

191.4 SUBJECT: HOME INVESTMENT PARTNERSHIP PROGRAM**:1 OBJECTIVE:**

To help expand the supply of decent, safe, sanitary and affordable housing, with primary attention to rental housing for very low- and low-income families within the jurisdictional boundaries of the City of Orlando.

:2 AUTHORITY:

This procedure amended by City Council February 21, 2005, Item A7.

:3 DIRECTION:

Housing Division Manager under the supervision of the Housing Director

:4 METHOD OF OPERATION:

A. HOME funds shall be awarded as payback or deferred (forgivable) loans. Loans shall be awarded with security, typically a lien, and may be subject to foreclosure or repayment in the event that the recipient does not fulfill the conditions of the assistance. The City may waive normal documentation such as appraisals, surveys, applicable title policies and the like as a part of the closing. Payback loans may be awarded with below market interest rates based on the needs and financial feasibility of the project or without interest and with payment of principal after a predetermined period of affordability.

B. As a recipient of HOME funds, the City is required to set aside a minimum of 15% of each allocation to support housing developed, owned, or sponsored by Community Housing Development Organizations (CHDOs). HOME funds that are awarded to CHDOs may be distributed through a competitive or non-competitive process and through one of the following approaches:

- Open-door - A CHDO submits project idea and development proposal to the City. The City may accept, reject or return the proposal for additional work and resubmittal.
- Recruitment - The City develops a project idea for development and recruits a CHDO to act as developer, sponsor or owner.
- Request for Proposal - The City seeks proposals for development of a specific housing project from some or all existing CHDOs.

C. The City may assign all or a part of its HOME funds to specific programs/activities that fulfill its housing goals and objectives. If there are remaining funds, the City shall distribute those funds through an on-going Request for Proposals (“RFP”) process, which accepts, on a monthly basis, project proposals consistent with applicable federal regulations for the specific activities that are outlined in the HOME program description. The City may contract with outside loan underwriters and/or other financial consultants to help devise the RFP, application forms, or other appropriate documents, and to review proposals or relevant portions thereof regarding the feasibility, creditworthiness, and economic viability of proposed projects. In addition, the City may contract with an outside financial consultant with expertise in affordable housing lending

to administer HOME funds that are set aside for distribution as loans. Projects submitted in response to a HOME RFP may be funded through the CDBG or SHIP program if the project meets eligibility criteria and is recommended for funding by the SHIP/HOME Selection Committee.

- D. Proposals are reviewed for compliance, feasibility, cost effectiveness, demonstrated capacity of the proposer to perform the job, and other appropriate criteria as determined by the Housing Department and the Office of Legal Affairs.
- E. Proposals for the HOME Program are reviewed by a committee known as the SHIP/HOME Review Committee. This Committee is comprised of City staff persons, one or more CDBG Review Committee members, a member of the Municipal Planning Board, and the City's loan underwriters and/or other financial consultants, or representatives from other organizations that may provide expertise on a given project. The committee shall review all eligible proposals and make funding recommendations to City Council for final action.
- F. City Council shall review the recommendations, which would include the amount of funding for each project and the terms of the awards.
- G. Funding levels and descriptions of the approved projects are entered into the Department of Housing and Urban Development's Integrated Disbursement Information System. Documents identifying the activities selected are prepared and submitted to the U. S. Department of Housing and Urban Development.

:5 FORMS:

As developed from time to time by the Housing Department and the Office of Legal Affairs as part of the RFP process.

:6 COMMITTEE RESPONSIBILITIES:

As set forth above.

:7 REFERENCE:

Title II, Subtitle A of the Cranston-Gonzalez National Affordable Housing Act. 24 CFR Part 92. Procedure adopted by City Council as amended October 30, 1992, Item KK; amended April 19, 1993, Item VV; amended August 26, 1996, Item 7-B; amended September 29, 1997, Item 3-YY; amended October 13, 2003, Item A3; amended February 21, 2005, Item A7.

:8 EFFECTIVE DATE:

This procedure effective February 21, 2005.