DSC as low as 1.10.

<p>Affordability- Incomes</p>	<p>HOME Program: All HOME assisted units shall be occupied by households whose income at their initial lease up is no more than 60% of the HUD published Area Median Income.</p> <p>HOME-ARP Program: All HOME-ARP assisted units are required to comply with meeting the needs of the Qualifying Population; see HOME-ARP Addendum for AMI unit mix formula.</p>
<p>Affordability- Rents</p>	<p><u>HOME Program:</u></p> <p>Up to 80% of the HOME-assisted units in a rental housing must have rents that are no more than the “high” HOME rent (60% AMI); and</p> <p>A minimum of 20% of the HOME-assisted units in a rental must have rents that are no more than the “low” HOME rent (50% AMI).</p> <p>Based on projects consisting of the required eleven (11) HOME-assisted units; eight (8) units will be restricted to at or below 60% AMI and three (3) units will be restricted to at or below 50% AMI.</p> <p>For households that have a mobile Section 8, MRVP, or local rental voucher, the maximum HOME rent is the “high” HOME rent or the Section 8 fair market rent (FMR), whichever is less.</p> <p>In those instances, where the project receives State or Federal project-based rental subsidies, the HOME rent is the rent allowable under the Federal or State project-based rental subsidy program.</p> <p><u>HOME-ARP Program:</u></p> <p>All HOME-ARP assisted units are required to comply with meeting the needs of the Qualifying Population; see HOME-ARP Addendum for AMI unit mix formula and further guidance.</p>
<p>Utility Allowance, and Allowable Fees</p>	<p>For utility allowance, Applicants should use utility allowances that are consistent with EOHLC’s policy and HOMEfires Volume 13 No. 2 (attached) or the Consortium schedule, if available.</p> <p>Application/wait list fees and other fees other than those that the Consortium has deemed reasonable and customary for the location or market area are prohibited.</p>
<p>HOME Programs Assisted Units</p>	<p>In general, the income, rent, and bedroom unit mix of the HOME Programs assisted units shall be proportional to that of the overall project.</p>

	<p>T HOME Programs assisted units within a project are generally designated as “floating” units; i.e. not tied to any units in the project if the income, rent, and bedroom mix requirements are satisfied.</p> <p><u>The unit mix of HOME Programs assisted units shall match the EOHL HOME Programs assisted units, if applicable.</u></p>
<p>Affordable Housing Restriction (AHR)</p>	<p>All HOME Programs projects require an AHR executed by the borrower and recorded at loan closing to ensure the long-term affordability of the HOME Programs units.</p> <p><u>HOME Program:</u> HUD HOME affordability period of twenty (20) years plus a Barnstable County period of fifty (50) years for a total of seventy (70) years.</p> <p><u>HOME-ARP Program:</u> The period of affordability of HOME-ARP assisted units will be determined based on other funding sources and affordability restrictions on the eleven (11) HOME-ARP assisted units. Notwithstanding the foregoing, the minimum period of affordability shall be the greater of fifteen (15) years or the term of any attached project-based rental assistance Housing Assistance Payments (HAP) contract.</p>
<p>Conflict of Interest</p>	<p>No HOME Programs assisted affordable housing unit can be leased to any individual or any member of an individual’s immediate family, including those by blood, marriage or adoption, who is an officer, employee, agent, elected or appointed official, or consultant of the owner, developer, or sponsor of a project assisted with HOME Programs funds.</p>
<p>Environmental Review</p>	<p>An ASTM Phase One environmental site assessment must be submitted with the application for each property within the project. All HOME Programs projects must satisfy HUD’s environmental review requirements, including possible review and approval from the HUD Regional Office. Additional documentation will be required from the applicant for Consortium staff to complete the review. Construction and site work cannot begin, and HOME Programs funds cannot be released prior to approval from HUD. Information on the Environmental Review process can be found: https://www.hudexchange.info/programs/environmental-review/. HOME staff will conduct an environmental review according to a Part 58 Environmental Assessment.</p>

<p>Design Guidelines</p>	<p>The Consortium’s Design guidelines are generally consistent with those of EOHLC’s Qualified Allocation Plan (https://www.mass.gov/service-details/qualified-allocation-plan) and EOHLC HOME program guidelines (https://www.mass.gov/service-details/home-investment-partnerships-program-home) that encourage energy efficient building envelopes and major building systems, healthy interior air quality, universal design, and “green” design elements.</p> <p>In addition to the EOHLC design guidelines, the Consortium will award a maximum of 10 points to Applicants who provide additional individual tenant storage space for each unit beyond what is provided inside the units.</p> <p>HUD requires installation of broadband infrastructure at the time of new construction or substantial rehabilitation of multifamily rental housing that is funded or supported by HUD. The rule, however, recognizes that installation of broadband infrastructure may not be feasible for all new construction or substantial rehabilitation, and, therefore, it allows limited exceptions to the installation requirements.</p>
<p>Lead- Based Paint Requirements</p>	<p>All projects involving the rehabilitation of properties constructed prior to 1978 are subject to HUD’s lead-based paint requirements.</p>
<p>Accessibility for Persons with Disabilities</p>	<p>For new construction of five (5) or more rental units or substantial rehabilitation projects of fifteen (15) dwelling units or more, Section 504 requires a minimum of five (5%) percent of the dwelling units in the project (but no less than one unit) must be accessible to and usable by persons with mobility impairments.</p> <p>An additional two (2%) percent of the dwelling units (but at a minimum no less than one unit) must be accessible to individuals with sensory impairments (i.e. hearing or vision impairments).</p> <p>For moderate rehabilitation of 15 or more units, Section 504 also requires to the maximum extent feasible that the units be accessible to and usable by individuals with disabilities.</p> <p>For new construction projects, adoption of visit-ability standards is strongly encouraged. A unit is visit-able when a person with mobility impairments can enter the unit and navigate throughout the first floor and have access to an accessible bathroom.</p>
<p>Section 3 and MBE/WBE Requirements</p>	<p>All HOME Program projects must have outreach and reporting plans to achieve the Section 3 and MBE/WBE goals approved prior to closing.</p>

<p>Affirmative Marketing/Tenant Selection</p>	<p>As a condition of any funding, the Consortium will require the submission of an Affirmative Fair Housing Marketing Plan (AFHMP) that fully complies with the form and content of EOHLC’s Chapter 40B AFHMP Guidelines. These Guidelines can be found: https://www.mass.gov/service-details/home-investment-partnerships-program-home</p>
<p>Monitoring/Fee</p>	<p>The Consortium will annually monitor the recertification of tenants’ income, rent, and utility allowances per the Barnstable County HOME Monitoring Policy For HOME-ARP units serving the needs of the Qualifying Population, the referral method will also be monitored.</p> <p>Every 1-3 years, depending upon project size, the Consortium will conduct physical property inspections per the Barnstable County HOME Risk Monitoring.</p> <p>Finally, the Consortium will require annual project income/expense reports and/or audits to assess the project’s financial health.</p> <p>The annual monitoring fee currently is \$35 per HOME unit plus the actual cost of the property inspections. Such fee must be carried as an expense in the project’s operating budget.</p>
<p>Good Standing</p>	<p>Applicants for HOME Programs funds, including all members of their development teams, must be in good standing with the Consortium with respect to other HOME-funded projects.</p>

SECTION 3. THRESHOLD SCORING SYSTEM

1. Type of Development:

- Rehabilitation/redevelopment: *30 points*
- New Construction: *10 points*

Redevelopment involves the use and expansion of an existing building, the conversion of use of an existing building, and the razing of an existing building to construct housing. Buildings will be determined primarily through their assessment classification. The demolition solely of accessory structures shall not be considered redevelopment.

2. Design likely to achieve LEED eligibility, Enterprise's Green certification, Passive House certification or other like program through architect submission: *10 points*
3. Project's wastewater is tied to sewer or local package system, or employs alternate denitrifying system that exceeds state Title V standards: *10 points*
4. Percentage of total project units that are handicap accessible:
- at least 5%: *5 points*
 - at least 10%: *10 points*
 - at least 15%: *15 points*
 - at least 20%: *20 points*
5. Percentage of total project units that are visit-able:
- at least 20%: *4 points*
 - 21-40%: *6 points*
 - 41-70%: *8 points*
 - 71%+: *10 points*

A unit is visit-able when a person with mobility impairments can enter the unit and navigate throughout the first floor and have access to an accessible bathroom.

6. Tenant Storage Space: Up to a maximum of 10 points for applicants who provide additional individual storage space in addition to what is provided in the unit.
7. Percentage of Project Affordability:
- 0- 25%: *0 points*
 - 26-33%: *5 points*
 - 34-50%: *10 points*
 - 51-75%: *15 points*
 - 76%+: *20 points*
8. Income targeting/ affordable units *maximum 24 points:*

Household Incomes Targeted	AFFORDABLE UNITS				
	Up to 15%	16-25%	26-50%	51-75%	76%+
0-30%	6 points	9 points	12 points	15 points	20 points
31-50%	2 points	4 points	6 points	8 points	10 points
51-80%	1 point	2 points	3 points	4 points	5 points

9. Local Support through donation or leasing of land and/or financial support (CPC, trust funds, etc.) in an amount at least equal to HOME request: *10 points*
10. Larger bedroom Mix *maximum of 10 points*:
 - At least 65% of the units in a project are two bedrooms or larger and at least 10% are three bedrooms or larger: *10 points*
 - At least 50% of the units in a project are 2 bedrooms or larger and at least 5% are three bedrooms or larger: *5 points*
11. At least 15% of the total units targeted to serve homeless individuals or families, special needs groups, and/or persons with disabilities: *10 points*
12. Development Team (maximum 10 points):

Inclusion of certified Minority/Women’s Business Enterprise (MBE/WBE) members on the development team: *maximum of 5 points*:

 - Project sponsor, general contractor, and/or management agent: *5 points*
 - Architect, attorney, development consultant, syndicator: *2 points*

Inclusion of Section 3 eligible members on the development team: *maximum of 5 points*:

 - Project sponsor, general contractor, and/or management agent: *5 points*
 - Architect, attorney, development consultant, syndicator: *2 points*
13. Project involves permanent displacement of income eligible households: *(-10 points)*
14. Total development costs per unit:

less than \$525,000: *5 points*
\$525,000 – \$574,999: *4 points*
\$575,000 – \$624,999: *3 points*
\$625,000 – \$674,999: *2 points*
\$675,000+ -: *1 point*

For age-restricted developments or other developments wherein the project consist of more than 80% of one-bedroom or less units, subtract one point for cost comparison purposes.
15. Total development costs (site and building) per gross square feet (sf):

less than \$325: *5 points*

\$325 – \$349:	<i>4 points</i>
\$350 – \$374:	<i>3 points</i>
\$375 – \$399:	<i>2 points</i>
\$400+:	<i>1 point</i>

MINIMUM POINTS NEEDED TO CONSIDER FUNDING: 75

MAXIMUM POINTS: 184

SECTION 4. EVALUATION CRITERIA

Applications for HOME Programs funding will be evaluated on the following criteria:

- Experience of the applicant and of development team members in Projects of similar size and type.
- Financial strength of the applicant to adequately carry out the project and the project’s financial feasibility on both the development and operating budgets.
- A subsidy layering analysis that determines the minimum amount of home funds necessary for project feasibility.
- The documented market needs for the project and a satisfactory marketing plan.
- Readiness to proceed documentation including evidence of comprehensive permit or zoning approval, evidence of site control, documentation of commitment of other funding sources, and ability to close on and expend home funds within 6 months of commitment.
- The applicant and members of the development team are in good Standing with respect to prior home consortium funding awards, including but not limited to having no unresolved findings from annual project monitoring reviews.
- Project Score.

While the above are the primary criteria, the Consortium reserves the right to consider other factors- geographic balance, population served, etc.- in making its funding awards. Decisions on funding requests are made by the Barnstable County HOME Consortium Advisory Council, a 17-member body with representation from each of the Cape’s fifteen communities.

SECTION 5. SUBMITTAL REQUIREMENTS AND OTHER INFORMATION

For rental housing projects also applying for Executive Office of Housing and Livable Communities (EOHLC) funding under a Notice of Funding Availability round, please electronically submit the EOHLC OneStop application complete with all attachments to Renie Hamman, HOME Program Manager at renie.hamman@capecod.gov along with the completed Cover Sheet and Threshold Scoring Sheet. *For rental housing projects that are not applying for EOHLC funding, please contact Renie Hamman, HOME Program Manager for HOME Programs application.*

Applications for funding will not be deemed submitted until the following has been received:

- Copy of EOHLIC OneStop application complete with all attachments
- Barnstable County HOME Consortium Cover Sheet
- Barnstable County HOME Consortium Threshold Scoring Sheet

The Consortium reserves the right to seek additional information from all applicants, to select finalists and to schedule interviews.

The Consortium reserves the right to reject all applications; to waive any requirements of this application format, to waive any minor informalities in applications; to modify or amend, with the consent of the respective applicant, any application, if otherwise permitted by law; and to affect any agreement deemed by the Consortium to be in its best interest.

Applicants are encouraged to contact Consortium staff prior to applying. Technical questions about this application for HOME Programs funding should be directed to the HOME Program Manager at 508-375-6622/ homeprogram@capecod.gov