



Notice of Funding Availability

Release Date: November 14, 2024

HOMEOWNERSHIP DEVELOPMENT PROGRAM (HDP)

Registration Deadline: December 5 2024, 4:30 p.m. Alaska Local Time

Application Deadline: February 7, 2025, 4:30 p.m. Alaska Local Time

For more information, contact:
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Attachments

(Available after registration)

Attachment A.	AHFC Standard Provisions
Attachment B.	Reporting and General Provisions
Attachment C.	Financial Provisions
Attachment D.	Homeownership Development Analysis Workbook
Attachment E.	Homeownership Development Program Application Form
Attachment F.	Applicant Certifications
Attachment G.	Homeownership Development Program Policy and Procedure Manual
Attachment H.	Sample Forms: “Evidence of Other Sources of Funds” & “Resolution from Applicant(s) Governing Body”
Attachment I.	Universal Design Tiers
Attachment J.	AHFC Grant Management requirements (15 AAC 154.700-254.835)
Attachment K.	Chapter 36.25. Contractor’s Bonds
Attachment L.	Homeownership Development Program Loan Processing Guide
Attachment M.	URA Acquisition compliance checklist
Attachment N.	Diverse Use – not applicable and not included
Attachment O.	Household Income Limits
Attachment P.	Purchase Price Limits

APPLICATION INSTRUCTIONS & EVALUATION

A. General Information

1. Purpose and General Provisions

Under this Notice of Funding Availability (NOFA), Alaska Housing Finance Corporation (AHFC) provides grants to successful respondents who will construct housing, in accordance with requirements established at 24 CFR Part 92 (HOME Investment Partnerships Program [HOME]) and the Homeownership Development Program (HDP) Policies and Procedures outlined and referenced in this NOFA.

The purpose of AHFC's HDP is to expand the supply of decent, safe and sanitary, housing with improved or new affordability for lower-income persons and families.

Assistance provided by AHFC for this purpose will be provided through conditional grants. **AHFC HOME funds may not be used within the Municipality of Anchorage (MOA).** The Municipality of Anchorage receives separate HOME program funds and administers those funds in accordance with its own administrative plan.

The amount of funding received under the Homeownership Development Program (HDP) may not exceed the amount necessary, as determined by AHFC, to result in a financially feasible development ("subsidy layering review"). Factors to be considered in determining the amount of "necessary" HDP funds include commitments from other funding sources, and any available loan program funds which could reasonably be expected to support the project based on anticipated revenue and expenses. AHFC reserves the right to adjust the applicant's anticipated sources and uses based on an underwriting review completed by AHFC.

Applying for the HDP is a sequential 2-step process. Applicants must (1) register for the online application system and (2) submit an application using the online application system. This notice contains requirements and deadlines for steps (1) and (2). Applicants will NOT be eligible to apply for HDP funding unless they first register under step (1).

Step (1): Registration Request is due by 4:30 p.m. (Alaska local time) on December 5, 2024. All Applicants must submit a Registration Request including the information in the following table by this deadline. This information is used to generate the applicant's user account. Registration Requests are to be sent to the AHFC at: rmattingly@ahfc.us.

Name of Applicant Entity: <input type="text"/>	User Name (person who will be using the online application system): <input type="text"/>
Address: <input type="text"/>	User Phone Number: <input type="text"/>
City, State, Zip: <input type="text"/>	User Email Address: <input type="text"/>
Phone Number: <input type="text"/>	Name(s) and Location(s) of Project(s): <input type="text"/>
Email Address: <input type="text"/>	

Step (2): Completed Applications must be submitted through the online application system by 4:30 p.m. (Alaska local time) on February 7, 2025.

If you have any questions regarding this NOFA package, including Application Instructions or Program Requirements, please call Regan Mattingly, Development Program Lead at (907) 330-8235, or email rmattingly@ahfc.us.

2. Funding Available, Funding Limitations and Eligible Uses

For SFY 2025, AHFC has allocated **\$800,000.00** of HUD HOME Investment Partnerships Program funding for the Homeownership Development Program (HDP).

\$800,000 will be made available to applicants who are proposing homeownership developments located outside of Anchorage. Applicants may submit multiple proposals; however, each proposal is limited to request no more than \$266,000.

The maximum per-unit HOME subsidy limit for homeownership developments is the lesser of the HUD Per-unit subsidy limit listed below or the current HOME Homeownership Value limit (see attachment M). Land acquisition, development hard costs, some site and infrastructure costs, and minimal soft costs are eligible costs. Refer to part B.2. of the HDP Policy and Procedure Manual (Attachment G) for a list of eligible soft costs. HDP soft costs may not exceed 10% of the HDP funded hard costs.

The 2024 HOME maximum per-unit subsidy limits (effective 2/13/2024) for Alaska are:

0-bedroom \$181,488
1-bedroom \$208,048
2-bedroom \$252,993
3-bedroom \$327,292
4+-bedroom \$359,263

The purchase price of the assisted units may not exceed the purchase price the current HOME Homeownership Value limit, the 2024 limits are provided in Attachment M.

HDP projects will likely produce HOME program income. Instruction regarding how program income is to be handled will be provided in a successful applicant's grant agreement.

3. Project Cost Limitations

The following project cost limitations shall apply in determining a project's HDP eligibility and the resulting amount of HDP funds that may be awarded. These cost limits shall not be exceeded unless substantive evidence is supplied to AHFC by the applicant to justify higher cost limitations.

Contractor Fee/ Overhead	General Requirements	Maximum Contingency	Developer/ Administrative Costs
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10% of construction costs subtotal	10% of construction costs subtotal	5% of construction costs subtotal	15% of total project costs
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4. Eligible Applicants

Eligible Applicants include for-profit organizations, non-profit organizations, local governments, or Regional Housing Authorities.

Use of HOME funds by Religious Organizations: Organizations that are religious or faith-based are eligible, on the same basis as any other organization, to apply for HOME funds. Organizations that receive HOME funding may not engage in inherently religious activities, such as worship, religious instruction or proselytization, with HOME grant/loan funds. An organization that participates in the HOME program shall not, in providing program assistance, discriminate against a program beneficiary on the basis of religious belief. HOME funds may not be used for the acquisition, construction, or rehabilitation of structures used for inherently religious activities. All HOME funds provided to faith-based organization must be used in accordance with HUD regulations 24 CFR 92.257.

5. Eligible Projects

HDP funding may be used for real property acquisition, site improvements, and construction of permanent, single-family housing; housing must be non-luxury with suitable amenities.

6. Application Deadline and Submission Format

Applications must be submitted through AHFC's online system no later than the application deadline. Applications may NOT be submitted via telefax, e-mail, or hard copy. The official time for application submittal will be documented in the on-line application software. Only applications that have been submitted by the deadline will be considered for funding.

Note: In the online application system, applicants can save their progress prior to submitting their applications through the system. **An application is not "submitted" until the applicant clicks the "submit" button in the online application system and the submission is accepted by the system.** AHFC will only consider applications from applicants that have submitted their applications through the online system. If an applicant has saved work in the system prior to the application deadline, but does not "submit" their application through the system, AHFC will neither consider the application for funding nor evaluate any materials the applicant has saved in the online system.

In the event the online application system is unavailable for an extended period of time on the day of the application deadline, AHFC reserves the right to extend the deadline for online submissions up to one full business day following the restoration of system access.

Please note: except as provided below, the definition of "an extended period of time" in the preceding paragraph will be left to AHFC's sole discretion based on the facts and circumstances surrounding the system access complications, if any, which arise on the day of the application deadline.

If the online application system is unavailable due to technical complications within 1 hour of the application deadline, AHFC will automatically extend the application deadline for one full business day following confirmation that the system access has been restored.

7. Proposal Costs

All costs of responding to this NOFA are the responsibility of the applicant.

8. Acceptance of Terms

By submitting an application, the applicant accepts all terms, conditions and requirements of this NOFA, those contained in AHFC regulations, HUD regulations as they relate to the HOME program and are bound by the HDP Policies and Procedures in Attachment G of this NOFA. The applicant's proposal will become part of the grant in the event the applicant is awarded program funds. The applicant will be bound by what is in the proposal, unless otherwise approved in writing by AHFC.

Omission within this NOFA package of provisions found in Federal and State regulations or terms and conditions of AHFC's grant or loan agreement does not nullify or in any way relieve the applicant or AHFC of responsibility for complying with all applicable Federal and/or State Program requirements.

Proposals and other materials submitted in response to this NOFA become the property of AHFC and may be returned only at AHFC's discretion. Applications are public documents and may be inspected or copied by anyone after a Notice of Intent to Award Funds has been issued by AHFC. Financial statements included in the application may be considered public information unless a specific written request to restrict distribution is made by the applicant.

9. Misstatements

If AHFC determines that an applicant for, or recipient of, HDP funds has made a material misstatement relating to the recipient's application for, or administration of, a grant and/or loan, AHFC will, at its discretion, remove the application from any further funding consideration, or in the event that HOME funds have already been received, require the recipient to repay the funds to AHFC, together with accrued interest on the amount of the funds received calculated at the highest rate allowed by law from the initial date of funds disbursement by AHFC.

10. Minimum Required Inspection Standards

Housing that is constructed or rehabilitated with AHFC sponsored or administered funds must meet the requirements set forth in the AHFC New Construction Inspection Guidelines, as evidenced through completion of the AHFC Form PUR-101 (Energy Code Compliance) and either completion of the AHFC Form-102 (Construction Code Compliance) or issuance of a Certificate of Occupancy by an AHFC Approved Municipality.

At the time of NOFA release, AHFC Approved Municipalities are listed at: <https://www.ahfc.us/pros/builders/approved-municipalities/>

11. Project Design Requirements

All homes must also meet the following criteria:

- a) No T1-11, board and batten, or similar type of wood siding may be used on any exterior wall surfaces.
- b) Achieve, at minimum, a 5 Star BEES AKWarm© Energy Rating.

12. Construction Signage

If, during project construction, any signage is erected on the construction site or affixed to any structures on the site referencing project financing, that signage should bear the AHFC logo. AHFC's logo is available upon request in electronic format.

13. Project Commencement and Completion Deadlines & Requirements

Applicants that are awarded HDP funds must submit all Environmental Review Record (ERR) documentation to AHFC within sixty (60) days of AHFC's issuance of the HDP Notice of Intent to Award. AHFC will review the ERR and inform the applicant of any issues that are preventing the approval of the ERR; applicants have fifteen (15) days to resolve these issues.

AHFC may terminate a grant in which no funds have been disbursed within twelve (12) months of the commencement of the performance period.

Anticipated Program Schedule	
Registration Deadline	4:30 P.M. on December 5, 2024
Application Deadline	4:30 P.M. on February 7, 2025
Estimated Date of AHFC Issuance of the Notice of Intent to Award	February 21, 2025
Applicant Submission of Environmental Review Record (ERR) to AHFC	Sixty (60) days from the date the issuance of the HDP Notice of Intent to Award
Estimated Grant Execution Date	April 2025, dependent on Completion of the Environmental Review Process
Estimated Grant Performance Period	Date of award through March 31, 2027
Project Completion – Grant Close Out	May 2027

B. Application Threshold (T) Criteria Review

Each application proposal will be subject to a Threshold Criteria review. An application which, in AHFC's sole opinion, has not met the required Threshold Criteria identified in this section and submitted all threshold items, will be considered non-responsible, and may NOT be considered further in this Notice of Funding Availability cycle. AHFC reserves the right to request technical corrections to the application.

For all applications, the Threshold Criteria include T-#1 through T-#20.

T-#1: Application submitted on AHFC Application Form (Attachment E) prior to the application deadline. It has to be signed, completed in its entirety, including all applicable sections and attachments, and sent to AHFC through the online application system.

T-#2: Resolution of the applicant's governing body authorizing the request for HDP funds.

T-#3: Evidence of legal organizational status, i.e., non-profit designation letter from the Internal Revenue Service (non-profits and municipalities), authorizing legislation, Certificate of Incorporation issued by the Department of Commerce (for-profit corporations), partnership agreement (if available - partnerships).

The applicant must also provide evidence of their AHFC Community Housing Development Organization (CHDO Certificate/Annual Recertification Letter), USDA 523 Program Participant, Community Land Trust, or Habitat for Humanity Affiliate status.

T-#4: Evidence that the applicant has site control. Site control must be maintained for a period of at least five months after the application deadline. Site control must be maintained at least through May 24, 2025, or, until the projected date upon which the environmental review, including all required public comment periods, is completed, whichever is later. The site control agreement may condition site control to the award of HDP funding; however, this condition may not terminate the site control agreement until at least May 24, 2025.

The site control agreement must stipulate that the purchase of the property is subject to a determination by AHFC on the desirability of the property for the project as a result of the completion of an environmental review in accordance with regulations found at 24 CFR Part 58. Any site control agreement must also disclose the estimated fair market value of the property, the basis of the estimated value, and disclose that the sale is voluntary and not related to eminent domain.

Required Evidence of Site Control:

- a) Current deed (warranty deed, quitclaim deed, etc.) evidencing current title to the site;
or
- b) An executed earnest money agreement or option to purchase, or other similar legally binding document meeting the site control requirements of the above paragraph; **or**
- c) Executed lease that extends for at least 99 years (50 years for leases located on trust or restricted Indian lands) beyond the start of the expected compliance period for this project.

Alternative Site Control Evidence:

In lieu of binding site control noted in (a), (b), or (c) of Section T-#4, the evidence that there is an adequate supply of lots suitable for affordable homeownership development may be accepted. However, applications without the binding site control still will be considered for funding if, and only if, no other responsible applications demonstrated the binding site control, or if HDP 2025 funds are still available after the awards are secured for the applications with the binding site control, as noted in (a), (b), or (c) above.

If providing evidence that there is an adequate supply of lots that are suitable for affordable homeownership development, the lot(s) purchased must be able to meet the environmental review standards under 24 CFR Part 58 before any housing construction activities begin.

T-#5: Uniform Relocation Assistance and Real Property Acquisition Policy compliance.

Evidence that the applicant has complied with the acquisition requirements at 49 CFR 24, the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA), as amended, see Attachment M. The acquisition of land that will result in the displacement of any person(s) or business is not eligible for HDP. HDP acquisitions must be “voluntary”, as defined at 49 CFR 24.101(b)(1)-(5), and the applicant must comply with the seller notification requirements at 49 CFR 24.101(b)(2).

T-#6: Purchase Option or Purchase Agreement at the time of Application. Applicants that have a purchase option or purchase agreement at the time of application must submit the URA Acquisition Compliance Checklist (Attachment M) and the necessary support documentation. In addition, applicants that have a purchase option or purchase agreement at the time of application must submit a copy of the Voluntary Sales Disclosure and evidence of delivery/receipt OR an executed purchase offer that includes all of the pertinent voluntary sales disclosure clauses.

Subject to the provisions outlined in T-#4, HDP funds may be conditionally awarded to successful applicants that do not have a purchase option or purchase agreement at the time of application; only after successful compliance with this part will a grant agreement be executed.

T-#7: Justification of Purchase Price. Applicants must provide AHFC with a written justification for any purchase price in excess of the estimated fair market value. Applicants must also provide AHFC with an appraisal or a Broker’s Opinion of Value for the land to be purchased with HDP funds.

T-#8: Development Feasibility. Feasibility of the project’s development will be assessed based on the extent to which the application materials support the project’s development numbers provided in the HDP Analysis Workbook (Attachment D) and if there is an adequate supply of viable and available land. The key points, that AHFC will look for in the application materials to make this assessment, will include:

- a) The degree to which development cost estimates are reasonable and are supported by a credible third-party bid(s) and/or estimate(s). Examples include bids and/or cost estimates supplied by an architect; appraiser; a Broker’s Opinion of Value; development costs of a recent, similarly completed project; materials supplier, etc.
- b) The degree to which all funding sources are confirmed and/or substantiated by written documentation provided by the funding entity. In assessing this item, AHFC will consider the following, listed in the order of priority:
 - (1) Whether written lending/funding commitments have been provided;

- (2) Whether letters of interest from other proposed funding sources have been provided.
- c) The project schedule and written development narrative demonstrate the applicant's understanding of housing development concepts, and presents reasonable assurances that the project will commence and be successfully completed within the required time frame (refer to Section A. 14).
 - d) Evidence that the sales price of the home(s) to be developed will not exceed the HOME/HDP purchase limits that are identified in Attachment M. An applicant may demonstrate this with an appraisal, an Opinion of Value, etc. See: <https://www.hudexchange.info/resource/2312/home-maximum-purchase-price-after-rehab-value/>
 - e) If site control has not been secured to the degree in which there is an adequate supply of viable and available land, applicants must submit a **Land Inventory Chart** included in the HDP Application Form.
 - f) The application must establish compliance with HDP eligibility requirements for funding.

T-#9: Acceptable Community support for the project must be evidenced by a minimum of two written letters of support from the local government, community council(s), etc.

T-#10: Drafts of available house schematics or plans of proposed project.

T-#11: A resale or a recapture option must be chosen by applicants for the project. Applicants that are operating under a community land trust model must choose the resale option. All resale and recapture provisions must be in accordance with 24 CFR Part 92.254.

Applicants that intend to implement the resale option must pass this threshold item review and receive AHFC approval. HDP projects that do not receive AHFC approval to implement the resale option may be required to implement the recapture option. Refer to Attachment G, HDP Policies and Procedures, B, (15), for a detailed explanation of resale and recapture provisions.

If the resale option is chosen, the applicant must demonstrate the following to AHFC (T-#11 a, b, c):

- a) Home prices in the community are rapidly increasing or the community is considered a "high cost area". For this purpose, "high cost area" is defined as an area in which HOME purchase limits exceed \$400,000 (refer to Attachment M for purchase limits);
- b) The applicant has the necessary experience, capacity and qualifications needed to execute and service resale agreements for the term of the agreements; and
- c) The applicant has the experience and capability to income qualify future homeowners.

In addition, applicants that choose the resale option must address how the organization will meet these restrictions (T-#11 d, e, f, g) under Section IV of the Application Form (Attachment E):

- d) The new purchaser must be low-income, meet the HOME program definition, and occupy the property as the family's principal residence. If the homebuyer does not remain an owner-occupant of the property, the entire portion of the HOME assistance will be returned to AHFC with thirty days of move-out.
- e) The sales price must be affordable to the new purchaser. A sale is affordable when no more than 32 percent of the new purchaser's income is used to pay the fixed costs of owning a home (that is, loan payments of principal and interest, taxes and insurance, generally called PITI), or all housing expenses (including PITI, land lease or dues, utility expenses and a reasonable maintenance reserve) do not exceed 40 percent of the new purchaser's income. Another program-wide definition of an affordable sale may be proposed in writing by the applicant and considered for approval by AHFC.

The current HUD income limits for households at or below 80% of the median income by family size can be found at:

<https://www.hudexchange.info/manage-a-program/home-income-limits/>

- f) The original homebuyer, now the home seller, must receive a fair return on his or her investment. Fair return must be at least the amount of the homebuyer's initial investment in the purchase, but may also include, for example, part of all or any appreciation that might accrue. The definition of fair return and the proposed resale formula must be approved by AHFC in advance, and may be based on a definition proposed by the applicant at the sole discretion of AHFC. The resale formula may allow the homeowner to realize a maximum of 50 percent of the home's (market) appreciation. Increased home value due to the homeowner's capital investment in the home may be retained in full by the homeowner. The remaining (market) appreciation (at least 50 percent) must be factored into the resale formula to reduce the home's subsequent sales price, making the home increasingly more affordable over the 99 year lease period.
- g) Deed restrictions, land covenants or other similar legal mechanism must be used to enforce these resale restrictions.

Note: A presumption of affordability can be made if there is specific evidence that the neighborhood is affordable and that, therefore, any sale within that neighborhood will be affordable. However, in order to presume affordability additional documentation must be provided. Please contact the HOME Program Manager if you have questions regarding this provision.

Applicants that choose the resale option must describe how the organization will determine and calculate (T-#11 h) the direct homebuyer subsidy under Section IV of the Application Form (Attachment E).

- h) The direct homebuyer subsidy consists of any financial assistance that reduces the purchase price from fair market value to an affordable price, or otherwise directly subsidizes the purchase (e.g., down payment or closing cost assistance, subordinate financing). HOME Opportunity Program (HOP) funds used in conjunction with HDP funds, must be included in the calculation.
- i) The leasehold interest will not discriminate amongst potential leaseholders on the basis of race, color, national origin, religion, sex, handicap or familial status.

T-#12: “Responsible Bidder”

AHFC will make a determination that the applicant is a “responsible bidder” based on AHFC’s past experience with the applicant and sponsor of the proposed project in compliance during the development or operation phases of a project. A determination by AHFC that the applicant is “non-responsible bidder” (defined in the Definitions Section of this document) may result in actions ranging from a reduction of application points to the rejection of the application for the current funding cycle.

T-#13: Affirmative Marketing Plan

All applicants shall adopt affirmative marketing procedures and policies, in accordance with the HDP Policies and Procedures (Attachment G), using HUD Form-935.2.

T-#14: Financial Statement. A determination that, for the most recent fiscal year, that the organization’s complete audited financial statement and related management letters do not report any finding(s) that, in AHFC’s opinion, impede the applicant’s ability to effectively administer the HDP. If the organization’s audit is more than six months old, the applicant may submit a financial statement that has not been audited and their previous audited financial statement. Applications must contain audited financial statements, including all management letters related to the financial statements for the applicant’s most recent fiscal year. AHFC reserves the right, but not obligation, to evaluate unaudited financial statements to assess T-#14 if, and only if, audited financial statements are unavailable for the applicant entity.

T-#15: NMLS Loan Originator: Evidence that applicant’s agency and the applicant’s HDP loan originator is authorized to conduct mortgage business in Alaska; the applicant must submit printouts from the Nationwide Mortgage Licensing System & Registry (<http://nmlsconsumeraccess.org/>) verifying compliance with this part.

AHFC may grant a conditional award if the applicant adequately demonstrates that the applicant’s agency can meet this requirement by February 21, 2025. *Please contact the HOME Program Manager if you have questions regarding this provision. An applicant may also request to partner with an AHFC contracted entity in order to meet this requirement.*

T-#16: Homebuyer Counseling Requirement. Applicants must agree to provide or coordinate homebuyer counseling for each household to meet the HUD Homebuyer Counseling requirement from 24 CFR 92.254. A homebuyer counseling program must comply with HUD’s requirements as specified in 24 CFR 5.100 & 5.111, and 24 CFR 214.

An applicant that is not able to ensure that the Homebuyer Counseling requirement will be met due to the remote location of the project site may make an appeal to waive this requirement. However, the applicant must describe how homebuyers will be adequately prepared for the ongoing financial responsibilities and realities of homeownership.

T-#17: Organizational Capacity and Experience. Applicants must establish that sufficient capacity exists to construct housing, in accordance with requirements established at 24 CFR Part 92 HOME and the HDP Policies and Procedures outlined and referenced in this NOFA. The applicant must submit a detailed organizational resume that demonstrates that the adequate organizational capacity and experience exists to pass this threshold item. Proposals will not be invited forward into the full application process unless the following are demonstrated:

	Threshold Level
Development Experience	Within the past ten years, have a minimum of three years of successful development experience in administering Federal/State development projects for low-income populations. Two years of this experience must involve projects using HOME funds or projects of a nature sufficiently similar, in AHFC’s sole determination.
HOME Program Experience	Within the past five years, the applicant organization must have successful experience with: determining HOME household and property eligibility; administering, managing or overseeing a HOME project. Experience with programs sufficiently similar, in AHFC’s sole determination, may be substituted.
History Serving the Proposed Area and Population	Within the past five years, the applicant organization must have, at least one year history of serving the housing needs of residents located within the geographic area for which the applicant’s proposed project is located.

T-#18: Key Personnel Experience and Qualifications. Applicants must demonstrate that key personnel possess the experience and qualifications to implement and effectively administer HDP in accordance with requirements established in this NOFA. The applicant must submit an organizational chart that clearly identifies the organization’s staffing structure (lines of authority and responsibility) and indicate which key personnel (or positions if currently vacant) will be instrumental in the administration of the HDP. Key personnel must be employed by the applicant agency or contracted by the applicant to administer the grant. Applicants must submit resumes, not to exceed two pages per staff person, for all development, management, programmatic, and contracted staff identified in the organizational chart as playing a key role(s) in the applicant’s proposed HDP project. If the applicant will be contracting with an

entity or individual, the applicant must provide a copy of the contract. Resumes should indicate: the tenure and responsibility level of staff in their positions; any training, education, or certifications pertaining to housing services, Fair Housing law, working with low-income, disenfranchised, and disabled populations, and cultural competency skills.

The focus of this threshold item is the experience and qualifications of current personnel employed or contracted by the applicant that will be instrumental in executing the applicant's proposed HDP project. To pass this threshold item, the applicant must demonstrate the following:

T-#19: Need and Demand for the Project in the Local Area. Applicants must demonstrate that there is a need and demand for the project in the local area for the proposed type of housing in the subject's area. Documentation must support the need and demand for the type of units which are proposed, i.e., unit bedroom sizes, affordability, etc. Examples of indicators of need may include: affordable housing or similar homeownership program waitlists; number of similar projects in the area; number of similar properties located in the area; estimation of the number of income-eligible households; the number of comparable units currently on the market; the average sales price of comparable units on the market; the average number of days comparable units remain on the market. If helpful, AHFC has a number of Housing and Homelessness Data resources available to the public at <https://www.ahfc.us/pros/references/reports-statements-surveys/>.

T-#20: Supporting Application Materials. Failure to provide the supporting information below may not result in disqualification from funding consideration. However, its absence may significantly impact the points which the application will earn in the rating review process, and in certain cases, may impede or prevent AHFC from determining whether the applicant passes other threshold items.

- a) **Resumes of Key Development Participants** including:
 - (1) Applicant's Key Management Staff;
 - (2) Applicant's Corporate Principals (if applicable);
 - (3) General and Limited Partners;
 - (4) Developer, General Contractor, Architect, and Engineer(s)
- b) **Evidence of Acceptable Zoning**, or if not currently zoned appropriately, a statement regarding the applicant's plans and timing to obtain proper zoning (please provide this information in the **Land Inventory Chart** T-#8 [e]).
- c) All **Site Environmental Evidence** identified in Section VI of the Application Form. HDP projects, in which land has already been acquired for development, must complete this section. All required environmental review documentation does not have to be provided at the time of application. However, applicants that are awarded HDP funds will be required to submit all site environmental evidence within sixty (60) days following the AHFC issuance of the HDP Notice of Intent to Award. At AHFC's sole discretion, AHFC may rescind an HDP award if an applicant fails to provide all site

environmental evidence within this time frame. AHFC will consider a request for additional time on a case-by-case basis.

C. Evaluation and Objective Rating Criteria

All applications will undergo the Threshold Criteria Review described in Section B. Only the applications that pass minimum Thresholds will progress to the next level where they will be evaluated and ranked in accordance with the following Objective Rating Criteria:

Objective Rating Criteria Summary	Maximum Points
1. Organizational Capacity and Development Experience	60
2. Project Design	25
3. Population Growth Rate	15
4. Responsible Bidder 0 point to -10 points (ten penalty points)	N/A*
TOTAL POINTS POSSIBLE	100

1. Organizational Capacity and Development Experience – 70 Points Maximum

Points may be awarded to applicants that exceed the minimum **Organizational Capacity and Development Experience** requirements outlined in Threshold Item #17 as follows:

- a) 20 Points - for agency and staff experience within the past **ten** years, including a minimum of **three** years of *successful* development experience, in administering Federal/State development projects for low-income populations. Points will be awarded based on the overall capacity of the agency and its key staff.
- b) 30 Points – for the applicant organization and staff experience, within the past **ten** years, administering housing development programs. Rating factors to include aspects such as demonstrated adherence to building timelines and originally projected schedule, building quality, and the successful placement of homeowners in the properties at completion.
- c) 10 Points – for the specific agency and staff experience demonstrated with the HOME Program within the past **ten** years. Points will be available for general HOME Program experience but particular emphasis will be given by the review committee to HOME Program requirements applicable to Homeownership Development. These items include, but are not limited to, Fair Housing, Property Use Restrictions, and Income Qualification.

2. **Project Design – 25 Points Maximum.**

These points will be assessed based on the applicant's submission under Threshold Item #19

- a) Design – 20 Points. The extent to which the design of the homes will be appropriate for the future owners and for the climate in which they are built. i.e. are the proposed building materials well suited for a wet or arctic climate?
- b) Accessibility - 5 Points. Applications committing to include the development of at least one single story home that satisfies the Accessible Unit definition within this NOFA will earn five points.

3. **Population Growth – 15 Points Maximum**

Points for average annual population growth over the past three years will be determined by using the most recent State of Alaska Department of Labor and Workforce Development Population Estimates and Projections for Cities and Census Designated Places 2020 to 2023 <https://live.laborstats.alaska.gov/data-pages/alaska-population-estimates>:

Points will be awarded based on the average of three-year growth rates for communities with populations of 6,500 or more. In cases where the community population is less than 6,500, points awarded will be based on the lesser of (1) the average growth rate for the specific community and (2) the average three-year growth rate for the borough or census area associated with the community. In cases where the population for the borough or census area associated with the community is less than 6,500, eight (8) points will be awarded IF the average three-year growth rate for the community is above 0%.

Percentage Growth	Points
0% or less	0
Greater than 0%, but less than 0.25%	2
Greater than 0.25%, but less than 0.5%	4
Greater than 0.5%, but less than 0.75%	7
Greater than 0.75%, but less than 1.0%	10
Greater than 1.0%	15

4. **Responsible Bidder - 0 to -10 points**

AHFC reserves the right to reject an application or assess negative points to any grant application or request for funding from any applicant whom AHFC considers a “non-responsible bidder”. Non-responsible bidder is defined in the Definitions Section of this document.

Committee Review

Committee review will be done for all applications meeting minimum threshold requirements outlined in Section B if the total funds requested by these applications is greater than the total HDP funds available for SFY 2025. Committee Review and scoring may be bypassed if the former is less than the later. In the event committee review is not included in the application review process, development commitments will still be required.

D. Funding Considerations, Levels & Tie-Breaks

Each application received by AHFC will be reviewed by staff to determine whether the minimum application submission requirements have been satisfied by the applicant (Threshold Criteria Review described in Section B). If the applicant fails to submit required application items by the deadline established by AHFC, the application may be denied any further review or consideration. Applications that pass the Threshold Criteria Review will be evaluated and ranked according to the Objective Rating Criteria described in Section C. AHFC's CEO may use considerations other than the point ranking to make the final funding awards. These considerations are:

1. Minimum levels of funding necessary, in AHFC's opinion, to result in a financially feasible project;
2. The maximum legal and AHFC annual programmatic funding limits;
3. Distribution of HDP funds in such a manner to maximize the number of financially feasible projects which receive funding, even though this may result in the award of funds outside of actual application rankings established by the rating process.
4. Increasing the spread of projects by geographic location.
5. AHFC may award an amount that differs from the amount requested to: avoid over subsidizing, maximize the leverage of all HDP program resources, and satisfy the requirements of award review assumptions made by AHFC in the feasibility review.

Tie Break Provision: In the event of a tie in scoring, the tie will be broken in favor of the proposal located in the community with the largest growth rate in population over the last three years. The data used to assess the population growth rates for the respective community(ies) will be taken from the State of Alaska's Department of Labor and Workforce Development's Population Estimates for Cities and Census Designated Places, available online at <http://live.laborstats.alaska.gov/pop/index.cfm>. An applicant may have the right to appeal this decision under 15 AAC 150.220.

E. Definitions Section

“accessible unit” – a unit or property that is in compliance with the design requirements under the Fair Housing Act Amendments of 1989; an “accessible unit” meets the Uniform Federal Accessibility Standards (UFAS) for the egress into a unit and the ability of a person in a wheelchair to maneuver within the unit.

“community land trust”- A community land trust (CLT) is a private non-profit community organization that has among its purposes the provision to safeguard land in order to provide affordable housing opportunities. CLTs buy and hold land permanently, preventing market factors from causing prices to rise. CLTs build and sell affordably-priced homes to families with limited incomes; the CLT keeps the price of homes affordable by separating the price of the house from the cost of the land. When a family decides to sell a CLT home, the home is resold at an affordable price to another homebuyer with a limited income.

“direct homebuyer subsidy” – consists of any financial assistance that reduces the purchase price from fair market value to an affordable price, or otherwise directly subsidizes the purchase by the homebuyer (e.g., down payment or closing cost assistance, subordinate financing).

“non-responsible bidder” – an applicant who has failed to perform or is partnered with a person or organization who has failed to perform any previous grant or contract with AHFC; who has previously failed to perform properly or to complete on time contracts of a similar nature; who qualifies or changes terms and conditions of the Notice of Funding Availability (NOFA), applicable restrictive covenants or loans in such a manner that is not responsible to the purpose sought by AHFC in issuing the NOFA, covenants or loans; who submits an application that contains faulty specifications or insufficient information that, in the opinion of AHFC, makes an application non-responsible to the NOFA; who submits a late application; who has not signed the application; who is not in a position to perform the work proposed in the application; who habitually and without just cause neglected the payment of bills or otherwise disregarded its obligations to subcontractors, material suppliers, or employees; who has shown a consistent practice of non-compliance with State and Federal rules that govern housing development programs; who has unpaid taxes due to the State of Alaska or the U.S. government; where there is a conflict of interest with the applicant and board member or employee of AHFC; or when AHFC determines that the application is not in AHFC’s best interest.

“Rural Community” - is defined as a community with a population of 6,500 or less that is not connected by road or rail to Anchorage or Fairbanks; or a community with a population of 1,600 or less that is connected by road or rail to Anchorage or Fairbanks and at least fifty (50) statute miles outside of Anchorage or twenty-five (25) statute miles outside of Fairbanks. In this definition, connected by road does not include a connection by the Alaska Marine Highway system.