



**2<sup>nd</sup> NOTICE OF FUNDING AVAILABILITY  
FOR LOWER RIO GRANDE VALLEY  
DEVELOPMENT COUNCIL  
MULTI FAMILY RENTAL  
DOLLY ROUND 2.2 DISASTER RECOVERY  
PROGRAM**



**1. Summary**

The Lower Rio Grande Development Council (LRGVDC) is pleased to announce that a second round of funding is being made available under the funding provided by the US Department of Housing and Urban Development (HUD) under Public Law 110—329 through the Texas General Land Office (GLO) in accordance with the Needs Assessment approved by the LRGVDC. The GLO is the agency responsible for the administration of disaster funds allocated under the Hurricane Dolly Disaster Recovery Program. All applications must meet requirements of 24 CFR 570, the LRGVDC Rental Housing Guidebook, and the State of Texas Round 2 Housing Guidelines. Other Federal regulations may also apply such as, but not limited to, 24 CFR Parts 50 and 58 for environmental requirements, Davis-Bacon Act for labor standards, 24 CFR 84.42 and 85.36 for conflict of interest and 24 CFR Part 5, Subpart A for Fair Housing. In addition, applicants must meet the requirements of 10 Texas Administrative Code Chapter 60 Subchapter B. HUD-funded assistance connected to construction, rehabilitation, demolition, or other public construction must comply with Section 3, a HUD requirement (24 CFR Part 135). HUD funds invested in housing and community development activities include among their purposes to give, to the greatest extent feasible, and consistent with existing Federal, State and local laws and regulations, job training, employment, contracting and other economic opportunities to Section 3 residents and Section 3 business concerns. Applicants are encouraged to familiarize themselves with all of the applicable state and federal rules that govern the program.

**2. Allocation of Funds**

A minimum of \$4,334,796.73 is being released in the second tranche of funding for multi-family (MF) rental developments in this second NOFA. No award will exceed the amount of funds available or \$8,000,000 whichever is less. Additionally, the total average cost per unit for all units in the development should not exceed \$125,000 per unit (Total Cost/Total Units). Funds may be requested in lesser amounts with a demonstrated need. The LRGVDC will attempt to exhaust awards for projects first within a county allocation. Fund allocation and distribution will comply with the LRGVDC Needs Assessment. The expected percentage of fund distribution by county is noted in the chart below.

<b>Expected Distribution by County</b>			
	<b># of Damaged Addresses</b>	<b>% of Overall Total</b>	<b>Total Funding</b>
<b>Hidalgo</b>	3908	40%	\$1,733,918.70
<b>Cameron</b>	4696	48%	\$2,080,702.42
<b>Willacy</b>	1193	12%	\$ 520,175.61
<b>Totals</b>	9797	100%	\$4,334,796.73

In the event that insufficient applications are received in an area, those funds will roll over to the next application meeting the threshold requirements and having the highest priority score, regardless of location. The remaining unfunded projects that meet the threshold requirements will be ranked from highest to lowest and placed on a waiting list pending future Disaster Recovery Program funding as approved by the GLO.

All applicants must demonstrate that the development is necessary, has an ability to maintain positive cash flow and achieve long term financial stability.

### **3. Scoring Information**

In addition to the “threshold” requirements in the application, “preferences” will be given to certain applications demonstrating the following:

- Provide a compliant Affirmatively Furthering Fair Housing Plan. ( up to 25 points )
- Applicant is a Public Housing Authority. (Up to 25 points) 100%PHA applicant will receive the maximum of 25 points. Any application where the development is not at least 51% owned by the PHA will receive no points.
- Applicant to provide 7% to 15% of units outfitted for persons with disabilities as identified by HUD. ( up to 10 points )
- Regarding housing units, Applicant agrees to rent 36% of the required 51% to families at or below 30% AMFI.( up to 10 points)
- Regarding housing units, Applicant agrees to rent more than 36% of the required 51% to families at or below 30% AMFI.( up to 10 points) )For applications to receive the full ten points, the development must has at least 50% of the units to the very low income group.
- Development is “At Risk” for losing affordability as defined by HUD. ( up to 10 points )
- Experience of the development team associated with HUD multi-family projects and associated history. ( up to 5 points )
- Attendance at all Pre-application meetings. ( 5 points )
- Applicants who agree to a LURA of more than 10 years. Five (5) points will be awarded for each 5 year incremental LURA extension with a cap at 10 points. In addition, any applicant choosing to extend LURA compliance and receive these preference points is required to provide an associated extended Operating Pro-Forma.(up to10 points)
- Applicant exhibits the capability to leverage the disaster recovery funds in conjunction with outside funding sources in an effort to provide more new or renovated affordable housing units. (up to 15 points) Applicants providing 50% or more of total project funds from outside sources will be awarded fifteen (15) points. Applicants providing 26% to 49% of total project funds from outside sources will be awarded ten (10) points. Applicants providing 1% to 24% of total project funds from outside sources will be awarded five (5) points.
- In the event that multiple applicants meet the threshold requirements and obtain identical preference point scores then a tiebreaker will be the highest ratio of “affordable units” to “disaster recovery funds requested” (affordable units/disaster recovery funds requested)

Selection of an application by LRGVDC is subject to review by GLO.

As a point of clarification regarding threshold parameters, all developments are limited to the standards of reasonable cost and an average total cost of \$125,000 per unit for MF developments. The average total cost is calculated by dividing the Total Project Cost by Total Units in the development, not just the CDBG subsidized units.

### **4. Eligible and Prohibited Activities**

Eligible activities are the rehabilitation, reconstruction or new construction of multi-family developments. In addition, aggregated scattered single family rental sites may be considered as part of an overall plan. All activities must be allowable under 24 CFR 570, the LRGVDC Rental Housing Guidebook, and the Conciliation Agreement. In addition, all developments must be part of an Affirmatively Furthering Fair Housing Plan in compliance with the Fair Housing Act and related Executive Orders.

Applicants may be public entities or private entities, although preference is being given to public housing authorities to increase the number of very low and low income units being made available in the community. All required property taxes must be current for existing property impacted by Hurricane Dolly and proposed project site.

Any other activity is prohibited without direct approval from LRGVDC, the GLO and HUD.

## **5. Pre-Application Meeting**

The LRGVDC will host two (2) pre-application meetings. The first meeting currently will be at 9:00 a.m. on November 21, 2013, in the LRGVDC Offices to review the application and answer any questions. The second meeting currently will be at 9:00am on December 5, 2013 in the LRGVDC office where technical assistance regarding the application will be provided. All applicants who document their attendance will receive additional points associated with the scoring. Meeting times and meeting location will be posted on the LRGVDC website.

## **6. Site and Development Restrictions**

Prior to submission of the application, the site must be under control of the applicant or related party, and the applicant must demonstrate the ability to maintain control for at least six months after the application deadline. The site should not be in a designated Target Area for relocation according to the Needs Assessment unless the location is part of an approved Affirmatively Furthering Fair Housing Plan. Rehabilitation may be completed in Targeted Areas if compliant with the Needs Assessment and part of and approved Affirmatively Furthering Fair Housing Plan. Projects must show the ability to complete construction within 18 months from the award date.

## **7. Application and Threshold Criteria**

All applicants must fill out a multi-family application for each property. No development will be considered without a completed application including an Affirmatively Furthering Fair Housing Plan (AFFH Plan), a general project description, rents, and sources and uses table. The AFFH Plan must provide a narrative of how the development is improving the community or providing more opportunity to potential residents by locating in a high opportunity area. Additional materials may be submitted but may not be in lieu of the application requirements. To obtain the application, contact the LRGVDC Procurement Department at (956) 682-3481.

## **8. Application Certifications.**

Applicants must certify by affidavit with application that they will meet or exceed the standards found in:

- Davis-Bacon Act (24 CFR 92.354);
- Environmental standards (24 CFR Parts 50 & 58);
- Uniform Relocation Act (49 CFR Part 24);
- Section 3 of the Housing and Urban Development Act of 1968 (CFR Part 135);
- Lead Safe Housing Rule (24 CFR Part 35);

Applicants and associated partners must not be debarred or suspended from federal or state programs and be in good standing with the State of Texas and U.S. Department of Housing and Urban Development. All applicants will be reviewed by program staff for being in good standing prior to the award being made final.

Other certifications may be required as specifically stated in the Rental Guidebook at the time of Application.

## **9. Application Submission**

- A. This application is set to be released Saturday, November 9, 2013 and can be found in the following web site [lrgvdc.org/planning](http://lrgvdc.org/planning) as well as in newspapers across Cameron, Hidalgo and Willacy Counties (see attachment A)
- B. **CONCERNING THIS APPLICATION, APPLICANTS MAY NOT CONTACT ANY MEMBER OF THE LRGVDC BOARD, HOUSING ADVISORY COMMITTEE, OR STAFF OTHER THAN VICTOR MORALES AT [vmorales@lrgvdc.org](mailto:vmorales@lrgvdc.org) UNTIL THE AWARD IS MADE. APPLICANTS WHO VIOLATE THIS PROVISION WILL HAVE THEIR APPLICATIONS DETERMINED TO BE INELIGIBLE.**
- C. All Applications submitted under this NOFA must be received on or before **2:00 p.m. on December 12, 2013**. The LRGVDC will accept Applications from 8 a.m. to 5 p.m. each business day, excluding

federal and state holidays. For questions regarding this NOFA, please contact LRGVDC Procurement Office.

- D. If an Application is submitted to the LRGVDC that requests funds from other governmental entities housing finance programs, the Application will be handled in accordance with our program deadlines. The Applicant is responsible for adhering to the deadlines and requirements of both programs. All applicants seeking to use tax-exempt bonds must have an inducement provided by the issuing agency not later than 30 days after award is made. Regardless of the timing of the inducement or issuance of bonds, the development must be occupied within eighteen months of the award date.
- E. All Applications must be submitted by the designated deadline, and the application must include all documentation as described in this NOFA and the associated Application. These are minimum requirements to be considered for an award.
- F. Applicants must submit the Application materials as detailed in the application in effect at the time the Application is submitted. All scanned copies must be scanned so that they are legible. Responses of the application workbook need to be burned to a CD. All other supporting documentation should be hard copies in bound or notebook format. Eleven (11) complete copies are to be delivered for consideration. **APPLICATION PACKAGES MUST BE IN SEALED ENVELOPES AND/OR BOXES.**

#### **FOR HAND DELIVERY OR MAILING OF MATERIALS**

Lower Rio Grande Development Council  
Attention: Victor Morales  
MULTI FAMILY RENTAL APPLICATION  
DOLLY ROUND 2.2 DISASTER RECOVERY PROGRAM  
301 West Railroad  
Weslaco, Texas, 78596

**ROUND 2 RENTAL PROGRAMS**

**OUTREACH & MARKETING**

**LIST OF NEWSPAPERS**

**ATTACHMENT "A"**

- 1. The Monitor**
- 2. El Nuevo Herald**
- 3. San Benito News**
- 4. La Feria News**
- 5. Los Fresnos News**
- 6. Raymondville Chronicle News**
- 7. El Periodico USA**
- 8. El Extra**
- 9. The Coastal Current**
- 10. The Pan American**