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**2018  
HomeFirst  
Permanent Supportive Housing  
Development  
Notice of Funding Availability  
and Application**  
updated September 2019



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## Section I – Definitions, Background and Purpose

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### A. Definitions

Below are general program definitions. The HomeFirst Initiative will sponsor trainings for interested applicants and developers on the Supportive Housing project development and financing, dimensions of quality supportive housing, and partnership roles and responsibilities.

- **AH or Atlanta Housing** shall mean The Housing Authority of the City of Atlanta, Georgia
- **Coordinated Entry System (CES)** ensures a standardized system to assess individuals and connect them to the right housing intervention based on their needs. Coordinated entry processes help communities prioritize assistance based on vulnerability and severity of service needs to ensure that people who need assistance the most can receive it in a timely manner. Coordinated entry processes also provide information about service needs and gaps to help communities plan their assistance and identify needed resources.
- **Continuum of Care (CoC)** to support the goal of ending homelessness in the city of Atlanta, the Atlanta CoC brings together local providers of homeless services, as well as other community stakeholders, to enable a comprehensive approach that, executed effectively, will lead to systemic change in addressing the issues of Atlanta’s most vulnerable population. The CoC is mandated by federal legislation to 1) establish and operate a coordinated assessment system, 2) establish written standards on how individuals will be prioritized for housing, 3) establish and monitor performance standards and 4) establish a community wide plan to end homelessness, implement it, and report progress against the plan to HUD.
- **Dimensions of Quality Supportive Housing**<sup>1</sup> include focus on tenants and meeting tenants needs; accessible for tenants with multiple backgrounds and abilities to be housed quickly and easily; coordination of services with housing to meet shared goals; supportive housing residents are have choices and connections to services community to support broad community integration.
- **HomeFlex** is Atlanta Housing’s project-based rental subsidy assistance program. The “**HAVEN**” HomeFlex program governs rental developments that provide supportive housing services.
- **IA** shall mean Invest Atlanta, the City of Atlanta’s development authority
- **PFH or Partners for HOME** is the agency administrating and leading the Continuum of Care for the HomeFirst program.

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<sup>1</sup> CSH Dimensions of Quality Supportive Housing Guide; [https://d155kunxf1aozz.cloudfront.net/wp-content/uploads/2013/07/CSH\\_Dimensions\\_of\\_Quality\\_Supportive\\_Housing\\_guidebook.pdf](https://d155kunxf1aozz.cloudfront.net/wp-content/uploads/2013/07/CSH_Dimensions_of_Quality_Supportive_Housing_guidebook.pdf)

- **PSH or Permanent Supportive Housing** combines affordable housing with services that help people who face the most complex challenges to live with stability, autonomy and dignity. Supportive housing focuses on balancing three distinct components — housing, supportive services, and property and housing management. Permanent supportive housing is not time-limited, and residents are provided with a lease with terms similar to market and affordable housing leases.
- **RCOH** shall mean the Regional Commission on Homelessness
- **Supportive Services** shall mean comprehensive, on-going package of supportive services to fully support a Supportive Housing resident to sustain housing stability, and meet life goals. These services may be provided by the project’s designated primary service provider or by collaborating organizations. The primary service provider ensures that tenants can access needed services on an ongoing basis.
- **Supportive Service Plan** – There is a comprehensive, written services plan for the supportive housing project that describes the available services, identifying whether they are provided directly or through referral linkages, by whom, and in what location and during what days and hours. Tenants are provided with a menu of services that includes, at minimum, how to access case management services, medical services, mental health services, substance abuse treatment services, peer support, parenting skills, education, vocational and employment services, money management services, life skills training and advocacy. Service staff actively involve tenants in the design, development and implementation of their individualized (and realistic) goals and service plans. Service needs assessments and individualized service plans are updated regularly to reflect tenants’ changing service needs and goals.
- **Low Barrier Admissions** – PSH admission policies are designed to “screen in” residents by reducing barriers such as no or very low income, poor rental history and past evictions, or criminal histories. Screening policies regarding criminal histories should emphasize the mitigating conditions, the potential impact on health and safety of other residents, the severity of the criminal activity, and the amount of time that has passed since the criminal activity. The applicant must submit a property management plan that has or will adopt tenant selection criteria guidelines that: pose minimal barriers to entry, have a minimal number of steps; have clear mitigation steps that recognize the needs of homeless persons, chronically homeless persons and individuals with disabling conditions.
- **Federal Requirements regarding Criminal History**<sup>2</sup> - While low barrier admissions policies are requirement for PSH, developments receiving federal rent subsidies must deny admissions to tenant applicants if they, or member of the household living with them have been convicted of criminal activity for manufacture or production of methamphetamine on the premises of federally assisted housing, or are subject to a lifetime registration

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<sup>2</sup> [https://www.hud.gov/sites/documents/HUD\\_OGCGUIDAPPFHASTANDCR.PDF](https://www.hud.gov/sites/documents/HUD_OGCGUIDAPPFHASTANDCR.PDF)

requirement under a State sex offender registration program or Applicants chosen to receive HomeFlex must deny admission to applicants and terminate participants if they or any member of their households who will be living with them: Have been evicted from federally-assisted housing for drug-related criminal activity within the three (3) year period preceding application;

## **B. Background**

HomeFirst was created to capitalize on the community's success in reducing homelessness counts in Atlanta. The HomeFirst program is a partnership between the **City of Atlanta**, acting through **Invest Atlanta ("IA")**, and the United Way **Regional Commission on Homelessness ("RCOH")**. **Partners for HOME ("PFH")** is the agency administering and leading the Continuum of Care ("CoC") for the program. In addition, The Housing Authority of the City of Atlanta, Georgia (**Atlanta Housing or AH**) and the **City of Atlanta Department of City Planning** will provide funding and work with IA, RCOH and PFH to implement the initiative.

In 2017, the City of Atlanta announced a \$50 million initiative to invest in proven housing strategies and supportive services for housing. The commitment includes \$25 million in City funds that match private contributions to the HomeFirst initiative. The HomeFirst Initiative also leverages public and private resources for supportive services.

The HomeFirst funding will support the following policy objectives and activities:

- Permanent Supportive Housing ("PSH")
- Rapid re-housing
- Continuum of Care ("CoC") Infrastructure: coordinated entry and outreach
- Housing subsidy and services
- Emergency low barrier shelter
- Evidence-based pilot programs focused on youth, prevention, and diversion

***Under this Notice of Funding and Application (NOFA), available funding will be limited to supporting the development of Permanent Supportive Housing (PSH).***

## **B. Notice of Funding Purpose and Priorities**

The administrator and lead CoC agency for the HomeFirst program, Partners for Home ("PFH"), requests application-proposals for the expansion and development of Permanent Supportive Housing ("PSH") to implement the goals of the City of Atlanta's five-year *ClearPath* plan to make homelessness rare, brief, and non-recurring. PSH combines non-time-limited affordable housing with wrap-around services to support housing stability and tenancy supports, primary and behavioral health, and skills development to advance employment and social connections for vulnerable populations. The purpose of HomeFirst is to build and expand the available inventory of quality PSH for target vulnerable populations, namely individuals experiencing chronic homelessness.

Development proposals that advance the PSH development goals in *ClearPath* to expand the inventory of PSH, and deemed qualified under the Application guidelines, will gain access to

HomeFirst capital development funding and service funding for up to three years. Atlanta Housing (AH) will provide support for the HomeFirst Initiative by providing rental operating subsidies to qualified developments under its HomeFlex (Project Based Rental Subsidy) Program. PFH is the lead administrator for the HomeFirst Program, and is partnering with IA, RCOH, AH, and the City of Atlanta Department of City Planning to provide resources and guidance for the program.

## **Section II - Application Funding and Process**

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### **A. Coordinated Funding Available**

This is a Notice of coordinated funding under HomeFirst that combines capital, services and operating subsidies for the **new creation** of PSH units. The development of PSH requires funding for three budgets: capital, operating, and services.

- **Capital Resources.** HomeFirst will provide funding support for capital investments for PSH units to include acquisition, construction, and associated development costs. HomeFirst funding is not intended to be the sole source of funding for capital development and will be awarded to developments that are leveraging other public and private resources, and can demonstrate a capital funding gap. Applicants are encouraged to investigate available capital funding resources from the City of Atlanta Department of City Planning, Georgia Department of Community Affairs, Invest Atlanta, the Federal Reserve Affordable Housing Program, and other public and private resources.
- **Project Based** (“HomeFlex”) Rental Subsidies. Under AH’s supportive-housing HomeFlex program (the “HAVEN HomeFlex” program), AH will make awards of project-based rental subsidies for PSH units. The award of HAVEN HomeFlex project-based subsidies is subject to approval by AH in conformance with the program requirements and the AH Amended and Restated Statement of Corporate Policies. The award of HomeFlex project-based subsidies to the targeted HomeFirst PSH units will be awarded via a HomeFlex Agreement between AH and each HomeFirst PSH-unit development owner. Each HomeFlex Agreement will have an initial two-year term, with availability of subsequent two-year term extensions subject to approval by AH’s Board of Commissioners, confirmation of availability of services, and development compliance with HomeFlex program and regulatory requirements. A development will not be awarded capital resources if AH determines that the development does not qualify for the HAVEN HomeFlex program. Please see Section V, HomeFlex Specific Eligibility Standards, for additional information.
- **Supportive Services.** Supportive services are a critical part of PSH. In partnership with the Atlanta Homeless Continuum of Care, Fulton County Behavioral Health will provide Care Coordination and Supportive Services for all the households residing in the units developed through the HomeFirst initiative. Applicants must agree to work directly with Providers to implement client’s supportive services effectively.

HomeFirst funding will be awarded in grant or loan structure to qualified PSH developments based on availability of resources. The HomeFirst funding allocations for capital and operating will be

awarded under separate funding agreements from the HomeFirst partner organizations, and will include detailed scope of activities, use covenants, terms and conditions for disbursement, renewal and repayment terms, as applicable.

## **B. Application Process**

The HomeFirst Notice of Funding and Application will be made available in October 2018, and will remain open to receive applications on a rolling basis until all available funding is committed. As of release of this update – September 2019 – funding is still available for the HomeFirst PSH NOFA. Notice will be provided when current HomeFirst funding is fully committed. Eligible applications not awarded funding under HomeFirst may be retained and considered for funding if additional resources for PSH are identified.

Applications will be reviewed to determine eligibility and capacity to meet threshold requirements outlined in this Notice of Funding and Application.

- **Step I – Initial Review.** Application will be reviewed by the applicable grantor for general eligibility and adherence to the requirements of the application including, but not limited to eligible development type, eligible applicant, and completeness of the application.
- **Step II – Detail Component Review.** All applications will be reviewed and selected individually. Each component of the application – capital, operating, and services will be reviewed by the review team at the partner agencies responsible for funding based on the requirements and scoring criteria established in this Notice of Funding and Application.
- **Step III – Agency Approvals.** Each agency responsible for funding under HomeFirst will review and authorize funding.
- **Step IV – Notice of Awards.** Funding under the HomeFirst Initiative will be awarded under separate funding agreements from the responsible grantor.

## **C. Additional HomeFirst Funding Award Information**

### – **Funding Commitments**

The HomeFirst funding commitment will be made for 12 months from the date of approval of the funding. All other funding commitments must be received and the development initiated within that time frame. Extensions may be permitted on a case-by-case basis.

### – **Changes to Development Proposals**

Any changes regarding the development partners, design, unit count and configuration, and financial commitments subsequent to the Application submission or award of HomeFirst funding must be presented, reviewed and approved by each grantor. The grantors reserve the right to cancel the award of all funding or a portion thereof if notice of changes are not provided, or if changes significantly alter compliance with the Notice of Funding and Application.

### – **HomeFlex Subsidies**

Development owners receiving project-based HomeFlex subsidies must provide housing and supportive services throughout the term of the HomeFlex Agreement with AH. See Section V for additional information.

## **Section III - Development Proposal and Eligible Activities**

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## A. Developing Permanent Supportive Housing

PSH units under HomeFirst are:

- **New Creation of PSH:** the HomeFirst initiative will support the creation of new PSH units to be added to the community’s inventory through new construction, rehabilitation of existing vacant units, or the conversion of existing residential units to targeted use for PSH.
- **Targeted:** PSH units are available to households earning below 30% of Area Median Income with multiple barriers to housing stability (see [www.hud.gov](http://www.hud.gov) for details relating to Area Median Income). The funded PSH units will be aligned with the Continuum of Care in Atlanta and agree to participate in the Coordinated Entry system in operation in the City. All PSH units will be prioritized for households experiencing chronic<sup>3</sup> homelessness.
- **Deeply affordable:** Rents are subsidized so that the tenant pays no more than 30% of household income towards rent, even when tenants have extremely limited or no income.
- **Lease-based and Housing First:** Tenancy is based on a legally-enforceable lease or similar form of occupancy agreement, and there are no limits to a person’s length of tenancy as long as they abide by the conditions of the lease or agreement. Leases do not include additional requirements for tenancy beyond the market standards. Requirements such as drug testing, unannounced access to unit, service participation requirements, curfews, unreasonable restrictions on visitors, and excessive inspections are not consistent with a Housing First program. Units must be low barrier to entry with limited restrictions on criminal background, credit and eviction history and no requirements for mental health stability and/or sobriety.
- **Service Supported:** Fulton County Behavioral Health will provide a flexible array of comprehensive services, with tenant participation being voluntary. The tenant has access to this array of services including, but not limited to, case management, medical services, mental health services, substance use treatment, employment and life skills counseling, eviction prevention programs, social and recreational events, and tenant advocacy; however, a lease may not be terminated solely because a tenant chooses not to participate.
- **Development Models:** PSH units for consideration for HomeFirst funding can be developed and provided through a range of residential models including:
  - single-site – 100% PSH,
  - integrated PSH within a larger affordable or market rental property,
  - scattered site ownership,
  - mixed-use properties including residential and complementary non-commercial uses.
- **Unit Types:**
  - PSH units may include studios and 1 bedroom units.
  - PSH units will include private bathrooms and kitchen facilities. For developments receiving AH HomeFlex assistance, 5% of the total units assisted by HomeFlex must

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<sup>3</sup> Chronic homelessness as defined by the US Department of Housing and Urban Development is an individual with a disabling condition and experiencing literal homelessness for 12 months or more or has experienced four episodes of homelessness in the last three years where the total length of time of all four episodes is 12 months or more.

be UFAS<sup>4</sup> accessible and 2% of the total units assisted by AH’s HomeFlex program must be designed, constructed and certified for occupancy visual and/or hearing impaired persons. See Section V for additional information.

- Utilities for all PSH units must be paid via the Applicant/Property Owner. Applicants must include a description of how the property will satisfy this requirement in the Application. Any exception to this requirement must be approved by HomeFirst at time of Application. Applicants should be aware of utility allowance policies under Atlanta Housing’s Project Based Rental Assistance Program.

### B. Eligible Development Types

HomeFirst capital and service funding is available for acquisition, new construction or rehabilitation, and services in the following types of developments that include PSH:

- Developments that propose **100%** PSH are eligible for HomeFirst funding,
- Developments that commit to **greater than 50%** of the units as PSH units.
- Developments that commit to **greater than 20%** of the units as PSH units, or
- A minimum commitment of **at least 10%** of the units within the development as PSH.

*Developments that propose less than the minimum commitment of 10% of the units for PSH will be reviewed on a case-by-case basis.*

The level of HomeFirst funding approved and awarded will be determined based on the commitment of PSH units and demonstrated need for funding support.

HomeFirst seeks to support the City of Atlanta’s efforts to increase and broaden the availability of affordable housing to meet a range of income levels and needs that will include housing for the most vulnerable populations. A proposed development may include PSH, affordable, and non-income restricted units.

### C. Target Population

The populations targeted for the HomeFirst PSH developments and units will include priority populations identified by the Continuum of Care and the Coordinated Entry process. These populations will include:

Target Population
Individuals experiencing chronic homelessness: including veterans and seniors
Families experiencing homelessness
Transition Age Youth facing homelessness

### D. Geographic Diversity and City of Atlanta Ordinance for Supportive Housing and Shelter

HomeFirst Initiative seeks to increase the availability of PSH to meet the housing and service needs of target populations in a range of communities throughout the City of Atlanta. Development proposals that can expand PSH by five (5) or more affordable housing units in communities without

<sup>4</sup> Detailed information on UFAS requirements can be found here: <https://www.access-board.gov/guidelines-and-standards/buildings-and-sites/about-the-aba-standards/ufas>

readily available affordable housing may receive bonus scoring consideration.

*'The Supportive Housing Ordinance'* (SHO) adopted by the City Council June 1, 2009<sup>5</sup>, amends the Zoning Code for the City of Atlanta for the purpose of clarifying and/or defining certain terms related to supportive housing and shelters. Applicants for HomeFirst funding must be familiar with the requirements of the ordinance, including, but not limited to definitions, requirements for special use permits, location proximity to other properties, parking requirements, and access to amenities. Applicants will be required to present information in the application related to the compliance with the relevant SHO Ordinance requirements. If applicants believe their site location or development plan does not meet the requirements of the SHO Ordinance, applicant shall present information on strategies to bring the proposal and site location into conformance.

#### **E. Community Engagement Strategy**

Applicants are required to design and implement a community engagement strategy to inform, seek support and address feedback or concerns that may be identified by community stakeholders with the proposed PSH development. Prior experience in implementing a community engagement strategy will be considered as part of the HomeFirst application criteria.

### **Section IV- Eligibility Standards for Applicants**

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#### **A. Applicant Qualifications**

HomeFirst seeks applicants from the non-profit and for-profit residential development community to construct and operate PSH. The eligible applicant must demonstrate the financial and management capacity and experience to carry out the development as detailed in its development application. In addition, the applicant must demonstrate:

- partnerships to provide residential services and property management either directly or via a third party contractor or non-profit agency or must demonstrate a commitment to accommodating a broad array of services either on-site or easily accessible.
- track record of providing affordable housing development and operations, and if applicable, housing for homeless and other vulnerable populations.
- a record of being an equal opportunity employer, without any founded charges of unfair hiring or promotions within the last ten years.
- compliance with City of Atlanta and State of Georgia licensing and business operations requirements.

The following are representative of the requirements to be considered a qualified developer and development project:

##### **1. Corporate Structure**

Applicants can be a for-profit or nonprofit entity. There is no requirement of a specific corporate or partnership structure. Multiple organizations may apply as a collaborative or joint venture; however, a lead entity must be designated. For the purposes of this Application, the lead entity must be the owner/developer of the development.

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<sup>5</sup> <http://www.atlantaga.gov/Home/ShowDocument?id=2171>

## **2. Good Standing**

Applicant shall submit applicable corporate documents of the lead partner and co-development entities, and include, as applicable, but not be limited to Certificate of Good Standing and Certification of 501(c)3 status.

Applicant must affirm that there are no defaults or negative collection actions relating to any financial obligation, either to the City of Atlanta or to any other public agency or private lender. Any Applicant, developer or general contractor who is on the federal, state, county or city debarment list will not be allowed to participate. No Applicant, Developer or contractor with management or compliance issues outstanding with the City of Atlanta or other public agency will be allowed to participate.

## **3. Site Control and Project Readiness**

Applicants must be either the current owner of the property or, at the time of application, have a binding contract or option to purchase the property. The applicant will provide a project development plan that demonstrates the project readiness and timelines for development of PSH units.

## **4. Location**

The development site must be located within City of Atlanta to qualify for HomeFirst funding. In addition, the HomeFirst Initiative encourages development proposals that expand the availability of PSH units in a range of communities throughout the City.

## **5. Experience**

Applicants must have document capacity to construct, or rehabilitate, and operate housing that benefits homeless individuals, those at risk, and low-income individuals, and must make the commitment to coordinate with providers of supportive housing services. Applicants must provide a complete listing, with addresses, of properties developed or rehabilitated, owned or managed by Applicant or Applicant's team during at least the past 5 years. Developers without specific supportive housing experience can apply, and will be considered for HomeFirst funding based on proposed partnerships to address the needs of the target population. Additionally, there must be no outstanding tax liens on any properties owned or managed by the Applicant.

## **6. Financial Capacity**

Applicants must have sufficient liquidity to cover any funding shortfalls or delays that may occur during construction, lease-up and operation of the property. Audited financial statements and two years of tax returns of all Applicants and guarantors are required.

## **7. Development Capacity**

The development team must have a proven track record of successful construction and/or rehabilitation of affordable and/or supportive housing, and to assess and execute the required rehabilitation/reconstruction of the property.

## 8. Property Management

Applicants will be required to submit a property management and operating plan identifying the entities, experience, and roles and responsibilities. A sample tenant selection plan will also be reviewed as part of the application.

### B. Additional Applicant Requirements:

In addition to meeting the specific requirements detailed above, applicants must agree to implement the PSH units in accordance with the following:

- **Tenant Referrals**

Applicants must agree to use the Coordinated Entry process developed by the City of Atlanta’s Continuum of Care as the referral source for the PSH units. The Coordinated Entry System is the central access and referral point for homeless individuals seeking housing in Atlanta. The system will maintain a steady flow of referrals to vacant PSH units in this development.

- **Housing First**

Applicants must agree to operate developments under the “Housing First” model, meaning prospective tenants are not required to agree to participate in services prior to entering the housing nor can service participation be a requirement of tenancy. Tenants can be required to adhere to a standard market lease requirement, and their tenancy should be supported by eviction prevention strategies, including the engagement of services as appropriate.

- **Compliance Monitoring**

Applicants awarded funding under Home First will be required to comply with all ongoing monitoring and reporting requirements under the program based on the type of funding awarded, including, but not limited to, business process reviews, unit vacancy/occupancy, rent levels and tenant income, service delivery, and property condition and housing quality standard inspections. Reporting requirements will be outlined in the funding agreements.

The Homeless Management Information System (HMIS) is a database system established locally to monitor participation and activities for households assisted under a range of federal and local programs targeted to address homelessness and at-risk of homelessness. Regular and consistent reporting into the HMIS system will be required for all developments receiving funding under HomeFirst.

## Section V- Specific HomeFlex Requirements

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- **Applicant Experience.** Demonstrated experience in managing HUD subsidized housing is strongly encouraged for applicants requesting AH HomeFlex subsidy assistance.
- **Ineligible Units.** Units subsidized with any other form of Section 8 or governmental rent

subsidy assistance are ineligible. Specific exceptions may apply. Shared housing; units on the grounds of penal, reformatory, or medical public or private institutions; certain nursing homes; units owned or controlled by an educational institution or its affiliate designed for occupancy by students; manufactured homes and owner occupied units are ineligible. Specific exceptions may apply.

- **Ongoing Supportive Services.** Ongoing supportive services will be provided via Fulton County Behavioral Health. Applicants must provide a plan describing their approach to assisting with ongoing supportive services delivery.
- **Termination.** If the development owner chooses to terminate or chooses not to extend the HAVEN HomeFlex Agreement, the owner must provide notice to AH and the affected tenants at least one year in advance. An owner that fails to provide such notice must permit tenants to remain in their units for the required notice period with no increase in the tenant portion of the rent. During this time period, an owner may not evict a tenant as a result of the owner's inability to collect an increased tenant portion of rent. Upon termination or expiration of the HAVEN HomeFlex Agreement without extension, an assisted person in a PSH unit may elect to remain in the unit and use the assistance previously provided under the HAVEN HomeFlex Agreement as long as the PSH unit meets certain HUD-standards. An owner may not terminate the tenancy of a person or family that exercises its right to remain except for in response to serious or repeated lease violations, or other good cause.
- **HUD Section 3, Minority Business Enterprises and Women Business Enterprises ("Section 3, MBE/WBE").** Section 3, MBE/WBE applicants and applicants meeting Section 3, MBE/WBE contracting targets will be given preference for AH HomeFlex assistance.
- **UFAS Accessible Units<sup>6</sup>.** At least 5% of the total units assisted by HomeFlex must be designed, constructed and certified for occupancy for persons with disabilities in compliance with the accessibility requirements set forth under Section 504 of the Rehabilitation Act of 1973, the design and construction requirements of the Fair Housing Act, or Title II of the Americans with Disabilities Act, including the applicable principles of universal design and visibility (UFAS). In addition, at least 2% of the total units assisted by AH's HomeFlex program must be designed, constructed and certified for occupancy visual and/or hearing impaired persons.
- **Administrative Plan.** AH must select applicant proposals in accordance with selection procedures in its Amended and Restated Statement of Corporate Policies. A copy of AH's Amended and Restated Statement of Corporate Policies will be provided on request. The Amended and Restated Statement of Corporate Policies also has helpful information regarding reporting that is required by development owners.

## Section VI. Development Requirements

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<sup>6</sup>Detailed information on UFAS requirements can be found here: <https://www.access-board.gov/guidelines-and-standards/buildings-and-sites/about-the-aba-standards/ufas>

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### A. Minimum Units

The goal of this HomeFirst Notice of Funding and Application is to expand the new creation of PSH units. Applicants are required to set aside a minimum of 10% of the units within the development for PSH in order to meet this goal. Higher percentages are encouraged as outlined in Section IIIB – Eligible Development Types. Applications for less than 10% of the units for PSH will be considered on a case-by-case basis.

### B. HomeFirst Investments

HomeFirst funding will be available for the following uses at the levels indicated, based on demonstrated project costs and financial need. HomeFirst investments are only available for PSH units, and are subject to availability of funding.

Type of Cost	Maximum/Range	Additional Information
Capital	\$10,000-\$40,000 per PSH unit	Based on unit size and financial need.

### C. Housing Standards for Rehabilitation and New Construction

Upon completion, rehabilitated or newly constructed properties must comply with local building code, health code, safety code, and Minimum Property Standards (MPS) as defined by the City of Atlanta.

Properties receiving federal funding assistance including rental assistance available under this HomeFirst application must demonstrate the condition of the housing meets federal Housing Quality Standards, including criteria in 13 key aspects of quality housing<sup>7</sup>.

Disbursement of HomeFirst funding for construction will be subject to review of inspection reports prepared by/for other funders or by independent third party qualified inspectors. Costs associated with these inspections will be the responsibility of the Applicant.

### D. Affordability Covenant/Regulatory Agreement

For all developments awarded HomeFirst capital resources, the required term of the affordability and use covenants for the PSH units will be thirty (30) years from the initial occupancy, or the maximum term required by other capital funding sources to the development. Applicants will be required to submit a Service Plan and Budget which will include plans to sustain service funding beyond the initial HomeFirst funding.

### E. Accessibility<sup>8</sup>

At least 5% of the total units assisted by HomeFlex must be designed, constructed and certified for occupancy for persons with disabilities in compliance with the accessibility requirements set forth under Section 504 of the Rehabilitation Act of 1973, the design and construction

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<sup>7</sup> [https://www.hud.gov/program\\_offices/public\\_indian\\_housing/programs/hcv/hqs](https://www.hud.gov/program_offices/public_indian_housing/programs/hcv/hqs)

<sup>8</sup> Detailed information on UFAS requirements can be found here: <https://www.access-board.gov/guidelines-and-standards/buildings-and-sites/about-the-aba-standards/ufas>

requirements of the Fair Housing Act, or Title II of the Americans with Disabilities Act, including the applicable principles of universal design and visibility (UFAS). In addition, at least 2% of the total units assisted by AH's HomeFlex program must be designed, constructed and certified for occupancy visual and/or hearing impaired persons.

#### **F. Insurance**

During development, developers and contractors must maintain sufficient insurance coverages:

- Obtain comprehensive general liability and property (hazard) insurance coverages of at least \$2 million.
- Property damage or builder's risk insurance in the amount equal to 100% of the replacement costs of the structure, with endorsements in favor of AH, PFH, and Invest Atlanta.
- Construction contractors will be required to obtain liability and builders risk insurance in an amount equal to \$2 million.
- General contractors will be required to provide payment and performance bonds equal to 100% of the construction contract amount.
- General Automobile insurance, profession liability, workers compensation and employer's liability coverage are also required.

All insurance policies must name the HomeFirst partner agency as additional insured. At the time of HomeFirst award the insurance certificate will show the coverage amounts and coverage period.

#### **G. Environmental Review**

HomeFirst developments must demonstrate compliance with environmental review standards as described in (a) federal regulations 24 CFR Parts 50 and 58, and (b) Georgia Department of Community Affairs' environmental requirements.<sup>9</sup>

Developer will comply with the following requirements, as applicable:

#### **H. Federal Non-Discrimination Requirements**

- The Fair Housing Act, 42 U.S.C. 3601-19, and regulations issued thereunder, 24 CFR Part 100; Executive Order 11063 (Equal Opportunity in Housing) and regulations issued thereunder, 24 CFR Part 107; and the fair housing poster regulations, 24 CFR Part 110, and advertising guidelines, 24 CFR Part 109;
- Title VI of the Civil Rights Act of 1964, 42 U.S.C. 2000d, and regulations issued thereunder relating to non-discrimination in housing, 24 CFR Part 1;
- Age Discrimination Act of 1975, 42 U.S.C. 6101-07, and regulations issued thereunder, 24 CFR Part 146; and
- Section 504 of the Rehabilitation Act of 1973, 29 U.S.C. 794, and regulations issued thereunder, 24 CFR Part 8, including the Uniform Federal Accessibility Standards, 24 CFR Part 40, App. A; Title II of the Americans with Disabilities Act, 42 U.S.C. 12101 et seq., and regulations issued thereunder, 28 CFR Parts 35 and 36; the Architectural Barriers Act of 1968, 42 U.S.C. 4151-4157; and Section 109 of the Housing Community Development Act of 1974 (Section 109), 42 U.S.C. 5301 et seq., and regulations issued thereunder, 24 CFR 570.601 and 570.602.1

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<sup>9</sup> Georgia Department of Community Affairs 2019 Environmental Manual: <https://www.dca.ga.gov/node/5627>

## I. Federal Wage Determination Requirements

- Davis-Bacon Act requires the payment of prevailing wage rates (as determined by the Department of Labor) to laborers and mechanics on federally-assisted construction projects in excess of \$2,000. Also, pursuant to 24 CFR § 983.154, the Owner’s or Developer’s contractors and subcontractors must pay Davis-Bacon wages to laborers and mechanics employed in the development or rehabilitation of the housing (with nine or more contract units) using HomeFlex.

The following relates to the wage determinations for New Construction and Substantial Rehabilitation projects:

- Residential - Less than four (4) stories  
Pursuant to Title 29 CFR Parts 1.5 and 1.6(b), a Residential wage determination is issued for this construction project. Residential wages apply to new and substantial rehabilitation of single-family homes and apartment buildings of less than four (4) stories. Accordingly, the wages of laborers and mechanics will be monitored for compliance with labor standards.
  - Building - More than four (4) stories  
Pursuant to Title 29 CFR 1.5 and 1.6(b), a Building wage determination is issued for this construction project. Building wages apply to new and substantial rehabilitation of structures of more than four (4) stories, typically warehouses, machinery and equipment storages facilities etc. Accordingly, the wages of laborers and mechanics will be monitored for compliance with labor standards.
- Respondents proposing projects bear the responsibility of ensuring that the appropriate wage decision is included with the project proposal. As referenced above, the construction type for is either Residential or Building. No other construction categories apply. Davis-Bacon wage decisions may be accessed via the following link:<http://www.access.gpo.gov/davisbacon/ga.html>

## Section VII - Application Submissions and Review Standards

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### A. Process

Applications in response to this Notice of Funding and Application will be reviewed on a rolling basis until all available funding is committed. Applications will be reviewed to determine eligibility and capacity to meet threshold requirements outlined in this Notice of Funding and Application. The estimated timeline for review and approval, subject to completeness of the application, and partner agency approvals is estimated at 120 days.

- **Step I – Initial Review.** Application will be reviewed for general eligibility and adherence to the requirements of the Application including, but not limited to eligible development type, eligible applicant, and completeness of the application.
- **Step II – Detail Component Review.** All applications will be reviewed and selected individually. Each component of the Application – capital, operating, and services will be reviewed by the review team at the partner agencies responsible for funding based on the

requirements and scoring criteria established in this Notice of Funding and Application. If additional information or clarification is needed, PFH will contact the development contact to address the questions which may arise.

- **Step III – Agency Approvals.** Each agency responsible for funding under HomeFirst will review and authorize funding.
  - Capital and Services – HomeFirst Allocation Committee Board and PFH
  - Operating Subsidies – Atlanta Housing and PFH
- **Step IV – Notice of Awards.** Funding under the HomeFirst Initiative will be awarded under separate funding agreements from the responsible HomeFirst partners.
  - Invest Atlanta – HomeFirst Capital Funding agreement with Fulton County Behavioral Health, outlining the amount of capital funding, costs eligible for funding, terms and conditions, and reporting requirements.
  - Partners for Home (PFH) and Atlanta Housing – HomeFirst Operating Funding, outlining the amount of operating funding available, number of units supported, terms and conditions, and reporting requirements.

#### **B. Format**

- One flash drives with the entire application must be provided, including attachments
- All applications must be signed by the organization’s authorized representative. Unsigned applications will not be accepted.
- Original Documents shall have original signatures and be clearly noted ORIGINAL.
- All statements requiring a notarized signature must be notarized.

Applicants seeking funding through the HomeFirst Notice of Funding and Application must complete the Application Forms for each project. PFH will accept applications from 8 a.m. to 5 p.m. each business day, excluding holidays. One bound original, three bound copies, and two electronic copies of the complete application must be submitted.

**Applications should be addressed as follows:**

**HomeFirst Permanent Supportive Housing**  
c/o Partners for Home  
818 Pollard Boulevard, 3<sup>rd</sup> floor  
Atlanta, Georgia 30315

**ALL APPLICATION SUBMISSIONS BECOME THE PROPERTY OF HOMEFIRST AND PARTNERS FOR HOME.**

All applications will be accepted under the Notice of Funding and Application on a rolling basis.

All inquiries related to the process, administration and technical portions of the HomeFirst Notice of Funding and Application, should be addressed in writing to the attention of Chelsea Arkin, Director of Real Estate, Partners for Home [carkin@partnersforhome.org](mailto:carkin@partnersforhome.org)

Responses or changes to this Notice of Funding will be posted on the Partners for Home website [www.partnersforhome.org](http://www.partnersforhome.org). Interested HomeFirst applicants are encouraged to check for any changes or addenda issued.

### **C. Other Requirements, Rights and Conditions**

PFH as lead administrator for the HomeFirst initiative, and additional HomeFirst partners reserve the following rights under the program:

- Right to amend, waive or terminate the HomeFirst Permanent Supportive Housing Development Notice of Funding and Application in whole or part if deemed in the best interest of the HomeFirst Permanent Supportive Housing Initiative. All addenda to this Notice of Funding and Application will be posted on PFH’s website. Interested Applicants are responsible to monitor the website for any changes made regarding the Notice of Funding and Application.
- The right not to award, withhold or delay awarding funds to any development even if the development meets the threshold eligibility under the HomeFirst Supportive Housing Development Program’s guidelines and the Notice of Funding and Application requirements.
- The right to reject any proposal, in whole or in part, that does not meet the requirements of this Notice of Funding, including but not limited to, incomplete proposals and proposals offering conflicting, alternate or non-requested services.
- The right to negotiate the terms of the HomeFirst funding agreement(s).
- PFH and the HomeFirst partner agencies shall have no obligation to compensate any Applicant for any costs incurred in responding to this Notice of Funding and Application.
- Right to retain all proposals submitted in response to this Notice of Funding and Application. Applicants wishing to withdraw a proposal from consideration prior to award of funding shall submit notification from authorized Applicant representative to PFH at the location above, in writing, and indicate the reason for withdrawal of the application.
- Developments receiving funding under HomeFirst are required to administer the program activities in accordance with HUD’s *Equal Access to Housing in HUD Programs Regardless of Sexual Orientation or Gender Identity Final Rule* (Equal Access Rule.)<sup>10</sup> This final rule requires that HUD’s housing programs be made available to individuals and families without regard to actual or perceived sexual orientation, gender identify, or marital status.
- All proposals in response to this Notice of Funding and Application may be subject to public records requirements, including requirements under the Georgia Open Records Act, as provided in O.C.G.A Sec. 50-18-70 et seq. Information (financial or other information) submitted by an Applicant may be marked as "confidential", "proprietary", etc., however a guarantee of confidentiality cannot be assured.

### **D. Application Review Criteria**

Applications will be reviewed and scored by a team of reviewers from the HomeFirst PSH partner agencies. All applications must meet a minimum threshold score of 60 points to be considered

for additional review and underwriting. Should applications meeting this minimum threshold exceed available funding, PFH and HomeFirst partner agencies reserve the right to reconsider these applications at such time that funding is available. The HomeFirst partner agencies reserve the right to make the ultimate decision on awarding their respective funding based on applications and underwriting that demonstrate the best overall value. Any documentation or third party reports shall be current; dated not more than 1 year prior to the application date. In some instances, updates to reports greater than 6 months old may be required.

<u>Maximum Application Score</u>	<u>100 points</u>
Organizational Expertise	25 points
Services Coordination	15 points
Location Information	15 points
Development Information	25 points
Third Party Reports	5 points
Financial Analysis and Leveraging	15 points

**Organizational Expertise**

1. Organizational structure is clear and displays the ability to carry out the development as proposed.
  - Provide contact information and role for the Applicant Entity(s), the organizational and partnerships structure.

**Required Supporting Documentation:**

- A detailed organizational chart for partnerships, joint ventures and coordination of relationships between entities.

2. Proposed development team has the qualifications and experience to carry out the development as proposed
  - Provide information on Applicants’ prior experience with development of properties similar to proposed development. Identify three (3) developments to demonstrate expertise. Include development details: .
  - Provide number and list of current portfolio of affordable housing, PSH, and housing serving homeless populations previously built and/or managed

**Required Supporting Documentation**

- A listing of the development team staff, responsibilities, resume and prior experience in the role  
 A listing of properties (including current portfolio) that includes development details such as financing resources, population served including income mix and special needs populations, and types of services provided

3. Overall financial condition of the Applicant entity(s), including the ability to fund potential cost overruns or other costs not anticipated in the development budget

***Required Supporting Documentation:***

- Two (2) years of audited financial statements for (all) Applicant Entit(ies)
- Three (3) years of audited financial statements for one current portfolio property

4. Proposed development team has experience using government funds

***Required Supporting Documentation***

- A listing of at least three (3) developments or programs for which the development team partners utilized and managed government funding. Include the type of funding, duration of funding, role of the partners, and performance outcomes.

HomeFirst reserves the right to turn down funding to a development if prior experience with the applicant entities was unfavorable.

**Supportive Services**

1. Developer/Applicant has experience and expertise to carry out the service delivery at the development as proposed
  - Provide listing of at least three (3) development/programs for which the developer coordinates and delivers services including number of units, population served, types of services, funding sources, duration of funding and performance outcomes
2. Evidence of a plan to coordinate services available to the residents for the full term of the PSH Pipeline Program.
3. Property Management entity's prior experience in financing, owning and/or operating Supportive Housing and working with homeless individuals and support service providers
  - Provide detail on three (3) developments under management to demonstrate expertise. Development details should include population served, income mix and special needs populations, and types of services provided.
  - Provide proposed tenant selection plan or operating plan (including tenant selection criteria) for proposed property and a sample tenant selection plan for a current property under management.
  - Describe the Developer's and Property Management team's specific experience in this area

***Required Supporting Documentation***

- A Service Coordination Plan describing the way in which the applicant will coordinate services available to the residents for the full term of the PSH Pipeline Program
- Detailed information about 3 developments that demonstrate expertise and experience in financing, owning, and/or operating Supportive Housing and/or working with individuals experiencing homelessness and support service providers, including the developer and property management team's specific expertise in this

area (**Complete chart on Tab 6**).

- A tenant selection plan or operating plan (including tenant selection criteria) for the proposed property, and a sample tenant selection plan for a current property under management. Plan must include a description of how Applicant/Property owner will satisfy utility requirement for PSH units.

## **Location Information**

1. Evidence of review of requirements of the City of Atlanta SHO Ordinance.

### ***Include the following information on Tab 7 – Development Detail***

- Explain how site location and development plan meets the SHO Ordinance
- If the site location and development plan does not meet the requirements of the SHO Ordinance, applicant shall present information on strategies to bring the proposed site location into conformance.

2. Evidence of Site Control and Zoning

### ***Required Supporting Documentation***

- Provide copies of fee simple ownership, purchase contract, option agreement or other documentation of site control
- Indicate the current zoning on the site permits the proposed development plan, and if a zoning change is needed, indicate the type of change, and current status of zoning change request.

3. Evidence of access to amenities and services

### ***Include the following information on Tab 7 – Development Detail***

- Provide listing of convenient access to amenities including distances and access to local transit.
- Proximity to medical facilities appropriate for PSH
- Proximity to grocery store(s), pharmacies, and other shopping
- Proximity to employment and training opportunities
- Designed to Affirmatively Further Fair Housing.

4. Strategies for community engagement and support for the development, and any progress on the plan

### ***Required Supporting Documentation***

- Outline the development team's plan for community engagement and support
- Provide any information on current efforts to implement a community engagement strategy

5. (Bonus Points) Development sites that create opportunity to expand availability of PSH units by five (5) units or more in geographically diverse communities and

communities that do not currently include PSH housing

**Required Supporting Documentation**

- Provide evidence of the available PSH within the Neighborhood Planning Unit (NPU).

**Development Information**

1. A defined scope of work including preliminary design plans and site plans.
2. Development description relevant to: **(include on Tab 8)**
  - Unit mix: PSH, affordable, unit size,
  - Income targeting
3. Commitment to Coordinated Entry System Participation
4. Energy efficiency / sustainable practices **(include on Tab 7)**
5. Meets accessibility requirements
6. Site control documentation **(see above)**
7. Detailed cost estimates **(include on Tabs 9 and 11)**

**Third Party Reports**

1. Appraisal
2. Phase I Environmental report (Phase II if needed)
3. Property Condition Report (rehabilitation only)
4. Market Study
5. Survey

**Financial Analysis**

1. Demonstration that the development is feasible in terms of cost, sources and uses, and financial thresholds.
  - Complete application information for Unit Mix & Income, Operating Expenses, Capital Sources & Uses, Operating Pro-forma
2. Evidence of leveraging of capital, service and operating resources to fully fund the development of PSH units.
3. Construction Cost per unit and Total Cost per unit relative to similar properties in the marketplace.
4. Proforma operating income and expense reasonableness; debt coverage above 1.20