



EXECUTIVE RUSSELL M. PRY

REQUEST FOR LOAN PROPOSALS/GRANT PROPOSALS GENERAL ELIGIBILITY REQUIREMENTS

I. ELIGIBILITY

ELIGIBLE APPLICANTS: Eligible applicants must be non-profit agencies or partnerships between a non-profit agency and a for-profit developer. Loans and grants will not be made directly to individuals.

Applicants must not have been convicted of discrimination in the sale, lease, or financing of housing or in any other violations of fair housing laws. All applicants must comply with all local, state and federal laws and regulations.

ELIGIBLE INITIATIVES:

Loans: Acquisition
Site Development
New Construction

Grants: Special Projects (at the discretion of the Board)

There is a limit of one application per agency and/or non-profit and for profit-developer partnerships.

ELIGIBLE INITIATIVES MUST BE LOCATED IN SUMMIT COUNTY, OHIO:

Service Areas: The service area includes all of Summit County, i.e., The Cities of Akron, Barberton, Cuyahoga Falls, Fairlawn, Green, Hudson, Macedonia, Munroe Falls, Norton, Stow, Tallmadge, and Twinsburg; The Villages of Boston Heights, Clinton, Lakemore, Mogadore, New Franklin, Northfield, Peninsula, Reminderville, Richfield, and Silver Lake; and the Townships of Bath, Boston, Copley, Coventry, Northfield Center, Richfield, Sagamore Hills, Springfield, and Twinsburg.

ELIGIBLE PROJECTS: Projects eligible for financing must:

1. Be located in Summit County, and

2. Be the development of single-family homes, multi-family facilities, or other special projects for low/moderate income households with incomes at or below 80% of the area median income.
3. Be ready to proceed within 90 days of award. Readiness will be based on an agency's ability to provide information necessary for contract preparation. This includes, but is not limited to, site identification and/or control, contractor selection, and proof of additional funds.
4. Comply with all local, state and federal laws and regulations.

ELIGIBLE LOAN AND GRANT RECIPIENTS: Agencies eligible for funds must:

1. Be a 501 (C)(3) non-profit corporation (for-profit entities are eligible only as partners with a non-profit); or
2. Be the sponsor or an entity in which the borrower holds a controlling interest; and
3. be an entity eligible for financing in accordance with the application for tax-exempt status as approved by the Internal Revenue Service; and
4. Have the capacity to carry out its designated role in the development project in a manner that will ensure the successful completion of the project; and
5. Have the financial capacity to administer and repay the loan funds; and
6. Be free of any unresolved findings for recovery from the State of Ohio Auditor's office; and
7. Comply with all local, state and federal laws and regulations.

ELIGIBLE FINANCING: The proposed project financing:

1. Will only be awarded to a non-profit or a non-profit and for profit-developer partnership

II. LOAN INFORMATION

TYPES OF LOANS AVAILABLE: Three types of loans are currently available:

1. Site-development loans:

Purpose: To finance costs associated with the site-development stage of a project. Funds are loaned for such items as purchase options, environmental studies, soil or structural stability studies, architectural schematics and cost estimates, market studies, certain holding costs such as real estate taxes and an interest reserve and organizational costs such as legal fees and filings.

Term: 18 months

Collateral: Mortgage if and when available. May be unsecured until such time that property is purchased. May take assignment of purchase option during interim.
Recourse: To the sponsor
Upfront fee: \$100.00 with application
Interest Rate: 0%
Repayment: Repayable from acquisition or construction financing.
Risk: High especially during unsecured stage. Mitigated by small size.
Penalty: Up to 4% interest will be added per annum.

2. Acquisition Loans

Purpose: To purchase land and/or buildings to be developed. Not available for speculative ventures.
Term: 18 months
Collateral: Mortgage on the acquired property subordinate only to conventional bank financing.
Recourse: To the Sponsor
Upfront Fee: \$100.00 with application
Interest Rate: 0%
Repayment: Repayable from proceeds of construction and/or permanent financing.
Risk: Moderate depending on location of land and efficacy of development concept and capacity.
Penalty: Up to 4% interest will be added per annum.

3. Construction Loans

Purpose: To pay for development costs including construction and soft costs.
Term: 18 months
Collateral: Mortgage subordinate only to conventional bank financing. Completion guarantee.
Recourse: To the Sponsor
Upfront Fee: \$100.00 with application
Interest Rate: 0%
Repayment: Repayable from permanent financing
Risk: Moderate depending on development capacity, and in the case of for-sale housing, marketing capacity.
Penalty: Up to 4% interest will be added per annum.

III. GRANT INFORMATION

TYPES OF GRANTS AVAILABLE: Grants will only be awarded for special projects at the discretion of the Board.

Project Types:	Special Projects to be at the discretion of the Board
Grant Size:	Up to \$50,000
Term:	18 months
Match Requirement:	Minimum match requirement of 1 to 1. Match requirement must be available within 90 days after the award of HAB funds and may be cash and/or in-kind contributions.
Upfront Fee:	None
Monies Provided:	On a reimbursement basis
Recapture:	After 18 months all unexpended funds will be recaptured.

IV. EVALUATION OF APPLICATIONS

The proposals will be reviewed for compliance with the objectives of the Summit County Housing Advisory Board and consistency with the Consolidated Plan for one or more of the following jurisdictions: The Cities of Akron, Barberton, Cuyahoga Falls and/or Summit County. A *Certification of Consistency with the Consolidated Plan* is included in the application packet and must be submitted with your completed proposal.

When reviewing each application, the board will also consider the following:

A. PROJECT SUMMARY

Maximum Category Total 35 points

1. To what extent has the applicant provided a clear and concise description of the project? (20 points)
2. To what extent has the applicant clearly explained how the funds will be used? (15 points)

B. ORGANIZATION TRACK RECORD/DEVELOPMENT CAPACITY

Maximum Category Total 40 points

If you are partnering with another agency, please include documentation that addresses items 1-4 for both entities. Applicants should also submit résumés of project staff as well as a list of recent projects.

1. To what extent do the organization and/or the members of the development team demonstrate success with similar projects? (10 points)
2. To what extent will technical or professional expertise be available to the organization during the course of this project? (10 points)
3. Does the organization have documented fiscal management capabilities for a

project of this size and scope? (10 points)

4. What is the past performance of the organization? Are there any claims, legal actions, or alleged violations of any local, state or federal laws? (10 points)

C. NEED/MARKET/COMMUNITY INVOLVEMENT

Maximum Category Total 30 points

1. To what extent does this project meet the needs of low and moderate income residents or the neighborhood, community or area? (6 points)

Rental Projects

51-80% AMI = 2 points

31-50% AMI = 4 points

0-30% AMI = 6 points

Homeownership Projects (6 points)

2. To what extent does this project meet the needs of persons or families identified as having a housing burden? (6 points)
3. To what extent does this project meet the needs of a defined geographic market? (6 points)
4. To what extent has the community been involved with planning the project? Is there local government support and support from the low-to-moderate income residents? (6 points)
5. To what extent is there a demand for the type of housing proposed? (6 points)

D. PROJECT FEASIBILITY/FINANCING

Maximum Category Total 25 points

1. Is the project concept marketable and feasible? (5 points)
2. Is there evidence of site control? (10 points)
3. To what extent have other funding sources (private, public and philanthropic) committed to this project? (5 points)
4. Is the cost per square foot/per unit reasonable? (5 points)

E. PROJECT RESULTS

Maximum Category Total 20 points

1. Is the ratio of project outcomes to the amount of funds requested reasonable?

(5 points)

2. To what extent will the project directly benefit low and moderate income residents within the community? (5 points)
3. To what extent will the project provide long-term affordability of housing units to community residents? (5 points)
4. To what extent will the project provide other community benefits and/or services? (5 points)

Applicants must receive a minimum score of 115 points out of a possible 150 in order to be funded.

V. FOLLOW-UP FOR APPROVED APPLICANTS

All recipients are expected to maintain contact with the Summit County Housing Advisory Board until the terms of the loan or grant have been concluded.

At a minimum, each recipient will submit to the HAB:

1. A monthly progress report without demand;
2. An audited year end fiscal and project summary within 30 days after completion without demand by the HAB. This requirement can be waived by the HAB upon request, and
3. Other reports as requested by the HAB.

In all cases, funds may not be diverted for any use other than that stated in the approved proposal. At the end of the contract period, any unused funds will be recaptured.

IMPORTANT INFORMATION:

The HAB will notify those organizations whose loan requests have been postponed or denied.

	0% INTEREST LOANS	GRANTS
Application Fee	\$100.00 Non-refundable	None
Match Requirement	None	1:1 Match
Term	18 months	18 Months
Payment	Installments	N/A
Eligible Categories	Single-Family Housing Multi-Family Housing	Special Projects at the discretion of the Board
Eligible Projects	Acquisition, Site Development, New Construction	Special Projects at the discretion of the Board
Progress Reports	Monthly	Monthly
Applicable Regulations	All applicable Federal, State and local laws, ordinances, regulations, and policies.	All applicable Federal, State and local laws, ordinances, regulations, and policies.
Insurance Requirements	Commercial General Liability (Including Contractual Liability): \$1,000,000 each occurrence \$2,000,000 annual aggregate Commercial Auto Liability (Bodily injury, property damage) \$1,000,000 each accident Umbrella or Excess \$2,000,000 each occurrence /aggregate Umbrella or Excess shall be excess Commercial General Liability and Commercial Auto Liability	N/A
Prevailing Wage Requirements	N/A for single-family construction	N/A
Late Payment Penalty	Up to 4% interest added per annum	N/A