CITY OF MOBILE
COMMUNITY & HOUSING DEVELOPMENT DEPARTMENT

AFFORDABLE HOUSING DEVELOPMENT

FUNDING APPLICATION

2027

City of Mobile
Community & Housing Development Department
205 Government Street, South Tower, 5th Floor, Room 508, Mobile, AL 36602
Phone: (251) 208 - 6294 ◊ Fax: (251) 208 - 6296 www.cityofmobile.gov

EQUAL HOUSING OPPORTUNITY

AFFORDABLE HOUSING PROGRAM DEVELOPMENT APPLICATION

City of Mobile, Alabama
Community & Housing Development
205 Government Street, 5th Floor – South Tower, Rm 508
Mobile, Alabama 36602

Funding Sources

The **Home Investment Partnerships Program (HOME)** was authorized by the Cranston-Gonzalez National Affordable Housing Act of 1990 (P.L. 101-625). HOME is a federal block grant program that provides funding to states and localities to be used exclusively for affordable housing activities to benefit low-income households.

HOME funds can be used to finance a wide variety of affordable housing activities that generally fall into four categories: rehabilitation of owner-occupied housing; assistance to home buyers; acquisition, rehabilitation, or construction of rental housing; and tenant-based rental assistance. Projects that use HOME funding must meet certain income targeting and affordability requirements. Specifically, all HOME-assisted housing units must benefit households with incomes at or below 80% of area median income. Additionally, 90% of occupants of HOME assisted rental units must have incomes at or below 60% of area median income. HOME-assisted housing must also meet certain definitions of affordability and must continue to remain affordable to low-income households for a specified period of time. The specific affordability requirements vary according to the type of activity for which funds are used and the amount of HOME funding contributed to the project.

As a Participating Jurisdiction, the City of Mobile is responsible for administration of the HOME Program under which the City receives an annual allocation of federal HOME funds designated for the development of rental and homeownership housing opportunities subject to HOME regulations and HUD requirements. In general, HOME proposals are solicited prior to the beginning of each program year as part of a HUD required Action Plan process. Applications received in the planning process are given initial consideration for budgeting purposes; however, development proposals may be submitted for consideration at any time throughout the year. From time to time the City will issue specific Requests for Proposals under which applications will only be accepted for certain types of projects within a specified timeframe. All proposals will be considered and underwritten in compliance with HUD regulations and requirements. Should the regulations and requirements change at any time, the City reserves the right to alter its Program to ensure said compliance.

The Community Development Block Grant (CDBG) Program was authorized by the Housing Act of 1974. CDBG is a federal block grant program that provides funding to states and localities to be used for multiple community development purposes which include affordable housing rehabilitation activities to benefit low-income households.

Much like the HOME Program, CDBG funds can be used to finance a wide variety of affordable housing activities that include: rehabilitation of owner-occupied housing; assistance to home buyers; and acquisition or rehabilitation of existing rental housing. Although CDBG has many other eligible activities than are allowed in the HOME Program, CDBG is limited to rehabilitation of existing structures in most instances, with the exception of CDBG-Disaster Recovery funds which typically can be available for rehabilitation or new construction. Projects that use CDBG funding must meet certain income targeting and affordability requirements. Specifically, all single family CDBG-assisted housing units must benefit households with incomes at or below 80% of area median income. Additionally, 51% of occupants of CDBG assisted rental units must have incomes at or below 80% of area median income. CDBG-assisted housing must also meet certain definitions of affordability and must continue to remain affordable to low-income households for the life of any loan. The specific affordability requirements vary according to the type of activity for which funds are used and the amount of CDBG funding contributed to the project.

The City has been awarded **Community Development Block Group-Disaster Recovery (CDBG-DR)** funds by the Alabama Department of Economic and Community Affairs in response to Hurricanes Sally and Zeta. While allowable eligible activities are similar to the City's annual CDBG allocation, new construction of affordable rental housing is also an eligible activity for these CDBG-DR funds. A requirement of these funds are that they must be utilized for projects in response to a direct or indirect tie to the disasters or for mitigation from damage of future disasters. For further guidance of eligible activities within this allocation of CDBG-DR funds, please refer to the ADECA website and/or the City's Local Recovery Plan.

The City, its elected officials, employees and agents shall not be liable for any losses incurred from claims, suits, damages, or costs of any kind that any proposing entity may incur or pay in relation to any proposal or application and arising out of decisions by the City concerning said proposal or application associated with the administration of the Affordable Housing Program.

CITY OF MOBILE AFFORDABLE HOUSING PROGRAM

DEVELOPMENT APPLICATION COVER SHEET

APPLICANT NAME: _____

APPLICANT ADDRESS: _____

_____

APPLICANT PHONE: _____

APPLICANT EMAIL: _____

NAME OF AUTHORIZED REPRESENTATIVE: _____

AUTHORIZED REPRESENTATIVE PHONE: _____

AUTHORIZED REPRESENTATIVE EMAIL: _____

AMOUNT OF ASSISTANCE REQUESTED: _____

CERTIFICATION OF AUTHORIZED REPRESENTATIVE:

I,_____, as Authorized Representative for _____, hereby certify that all materials submitted in this proposal as noted on the checklist below are true and correct to the best of my knowledge and belief. I understand that any attempt to falsify information in this application shall result in disqualification. Further, I hereby consent to requests that the City of Mobile may make of third-parties for information to substantiate information provided in this proposal, and I authorize third parties to release such information to the City of Mobile.

Signed by: _____

Print Name: _____

Date: _____

APPLICATION CHECKLIST:

The materials listed below must be submitted with this application. Materials must be organized according to the tab numbers below. If appropriate, provide an explanation for why any item is not applicable. Applicants should note that additional due diligence items may be required pursuant to Program regulations and requirements prior to the City's final commitment of funds.

Project Application

☐ Tab 1: Complete Response to Request for Proposals including all required certifications and attachments. (NOTE: If application is not in response to a specific advertised Request for Proposals, then Tab 1 should be marked as "Not Applicable/General Application" and skip to Tab 2.)

☐ Tab 2: Project Summary containing a brief synopsis of the proposed development and number of units with location. The Summary should also have a brief description of the proposed homes or units (frontal elevation and floor plan), amenities, and accessibility/adaptability provisions. For CDBG-DR, it should also note which green and resilient building standards the project will achieve, and identify if the project meets or exceed the elevation requirements.

Developer Capacity & Fiscal Soundness

☐ Tab 3: Developer Examples of Work and Project Staff
- o Recently completed comparable projects with pictures
- o All projects underway and/or pending
- o Staff assigned to this project and their roles and experience
- o Disclosure of any identity of interest purchasing/contracting relationships

☐ Tab 4: Individual resumes, copies of appropriate licenses and/or professional certifications

☐ Tab 5: Current statement of financial condition

☐ Tab 6: Most recent corporate audit or reviewed financial statements

☐ Tab 7: Most recent tax returns (990s for nonprofit developers)

Site and Product

☐ Tab 8: Evidence of site control (e.g. option, purchase agreement, or deed)

☐ Tab 9: Map showing location of project and site plans

☐ Tab 10: Drawings of proposed product or development

Underwriting/Financial Projections

☐ Tab 11: Project proforma appropriate to the project type (rental or for sale homeownership) showing all project costs, construction sources and uses, permanent sources and uses, and estimated sales proceeds or operating budget (if applicable). Construction budgets include estimates/documentation of professional services and soft costs (e.g. architectural fees, construction period taxes/insurance, marketing expenses, realtor listing agreement, etc.). Operating budgets to include all sources of

income, including rents, rental subsidies, and tenant fees; and all operating costs, including staffing and maintenance costs, investor payments and fees. Be sure to include all sources and uses, including requested City funding. The cash flow proforma duration should meet or exceed the required affordability periods for HOME and CDBG-DR identified in Appendix C.

☐ Tab 12: Commitments for other financing, both permanent and construction loan sources (if available)

Market Study, Data & Analysis, Marketing Plan

☐ Tab 13: Recent sales/rental data for neighborhood/area, sales/rents/occupancy for comparison to planned units, pricing, time on market, etc.

☐ Tab 14: Sales & Marketing plan outlining

- Description of primary market and outreach strategies
- Availability of homebuyer counseling services and appropriate referral plan
- Availability of appropriate first mortgage products
- Waiting lists, etc.…
- Draft HUD Affirmative Fair Housing Marketing Plan-Multifamily Housing for CDBG-DR requests

Certifications

☐ Tab 15: Signed and notarized certification statement (found in Appendix A to this application)

Submitting the Application

- Submit one original and one copy (with all attachments) to:

  City of Mobile
  Neighborhood Development Department
  Attn: Beverly Reed, Deputy Senior Director
  205 Government Street, South Tower, Room 512
  Mobile, AL 36602

- **We will not accept faxed or e-mailed applications.**

APPENDIX A
CERTIFICATIONS

CERTIFICATION REGARDING CONFLICT OF INTEREST

The undersigned certifies to the City of Mobile that it and its principals are in compliance with the Conflict of Interest provision of the Program:

In all cases not governed by those rules, conflicts of interest are not permitted. The following applies:

If a person is:

An employee, agent, consultant, officer, elected official or appointed official of a Grantee, PJ, State recipient, or sub recipient,

AND have project-related responsibilities or access to inside information.

That person may NOT:

Obtain a financial benefit or interest from any HOME or CDBG activity for themselves or those with whom they have family or business ties during their tenure or for two years thereafter.

CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS

1. The undersigned certifies to the City of Mobile that it and its principals:

   (a) Are not presently debarred, suspended, proposed for debarment or suspension, declared ineligible, or voluntarily excluded from any transactions or construction projects involving the use of Federal funds;

   (b) Have not within a three-year period preceding this certification been convicted of or had a civil judgment rendered against them for fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract, violation of Federal or State antitrust statutes or of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

   (c) Are not presently or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with of any of the offenses enumerated in paragraph (1) (b) of this certification; and

   (d) Have not within a three-year period preceding this certification had one or more public projects (Federal, State or local) terminated for cause of default.

2. Where the undersigned is unable to certify to any of the statements in this certification, the undersigned shall attach an explanation to this certification.

CERTIFICATION REGARDING DISPLACEMENT, RELOCATION AND ACQUISITION

The undersigned hereby certifies to the City of Mobile that if its application is selected for funding, the project will not result in the displacement of persons (families, individuals, businesses, nonprofit organizations, and farms).

CERTIFICATION REGARDING PROHIBITION OF THE USE OF FEDERAL FUNDS FOR LOBBYING AND BRIBES

The undersigned certifies to the City of Mobile, for itself and its principals that:

(1) No Federal appropriated funds have been paid or will be paid by or on behalf of the Owner, to any person for influencing or attempting to influence an office or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan or cooperative agreement;

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of a member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the Owner will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and

(3) The Owner shall require that this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub grants, and contracts under grants, loans, and cooperative agreements) and that all sub recipients shall certify and disclose accordingly.

CERTIFICATION REGARDING AFFIRMATIVE MARKETING PROCEDURES AND EQUAL OPPORTUNITY

The undersigned applicant certifies to the City of Mobile that it will continue to further Equal Opportunity and Fair Housing by:

1. Establishing affirmative marketing procedures to be utilized so that no person shall, on the grounds of race, color, national origin, religion, or sex be excluded from participation in, be denied benefits of, or be subject to discrimination under any program or activity funded in whole or part with funds made available under The City of Mobile's HOME or CDBG Program.

2. Complying with the requirements of the Fair Housing Act and the Age Discrimination Act of 1975.

3. Displaying the Fair Housing logo on its advertisements for those units and at the leasing or sales office. At a minimum, a Fair Housing poster will be displayed at the leasing or sales office.

4. Submitting in writing to the City its plans to solicit applications from persons in the community who are unlikely to apply without special outreach.

5. Maintaining a list of the characteristics of the tenants renting assisted units and will assess and report annually the results of these efforts to the City.

Signature of Authorized Certifying Official: **Title:**

_____ _____

Applicant Organization: **Date:**

_____ _____

STATE OF ALABAMA)
COUNTY OF MOBILE)

I, the undersigned Notary Public in and for the State of Alabama at Large, hereby certify that _____, whose name as _____ of _____ is signed to the foregoing certifications and who is known to me, acknowledged before me on this date that, being informed of the contents of the certifications, he/she, as such officer and with full authority, signed the same voluntarily for and as the act of said corporation.

GIVEN UNDER my hand and official seal this the _____day of _____, 20___.

_____
Notary Public
State of Alabama at Large
My Commission Expires:_____

APPENDIX B
CDBG/HOME INCOME LIMITS AND HOME HOMEOWNERSHIP VALUE LIMITS
(Annually Updated by HUD)

2024-2025 CDBG/HOME Income Limits for Mobile, Alabama MSA (At the time of print)

	Number of People	1	2	3	4	5	6	7	8
80% Median Income		46,700	53,350	60,000	66,650	72,000	77,350	82,650	88,000

The City of Mobile calculates Annual Income as defined in 24 CFR Part 5 (Section 8 Definition).

2026 HOME Homeownership Value Limits for Mobile, Alabama MSA
(Annually Updated by HUD)

Maximum Value Sales Price for new construction single family: $290,000
Maximum Value/Sales Price (as completed) for existing housing: $219,000

Unlike the HOME Program, CDBG does not have homeownership value limits.

APPENDIX C
HOME AND CDBG-DR AFFORDABILITY PERIOD REQUIREMENTS

Rental housing activity	Per unit subsidy of HOME or CDBG-DR	Minimum period of affordability in years
Rehabilitation or acquisition of existing housing	Under $15,000	5
	$15,000 to $40,000	10
	Over $40,000 or refinancing	15
New construction or acquisition of newly constructed housing	Any amount	20