

RESOLUTION 2015-009
OF THE COUNCIL OF THE CITY OF FORT COLLINS
ADOPTING A REVISED COMPETITIVE PROCESS FOR THE ALLOCATION OF
CITY FINANCIAL RESOURCES TO AFFORDABLE HOUSING PROGRAMS/PROJECTS
AND OTHER COMMUNITY DEVELOPMENT ACTIVITIES

WHEREAS, on January 18, 2000, the City Council adopted Resolution 2000-013, establishing a competitive process for allocating funds from the federal Community Development Block Grant and HOME programs, as well as City Affordable Housing funds (the "Competitive Process"); and

WHEREAS, the Competitive Process established two funding cycles, with CDBG funds allocated in the spring and HOME and Affordable Housing funds allocated in the fall; and

WHEREAS, having two funding cycles is not consistent with current program requirements of the federal Department of Housing and Urban Development (HUD); and

WHEREAS, splitting the two sources of funding into two application cycles has also made it difficult for eligible recipients to align their projects with the most appropriate funding sources; and

WHEREAS, City staff has therefore recommended that the Competitive Process be changed to include only one funding cycle in the spring, with the fall funding cycle being optional and used only when funds are available that were not allocated in the spring or were returned to the City; and

WHEREAS, the Competitive Process also included application forms that agencies use to apply for funding and ranking criteria used to score funding applications; and

WHEREAS, over time the application forms and criteria have been updated, and applications are now made online; and

WHEREAS, the City Council wishes to authorize the City Manager to approve future changes to the application forms or method and ranking criteria; and

WHEREAS, both the Affordable Housing Board and the CDBG Commission recommend that the Council adopt a revised funding process that would move all available funding into a spring funding cycle while retaining an optional fall cycle; and

WHEREAS, a copy of the proposed revised and updated Competitive Process is attached as Exhibit "A" and incorporated herein by reference (the "Revised Process"); and

WHEREAS, the Council has determined that the Revised Process should be adopted.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF FORT COLLINS as follows:

Section 1. That the revised competitive process for the allocation of City financial resources to affordable housing programs/projects and other community development activities, including, without limitation, the competitive process, funding cycles, funding cycle schedules and funding review criteria, all as shown in Exhibit "A", is hereby adopted.

Section 2. That the City Manager is hereby authorized to administratively approve future changes to the application forms or method of application and funding review criteria as necessary or appropriate to comply with regulatory changes or improve the funding process.

Passed and adopted at a regular meeting of the Council of the City of Fort Collins this 20th day of January, A.D. 2015.


Mayor

ATTEST:


City Clerk



Exhibit "A"

Competitive Process

Presented below is a description of the Competitive Process for making allocations of funding from the Federal Community Development Block Grant (CDBG) and HOME Programs, and the City's Human Service Program (HSP), Keeping Fort Collins Great (KFCG) and Affordable Housing Fund. The description discusses the roles of the Affordable Housing Board and CDBG Commission. The Competitive Process also includes the following:

1. There will be two separate application forms: one for Human Service applications and one for Housing/Public Facility applications.
2. Applications are currently submitted on-line through ZoomGrants.
3. There will be a single set of Review Criteria used to evaluate human service applications.
4. There will be a single set of criteria used to evaluate Housing/Public Facility applications.
5. Housing Review criteria incorporate current City policies, guidelines and priorities outlined in the following documents:
 - a. Consolidated Housing & Community Development Plan
 - b. Affordable Housing Strategic Plan

Role of the Affordable Housing Board

The Affordable Housing Board reviews all affordable housing applications and provides a priority ranking of all proposals to the CDBG Commission.

Role of the CDBG Commission

The CDBG Commission makes the final recommendations for funding for all funds, including CDBG, HOME, Human Services Program, and the Affordable Housing Fund. HOME funds (by federal regulations) and Affordable Housing Fund dollars are restricted to affordable housing projects and programs. The majority, (65%) of CDBG funds are earmarked to support affordable housing, but also offer wider potentials for usage including: public facilities, and economic development. Up to 15% can be allocated to public service projects and programs.

Funding Cycles

There will be a minimum of one funding cycle. All available funds, CDBG, HOME, AHF, HSP and KFCG will be available for allocation in a spring cycle. An optional fall cycle will be implemented when there is approximately \$500,000 or more in funds available for allocation and/or there is a critical timeliness need on the part of the City or a housing provider.

Competitive Process Calendar

Month	Event
January	Applications available on ZoomGrants
February	Applicant Training - Optional
February	Technical Assistance - Optional
February	Applications due
March	Applications available to AHB/CDBG Commission
March	Presentations by Applicants
March	Presentations by Applicants / Priority Rankings presented by AHB
April - May	Deliberations
May - June	City Council Votes on Recommendations

Optional Fall Process

June	Determine need for a Fall Process
July	Applications available on ZoomGrants
August	Technical Assistance - Optional
August	Applications due
September	Applications available to AHB/CDBG Commission
September	Presentations by Applicants and Priority Rankings presented by AHB
October	Deliberations
November	City Council Votes on Recommendations

Review Criteria for Non-Housing Projects

The ranking criteria are divided into five major categories. Each category is given a total number of points that has been weighed according to its importance with respect to local and federal priorities.

Impact/Benefit (maximum 30 points)

1. Primarily targets low income persons? (0-10) _____
 (all persons 0-30% of AMI = 10 pts; at least half of the persons at or below 30% of AMI and the remaining persons at 31-50% of AMI = 8 pts; at least half of the persons at 31-50% of AMI and at least half of the persons at 51-60% of AMI = 6 pts; all persons between 61-80% of AMI = 4 pts)
2. Project produces adequate community benefit related to cost? (0-5) _____
 Does the project provide assistance for persons to gain self-sufficiency or maintain independence,
3. or serve a special population? (0-5) _____
4. Does the project provide long-term benefit or affordability? (0-10) _____
 (1-10 yrs = 3 pts, 11-19 yrs = 6 pts, 20 - 30 yrs = 8 pts, permanent = 10 pts)

Sub-total _____ 0

Need/Priority (maximum 15 points)

1. Meets a Consolidated Plan priority? (0-10) _____
2. Has the applicant documented a need for this project? (0-5) _____

Sub-total _____ 0

Feasibility (maximum 15 points)

1. The project will be completed within the required time period? (0-3) _____
2. Project budget is justified? (Costs are documented and reasonable.) (0-4) _____
3. The level of public subsidy is needed? (Private funds are not available.) (0-4) _____
4. Has the applicant documented efforts to secure other funding? (0-4) _____

Sub-total _____ 0

Leveraging Resources (maximum 20 points)

1. Does the project allow the reuse of our funding? (0-10) _____
 A. Principal and interest (30 - year amortization or less) 10 points
 B. Principal and no interest or principal and balloon payment (repayment) 6 points
 C. Due-on-sale loan 4 points
 D. Grant (no repayment) 2 points
2. Project leverages other financial resources? (Including in-kind) (0-10) _____
 A. Less than 1:1 0 points
 B. 1:1 to 1:3 4 points
 C. 1:4 to 1:6 7 points
 D. More than 1:7 10 points

Sub-total _____ 0

Capacity and History (maximum 20 points)

1. Applicant has the capacity to undertake the proposed project? (0-10) _____
2. If previously funded, has the applicant completed prior projects and maintained regulatory compliance? (0-10) _____
3. If new, applicant has capacity to maintain regulatory compliance? (0-20) _____

Sub-total _____ 0

GRAND TOTAL _____ 0

COMPETITIVE PROCESS SELECTION CRITERIA GUIDANCE CHART - Housing

Project ID:							
Primary Applicant:							
Secondary Applicant:							
Program/Project:							
Funding Request:							

Fiscal Year

POLICIES AND STRATEGIES ALIGNMENT							
Affordable Housing Strategic/Consolidated Plan Priority							
Yes #? or No:							
Targets Low Income Persons							
Number of units serving households:							
30% of AMI or lower:							
31-50% of AMI:							
51-60% of AMI:							
61-80% of AMI:							
81% of AMI or higher:							
Total Units:							
Percentage of units serving 50% of AMI or lower:							
Long Term/Benefit/Affordability							
Number of years of affordability:							
Serves Special Population							
Yes (?) or No:							
PLANNING FRAMEWORK ALIGNMENT							
Location According to City Plan							
located within ...							
... 1/4 mile of a transit line (Yes or No):							
1/4 mile of an employment district (Yes or No):							
1/4 mile of a community commercial district (Yes or No):							
located in ...							
...the downtown (Yes or No):							
...a targeted redevelopment area (Yes or No):							
Distribution Policies of City Plan							
distance to nearest AH project:							
nearest Affordable Housing project name:							
FINANCIAL HEALTH ALIGNMENT							
Justified Budget							
all costs documented:							
more than 1/2 costs documented:							
less than 1/2 costs documented:							
no costs documented:							
Attempt to Secure Other Funding							
Yes or No:							
Returns Funds to City							
principle and interest:							
principle, no interest, balloon:							
due-on-sale:							
grant:							
unknown:							
Leverage other Financial Resources							
Leveraging ratio (City funds vs. other funds) 1 / ?:							
PROJECT DEVELOPMENT ALIGNMENT							
"Ready to Go" Status							
"final" gap financing:							
some funding, but not all:							
"conceptual" project:							
Capacity to Undertake the Project							
Proven track record:							
some concerns with the capabilities:							
serious concerns with the capabilities:							
Previously Funded, Regulatory Compliance							
successfully administered previous funding:							
some administrative issues:							
serious administrative issues:							
New Applicant, Demonstrated Capacity							
proven administrative track record, no concerns:							
some administrative concerns:							
serious administrative concerns:							