



Housing and Community Development HOME Program Application Rating Form

Date: _____

Program: HOME Program

Funding Year: 2016/2017

Project: _____

Scoring Category	Maximum Points
1. Consolidated Plan	
2. Applicant Attributes	
3. Project Readiness	
4. Project Financial Feasibility	
5. Budget and Financial Management	
6. Underwriting	
7. Project Impact and Viability	

Reviewer: _____

Date: _____



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Consolidated Plan

Con Plan Community Development Goals

10

- 10 pts **Maximum Impact:** Project is consistent with the ConPlan. It supports a strategic goal, addresses the problem/need, and is **an activity identified in the ConPlan**. Information and supporting documentation provided in the application is comprehensive, and provides reasonable and clear indication that the project is expected to completely satisfy an unmet HUD strategic goal and activity, and will fully generate the expected outcome(s) as identified in the ConPlan.
- 7 pts **Substantial Impact:** Project is consistent with the ConPlan. It supports a strategic goal, addresses the problem/need, and **is an activity identified in the ConPlan**. The information and supporting documentation presented is not as clear and comprehensive, but it appears very probable that the project is expected to completely satisfy an unmet strategic goal and activity, and will generate the expected outcome(s) as identified in the ConPlan.
- 4 pts **Moderate Impact:** Project is consistent with the ConPlan. It supports a strategic goal, addresses the problem/need, **and is an activity identified in the ConPlan**. The information and supporting documentation presented is minimally sufficient; however, it also appears that it will only somewhat address and it is unclear as to the degree of which the project will satisfy an unmet HUD strategic goal and activity, and generate the expected outcome(s) as identified in the ConPlan.
- 2 pts **Minimal Impact:** Project is consistent with the ConPlan. It supports a strategic goal, addresses the problem/need, and is an activity identified in the ConPlan. The information and supporting documentation presented is incomplete, inaccurate or contradictory to the need it proposes to address OR the ConPlan goal.
- 0 pts **No Impact:** Project is inconsistent with the ConPlan (does not address a strategic goal, problem/ need or activity identified in the ConPlan).

Priority Community Development Needs

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- 10 pts **Maximum Impact:** The need has been identified as a High priority community development need pursuant to the ConPlan. The project goals and objectives are clearly consistent with addressing this High priority need.
- 7 pts **Substantial Impact:** The need has been identified as a High priority community development need pursuant to the ConPlan. The project goals and objectives are somewhat consistent with addressing this High priority need.
- 4 pts **Moderate Impact:** The need has been identified as a Medium priority community development need pursuant to the ConPlan.
- 2 pts **Minimal Impact:** The need has been identified as a Low priority community development need pursuant to the ConPlan.
- 0 pts **No Impact:** The need is not identified as a priority community development need pursuant to the ConPlan.



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Applicant/Development Team Experience

Quality of Application*

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- 10 pts The application is logical, clear, well written, accurate and attentive to detail, but also concise with appropriate statistical information and supporting documentation provided to thoroughly support any conclusions provided. *All application documentation requested in the Rental Housing Production guidelines have been received.*
- 6 pts The application is adequately written, but statistics, observation and/or conclusions are not well documented. Application documents requested in the Rental Housing Production guidelines were received, however, *application package is incomplete.*
- 3 pts The application is adequately written, but statistics, observations and/or conclusions are not well documented and inconsistencies and/or errors were noted.
- 0 pts The application is poorly written, statistics, observations and conclusions are not documented, and apparent and substantive internal inconsistencies and material errors were noted. Some application instructions were not followed. The credibility of information and statistics provided appear/is questionable.

Project/Program Management Ability and Capacity

10

- 10 pts The Applicant clearly documents or shows evidence of the necessary competencies, skill set, management capacity, professional experience and qualifications to successfully manage and complete the project. Applicant has 10 or more years real estate development experience of similar projects, and its executive management and personnel directly responsible for the implementation of the project has served in his/her capacity of responsibility or has comparable proven professional experience of at least 7 years.
- 7 pts The Applicant appears to have most of the necessary competencies, skill set, management capacity, professional experience and qualifications to successfully manage and implement the project, but it is not well documented. Applicant has 5 or more years real estate development experience of similar projects, and its executive management and personnel directly responsible for the implementation of the project has served in his/her capacity of responsibility or has comparable proven professional experience of at least 3 years.
- 3 pts The Applicant appears to have some of the necessary competencies, skill set, management capacity, professional experience and qualifications to successfully manage and complete the project (documentation is unclear).
- 0 pts The Applicant appears to have very minimal or none of the necessary competencies, skill set, and capacity to successfully manage the project (documentation is unclear). Applicant does not appear to have the ability and capacity to complete the project.

***Application must meet the Rental Housing Production Application Guidelines Threshold Requirements for Funding**



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Applicant/Development Team Experience

Past Performance/Experience

15

- 15 pts The Applicant has extensive past experience with project development and HOME Funds and/or other federal funding programs. The Applicant has been directly involved in 5 or more federally funded projects within the past five years of which 3 projects involved HOME Funding that were favorably completed. This Applicant has been timely, complete and accurate with program Funds reporting requirements (if applicable).
- 10 pts The Applicant has adequate past experience with project development and HOME Funds and/or other federal funding programs. The Applicant has been directly involved in 3 or more federally funded projects within the past five years of which 1 project involved HOME Funding that was favorably completed. This Applicant has been timely, complete and accurate with program Funds reporting requirements (if applicable).
- 5 pts The Applicant has some past experience with federally funded projects. The Applicant has been directly involved in 3 or more federally funded projects within the past five years that involved HOME Funding which were completed. The Applicant may have experienced some problems in implementing past projects timely, but the problems were fully resolved. The Applicant may have difficulty complying with program requirements and/or federal overlay statutes.
- 2 pts The Applicant has little past experience with project development and HOME Funds and/or federally funded projects. The Applicant has had extensive problems in implementing past projects timely and meeting HOME Funds reporting requirements and/or other requests for information by the City of Mesa (if applicable).
- 0 pts This Applicant appears to have no related professional experience with project development and HOME Funds and/or other federal funding programs.



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Project Readiness

Timely Completion/Expenditure of Grant Funds* 20 _____

19-20 pts **Maximum Pace**: The project schedule is comprehensive and includes evidence/clear documentation that the project is ready to start upon approval/receipt of funding and/or is very likely to be completed in less than one year of project funding. Project milestones (activities) and other critical elements necessary to accomplish the project are identified in the schedule and assigned time periods for each activity appear reasonable and achievable.

14-15 pts **Substantial Pace**: The project schedule is comprehensive. Documentation indicates that the project will be ready to start within one month of approval/receipt of funding and/or may take 12 months or slightly longer to be completed. Project milestones (activities) and other critical elements necessary to accomplish the project are identified in the schedule and assigned time periods for each activity appear reasonable and achievable.

10-11 pts **Moderate Pace**: The project schedule is comprehensive and detailed. Documentation indicates that the project is more likely to start within 12 months or less from funding commitment and completed within the project development schedule timeline. Project milestones (activities) and other critical elements necessary to accomplish the project are identified in the schedule and assigned time periods for each activity appear reasonable.

5-6 pts. **Minimal Pace**: The project start date is somewhat uncertain or has not been established and the project schedule is inadequately prepared with key information missing from the schedule and/or time periods are not reasonable. It is likely that the full expenditure of the HOME gap funds will extend beyond the project's development schedule.

0 pts The project schedule is poorly prepared and/or time periods are unrealistic and/or not achievable. It is highly likely that the expenditure of the HOME program Funds will extend beyond the first the project development schedule.

***Supporting documentation that must be in file to support readiness to proceed**

1. Application to develop/redevelop property specifically targeted by a HCD NOFA
2. Clear title to property or option if not publicly-owned
3. Firm financing commitments
4. *"Shovel Ready" -12months or less.* Reasonable timeline showing that work can commence promptly upon receipt of award
5. *Development schedule with project application benchmarks both local and State.*
6. *Approved site plans, construction drawings, and specifications*



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Project Financial Feasibility

Sufficiency and Leveraging of Resources*

20

- 20 pts Funding needs are clearly identified to address the total project requirements. Other sources of funds have been secured and firm written commitments have been obtained for the project, such that upon approval of the Grant Funds, the project may commence immediately. Other sources of funds comprise 70% or more of the total project cost requirements.
- 10 pts Funding needs are clearly identified to address the total project requirements. Other sources of funds have been secured and firm written commitments have been obtained for the project, such that upon approval of the Grant Funds, the project may commence immediately. Other sources of funds comprise less than 70% but at least 60% of the total project cost requirements.
- 5 pts Funding needs are clearly identified to address the total project requirements. The project is reliant solely on Grant Funds to finance the entire project with no plans of leveraging.
- 3 pts Funding needs are clearly identified to address the total project requirements, but not completely secured and confirmed. Plans to secure other sources of funds are underway and information is presented to conclude that it is very probable that these other sources of funding will be obtained timely such that upon approval of the Grant Funds, the project may commence immediately or within 12 months after funding has been approved.
- 2 pts Funding needs are identified to address the total project requirements. Plans to secure other sources of funds have been developed and/or underway, but it is questionable whether these funds will be secured and/or if they will be available upon approval of the Grant Funds in a timely manner (later than 12 months after funding has been approved).
- 0 pts Funding needs are identified, but incompletely addresses the total project requirements. Grant Funds would have little impact to complete the project and no other resources have been identified or secured.

***Supporting documentation that must be in file to support financial feasibility**

- **Total Development Cost Budget (TDC)**
- **Construction Loan Commitment**
- **Permanent Loan Commitment**
- **Tax Credit Equity Financing**
- **Other Sources of Funding (Grants, Soft and Hard Funds; sources and use of funds budget)**
- **Operating Budget (20 – 30 year operating budget projections)**
- **Subsidy Layering Review (internal review)**



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Budget and Financial Management

Project Budget Detail/Use of Funds

10

10 pts Project budget appears accurate, comprehensive and detailed. Project costs are completely and clearly documented, project activities are itemized in detail and appear reasonable and justified (assumptions are logical and clearly substantiate cost estimates). The project budget schedule is presented logically and is mathematically accurate. The HOME Funds will be used in the most cost-effective manner.

5 pts Project activity costs are itemized and appear to be reasonable, but the costs and assumptions are not clear or well documented. The project budget schedule is substantively mathematically accurate (i.e. minor errors noted), and/or does not appear complete.

0 pts Project costs appear to be questionable and/or unreasonable, assumptions are unclear and/or poorly documented. The project budget schedule is substantively mathematically incorrect and/or the HOME Funds does not appear to be used in a cost-effective manner.

***Supporting documentation that must be in file to support budget and financial management**

- **Development Budget**
- **Operating Budget (20 – 30 year operating budget projections)**
- **Sources and Uses of Funds**



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Underwriting

Underwriting Cost Reasonableness and Effectiveness*

15 _____

- 15 pts Project development costs appears accurate, comprehensive and detailed. Project development costs are completely and clearly documented, project activities are itemized in detail and appear reasonable and justified (assumptions are logical and clearly substantiate cost estimates). The project development costs are presented logically and is mathematically accurate. The HOME Funds will be used in the most cost-effective manner.
- 8 pts Project development activity costs are itemized and appear to be reasonable, but the costs and assumptions are not clear or well documented. The project development costs are substantively mathematically accurate, and/or do not appear to be complete.
- 0 pts Project development costs appear to be questionable and/or unreasonable, assumptions are unclear and/or poorly documented. The project development costs are substantively mathematically incorrect and/or the HOME Funds do not appear to be used in a cost-effective manner, **the project is adequately capitalized and can proceed without HOME funding. The application request for funding is only to satisfy the ADOH requirement for the ADOH scoring points.**

***See Underwriting assumptions and development cost standards in HOME Rental Production guidelines**

	Minimum Required	Maximum Required	Notes
Construction Contingency			
New Construction	5.0%	7.5%	Of Total Development Cost (TDC)
Rehab	10%	15%	
Developer Fee			
New Construction	-	12%	Of TDC, excluding acquisition
Rehab	-	15%	
Contractor's Fees			
Profit	-	10%	Of TDC
Overhead	-	2%	
General Conditions	-	6%	
Underwriting Assumptions			
Debt Coverage Ratio	1.20	-	
Loan to Value (LTV)	80%	-	



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Project Impact and Viability

Achievement of Expected Results

10

- 9-10 pts **Maximum Impact:** The applicant clearly and completely describes the significance of the need, and provides supporting documentation and statistics fully substantiating this need. The activity proposed for funding addresses the described need to provide affordable housing for low-to-moderate income persons and other services to residents in Mesa. The achievement of the results is realistic and reasonable.
- 4-5 pts **Moderate Impact:** The applicant explains the significance of the need, and provides some supporting documentation and/or statistics that somewhat relate to the need. The proposed project would have a major impact on addressing the described need, but would not completely resolve the problem. The achievement of the results is somewhat realistic and reasonable.
- 1-2 pts **Minimal Impact:** The applicant describes the need, but not clearly or completely and provides minimal or no supporting documentation and/or statistics that relate to the need. The proposed project would have some impact on addressing the described need, but significant areas are not addressed. The achievement of the results is not realistic and reasonable.
- 0 pts **No Impact:** The need, as described, appears questionable as to its significance and seriousness to the community. The proposed project does not clearly address how the described need would be addressed or the project would be ineffective in resolving the described need.

Target Clientele

5

- 5 pts **Maximum Impact:** Direct benefit of 100% of the development project restricted to serving low- and moderate-income persons (includes area-wide benefit) and includes serving preference clientele (disabled, elderly, homeless, professionals) per our current ConPlan.
- 4 pts **Substantial Impact:** Direct benefit of less than 100%, but at least 85% of the development project restricted to low- and moderate-income persons and includes serving preference clientele (disabled, elderly, homeless, professionals) per our current ConPlan.
- 3 pts **Moderate Impact:** Direct benefit of less than 85% but at least 70% of the development project restricted to low- and moderate-income persons and does not target the City's current preference clientele (disabled, elderly, homeless, professionals).
- 2 pts **Minimal Impact:** Direct benefit of less than 70% but at least 51% of the development project restricted to low- and moderate-income persons and does not target the City's current preference clientele (disabled, elderly, homeless, professionals).

