



**CITY OF KOTZEBUE
RESOLUTION NO. 24-33**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KOTZEBUE
AUTHORIZING THE CITY MANAGER, OR HER DESIGNEE, TO FINALIZE AN
ALASKA HOUSING FINANCE CORPORATION APPROVED NOTICE OF FUNDING
AVAILABILITY FOR THE LAST FRONTIER HOUSING INITIATIVE.**

WHEREAS, the City Council has before it this date Resolution 24-32 entitled A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KOTZEBUE AUTHORIZING THE CITY MANAGER, OR HER DESIGNEE, TO FINALIZE A GRANT AGREEMENT WITH THE ALASKA HOUSING FINANCE CORPORATION FOR THE LAST FRONTIER HOUSING INITIATIVE which must be approved and effectuated before any AHFC proposed Notice of Funding Availability can be negotiated and finalized with AHFC;

WHEREAS, AHFC has proffered a Notice of Funding Availability ("NOFA") a copy of which is attached hereto as Exhibit "A" and incorporated by reference herein which AHFC has indicated can serve as a Request for Proposal ("RFP") for the Last Frontier Housing Initiative;

WHEREAS, the AHFC NOFA requires, *inter alia*, (1) the City of Kotzebue to designate resources it will provide to facilitate the Last Frontier Housing Initiative development(s), (2) the City of Kotzebue to identify land and infrastructure, if any, that will be available for the Last Frontier Housing Initiative development, (3) the City of Kotzebue designate its Development Team, (4) site design requirements, unit configurations, square footage, amenities or "must haves" and unit amenity requirements, a procurement timeline, (5) evidence demonstrating financial feasibility, (6) a management plan, (7) an affirmative marketing plan for all affordable housing, (8) schematic drawings for each proposed project, (9) a review committee for the proposed design's acceptability, and (10) evaluation according to the objective rating criteria set out in the NOFA which will be in whole or in part provided by the City of Kotzebue and/or its successful bidder for this Last Frontier Housing Initiative development;

WHEREAS, AHFC has informed the City of Kotzebue that “[i]his [NOFA] includes about everything AHFC would include in a competitive development funding round. [However], [t]he [City of Kotzebue] may not need everything and [AHFC] can pair it down to fit [the City’s] needs.”; and,

WHEREAS, the City of Kotzebue desires to make its best, good faith effort to make this Initiative work for residents of Kotzebue.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Kotzebue, authorizes the City Manager, or her Designee, to work with DOWL, the City Attorney and Senior Administrative Staff to negotiate, finalize and prepare an appropriate NOFA with AHFC on such terms and conditions as are acceptable to AHFC and beneficial, appropriate and attainable for the City of Kotzebue and to issue such a NOFA in an effort to obtain proposals from prospective developers. .

PASSED AND APPROVED by a duly constituted quorum of the City Council of the City of Kotzebue, Alaska, this 24th day of May, 2024.

CITY OF KOTZEBUE

Saima Chase, Mayor

[SEAL]

ATTEST:

Rosie Hensley, City Clerk

Attachment:

Exhibit "A" – AHFC NOFA template [17 pages]

From: Andy Petroni <apetroni@ahfc.us>
Sent: Tuesday, May 7, 2024 5:56 PM
To: 'Tessa Baldwin' <TBaldwin@Kotzebue.org>; Daniel Delfino <ddelfino@ahfc.us>; Joe Evans <joe@jwevanslaw.com>; Eldon Mulder <muldereldon@gmail.com>; Benjamin Mohr <benmohr@gmail.com>; Samuel Camp <SAtkinson@Kotzebue.org>; Gem Belamour <GBelamour@Kotzebue.org>
Subject: RE: AHFC Grant Agreement and Next Steps

Tessa,

A NOFA template is attached. This document includes about everything AHFC would include in a competitive development funding round. You may not need everything and we can pair it down to fit your needs.

Please let me know if you have any questions.

v/r

Andy Petroni

Housing Development Programs Manager, Planning

4300 Boniface Parkway | Anchorage, Alaska 99504

Direct: 907-330-8275 | Fax: 907-338-2585 | ahfc.us

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Notice of Funding Availability

Invitation to Apply for Last Frontier Housing Initiative Funds for New Professional and Affordable Housing

June, 2024

Funding Available Under

The Last Frontier Housing Initiative:

**Emergency Rental Assistance Program
Rural Professional Program**

Application Deadline: 4:30 p.m. Alaska Local Time,
Month Date, 2024

For more information, contact:

**Program Contact
City of Kotzebue
Street Address / PO BOX
CITY, AK ZIP
907-ABC-EFGH
email@address.com**

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A. GENERAL INFORMATION

1. **General Applicable Provisions**

This Notice of Funding Availability (NOFA) is part of a two-part application process for a development team (Applicant) to serve as the Development Entity and Partner for the development of Professional and/or Affordable Housing in the CITY OF KOTZEBUE. Applications from Development Teams will be accepted by CITY OF KOTZEBUE until **4:30 p.m. (Alaska time) on June ##, 2024**. Please note that eligible applicants may only submit their full application through AHFC’s online application system.

Under this NOFA, CITY OF KOTZEBUE may award Last Frontier Housing Initiative (LFHI) program funds to develop new rental housing units in CITY OF KOTZEBUE. The LFHI funding is made available through Alaska Housing Finance Corporation’s (AHFC’s) Rural Professional Housing (RPH) Program as well as the U.S. Department of Treasury’s Emergency Rental Assistance (ERA) Program.

If you have any questions regarding this NOFA package, including Application Instructions or Program Requirements, please call CITY OF KOTZEBUE CONTACT at (907) ABC-DEFG, submit a question through the online application system, or email email@address.com.

2. **Funding Available**

CITY OF KOTZEBUE PARTNER is providing the following resources to facilitate the Last Frontier Housing Initiative Developments: capital funding, land, something else? All capital resources are subject to final confirmation at the award review stage.

Capital Funding: The amounts of capital funding available through this NOFA are:

Emergency Rental Assistance Dollars*	\$	2,000,000.00
Rural Professional Housing Funds	\$	3,000,000.00
Total	\$	5,000,000.00

*100% of the Emergency Rental Assistance (ERA) dollars must be spent by September 30, 2025. Any ERA funds that have not been spent by September 30, 2025 will be forfeit.

In addition to the subsidies noted above, non-competitive 4% Low Income Housing Tax Credits may be awarded based on the amount of qualified basis across the proposal projects.

Awards of 4% LIHTCs are issued by Alaska Housing Finance Corporation. Applicants interested in this funding are encouraged to Contact Andy Petroni at Alaska Housing at (907) 330-8275 or via email at apetroni@ahfc.us for more information.

Land ?:

If land will be made available, a general description of the site, its condition and the availability of any utility / infrastructure. Formal documents regarding the land are encouraged as an appendix.

3. **Eligible Applicants**

For profit, not-for-profit, and Alaskan Regional Housing Authorities are eligible to apply for the funding noticed in this Notice of Funding Availability.

4. Eligible Projects

All project proposals must be eligible in accordance with the most recent version of the this Notice of Funding Availability and compliant with the respective program rules from the funding sources used to develop the housing. Applicants may submit projects to develop Rural Professional housing and/or Low-Income rental housing.

5. CITY OF KOTZEBUE AND DEVELOPMENT TEAM RESPONSIBILITIES

The following items represent a non-exhaustive list of ownership roles we anticipate the **CITY OF KOTZEBUE** and prospective **DEVELOPMENT TEAM/** successful applicant (s) will need to memorialize in the Application or Subsequent Award Documents

- i. Subject to **CITY OF KOTZEBUE** approval, implementing an overall financing plan which maximizes the leverage of awarded capital funding sources
- ii. Identifying competitive proposals for construction and permanent financing and tax credit syndication proceeds;
- iii. Preparing a market analysis and appraisal updates, as required by lenders and investors;
- iv. Developing architectural plans and specifications;
- v. Obtaining all required building, construction, zoning and environmental approvals and any other federal, state and local approvals (except those that must be processed and obtained by a government entity);
- vi. Arranging for all necessary financial guarantees, assurances and closings;
- vii. Procuring all goods and services necessary for the successful completion of the project;
- viii. Performing all environmental and geotechnical testing after the award;
- ix. Supervising site preparation and construction;
- x. Providing property management services and, if proposed, resident supportive services;
- xi. Ensure successful lease-up and long-term viability of the developments;
- xii. If required by federal program(s), create economic opportunities for Section 3 eligible businesses and individuals and ensure compliance with minority, women and disadvantaged business contracting requirements;
- xiii. Provide regular reports to **CITY OF KOTZEBUE** on the progress of the development efforts including work completed, associated costs, schedule and budgetary requirements;
- xiv. Oversight during design, construction and quality control phases of the development;
- xv. Preparation of any additional financing applications as necessary to ensure overall project feasibility;
- xvi. Executing a construction strategy implementation schedule consistent with the full application;
- xvii. Selection of third party contractors based on relevant experience, creativity and experience in sustainability planning and design;

- xviii. Working with CITY OF KOTZEBUE to obtain all necessary AHFC approvals for work;
- xix. Assuming all marketing and lease up efforts;
- xx. For an initial period expected to be at least ten (10) years for the professional units and twenty (20) for the affordable units, providing comprehensive property management services in compliance with all applicable regulations and agreements;
- xxi. It is anticipated that the selected Development Team will negotiate and / or enter into a number of agreements with various partners during the implementation of the (re)development plan. A non-exhaustive list of these agreements includes:
 - o Long Term Ground Lease
 - o Limited Partnership or Operating Agreements governing project operations
 - o Low Income Housing Tax Credit Land Use Restrictive Covenants
 - o Loan Agreements, Notes, and Deeds of Trust to secure awarded capital funds and any conventional financing which may be requested by third party lender(s).

Applicants are strongly encouraged to critically examine the Sites and are expected to respond with an application that is responsive to the market and conducive to the successful development of the Sites. The selected Development Team will be expected to complete all activities in concert with the representations made in the application and duties including, but not limited to, those noted above.

The Applicant will, to the greatest extent possible, be solely responsible for all guarantees of completion, working capital, operating deficits or tax credit compliance required by tax credit investors or lenders.

CITY OF KOTZEBUE anticipates that the award agreements will provide for the Applicant to perform master planning, construction, timely acquisition of permanent and construction financing, securing investment equity, and other related activities.

The CITY OF KOTZEBUE will retain oversight as a potential lender, landowner; via oversight for procurement, programmatic compliance during the award, development, and operations of the project, and compliance monitoring oversight with respect to the affordable and professional housing units.

Once the property is complete and operational, Alaska Housing Finance Corporation (AHFC) will monitor any affordable housing units for compliance and will reserve the right to monitor the professional units during their compliance phase. The long term compliance obligations will be stated in recorded covenants that run with the land and building(s) developed through this initiative.

6. **Deadline for Application Submission**

Applications must be submitted on-line no later than 4:30 p.m. Anchorage Local Time on **DAY, MONTH DATE, 2024**. The official time for application submittal will be

documented via **APPROVED DELIVERY METHOD**. Applications received after the deadline will NOT be considered.

Applicants may submit questions regarding this NOFA until **[deadline about a week before application close]**. All questions and answers will be made available to all applicants. The City of Kotzebue reserves the right to amend this NOFA based on those questions and answers.

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, and those contained in any applicable AHFC regulations, HUD regulations and Title 26 U.S.C. Section 42 as they relate to the LIHTC, and Emergency Rental Assistance Program regulations promulgated by the US Department of Treasury. The applicant's proposal will become part of the award 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 CITY OF KOTZEBUE.

Omission within this NOFA package of provisions found in federal and state regulations or terms and conditions of CITY OF KOTZEBUE's award agreement does not nullify or in any way relieve the applicant or CITY OF KOTZEBUE 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 CITY OF KOTZEBUE and may be returned only at CITY OF KOTZEBUE'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 CITY OF KOTZEBUE. Financial statements included in the application may be considered public information unless a specific written request to restrict distribution is made by the applicant.

After CITY OF KOTZEBUE determines the selected development proposal under this NOFA, but before CITY OF KOTZEBUE can execute any binding agreement with an applicant, AHFC may be required to undertake an environmental analysis of the proposal under the National Environmental Protection Act ("NEPA"). The environmental analysis required will depend on the Federal Program the affordable units in the property operate under.

If a NEPA review is triggered by the selected affordable housing program, the applicant may be required to submit additional information for AHFC to review. AHFC and / or HUD may reject proposals based on such environmental review. AHFC and / or HUD may also approve a proposal subject to the implementation of mitigation measures to satisfy environmental concerns. Failure by an applicant to agree to such mitigation measures and incorporate them into the development proposal will be grounds for rejection of an applicant's proposal.

The following is a list of some rules which may apply to the scope of work required as a

condition of funding under this NOFA. It is the responsibility of the applicant to seek advice as to the applicability of these rules or any others unlisted.. Failure to adhere to federal and state laws and regulations will be the sole legal and financial responsibility of the applicant.

1. Sections 523 and 527 of the Public Health Service Act of 1912
2. Contract Work Hours and Safety Standards Act
3. Copeland Act
4. Flood Disaster Protection Act of 1973
5. Provisions of the Davis-Bacon Act including Little Davis-Bacon Act (AS 36.05.010, AS 36.95.010)
6. Section 504 of the Rehabilitation Act of 1973 (29 U.S.C 794), implementing regulations 24 CFR Part 8.
7. Single Audit Act Amendments of 1996 and OMB Circular No. A-133
8. State law does not allow the use of state funds in a project that is constructed with a preference in contracting based on the ethnic origin of the bidder or owner of the bidding firm.
9. The Age Discrimination Act of 1975
10. The Americans with Disabilities Act
11. The Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970
12. The Drug Abuse Office and Treatment Act of 1972
13. The Hatch Act
14. The Fair Housing Act
15. The Intergovernmental Personnel Act of 1970
16. The Lead-Based Paint Poisoning Prevention Act
17. Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970
18. Title VI of the Civil Rights Act of 1964
19. Title VIII of the Civil Rights Act of 1968
20. Title IX of the Education Amendments of 1972
21. 24 CFR 983 (by incorporation, NEPA, Davis-Bacon Provisions, and other applicable cross-cutting requirements)
22. 24 CFR 982 (Tenant Criteria, Payment Standards, Housing Quality Standards, etc.)
23. 24 Part 85 (Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally recognized Indian Tribal Governments)

9. Misstatements

If CITY OF KOTZEBUE determines that an applicant for, or recipient of, Last Frontier Housing Initiatives resources has made a material misstatement relating to the recipient's application for, or administration of, corporate receipts, grants, loans, or tax credits, CITY OF KOTZEBUE will, at its discretion, remove the application from any further funding consideration, or in the event that funds have already been received, require the recipient to repay the funds to CITY OF KOTZEBUE, together with accrued interest on the amount of

the funds received calculated at the highest rate allowed by law from the date of funds disbursement by CITY OF KOTZEBUE.

10. Site Design and Layout

Any site design requirements, unit configurations, square footage, amenities or “must haves” in terms of minimum unit counts should be stated here.

All proposed layouts, designs and densities must be backed up by a feasible financing proposal, be consistent with market conventions for project amenities, and evidence investor and lender confirmation of sound project underwriting. Application materials must provide a justification for the Site Design and Layout proposed in the application.

11. Unit and Amenity Requirements

Unless otherwise approved by CITY OF KOTZEBUE, in advance and in writing, all units proposed must fall within the below stated parameters

- one or two bedroom floor plans
- one bedroom floor plans containing no more than ABC net square feet
- two bedroom floor plans containing no more than EFG net square feet
- In-unit amenities: XYX
- If different expectations / parameters exists for, or within, the affordable and professional units, establishing the allowable parameters here would be helpful.

All proposed unit mixes, bedroom types and amenity packages must be backed up by a feasible financing proposal, documentation of market demand and investor and lender confirmation of sound project underwriting. Any market Study updates produced through information provided by the applicant must evidence a justification for the unit mixes, types and amenities proposed in the application.

12. Legal and Financial Structure

The following sections describe the anticipated aspects of legal and financial structures to be used by CITY OF KOTZEBUE to facilitate the developments.

Ownership Structure

An entity or entities (the “Ownership Entity”) that includes the Developer or its affiliate(s) will hold title to the improvements of the developments funded through this NOFA. During construction and operations, the Developer’s day-to-day management and operational authority of the Ownership Entity will be governed through the negotiated terms in the Partnership Agreement(s) and / or Operating Agreements, Grant Agreements and / or Contracts with the CITY OF KOTZEBUE.

Please note: CITY OF KOTZEBUE anticipates that the development entity will operate the finished properties either as an owner / operator or in partnership with one or more parties. The CITY OF KOTZEBUE does not anticipate owning or operating the finished facility.

Ground Lease

If CITY OF KOTZEBUE property is leased to the ownership entity as part of this application, please state the expected terms or timeline for the lease terms to be identified.

Procurement

All procurement accomplished by the Developer on behalf of the CITY OF KOTZEBUE shall be completed in compliance with the Procurement Policy proscribed by AHFC.

13. Minimum Required Inspection Standards

Housing that is constructed or rehabilitated must meet each of the following minimum property standards:

Newly constructed or rehabilitated housing shall meet all applicable local building codes, the State's Building Code (AS 18.56.300) as implemented by 15 AAC 150.030 and Building Energy Efficiency Standard (AS 46.11.040) as implemented by 15 AAC 155.010.

If the Summary of Building Inspection (PUR-102) form or Building Energy Efficiency Standard Certification (PUR-101) is required (per AS 18.56.300 or AS 46.11.040, respectively), the project must be inspected and the form must be executed by a qualified inspector(s) at various stages of project development. It is the responsibility of the applicant to insure that the inspector selected is eligible to inspect the size of project proposed under state law (AS 154.090). Do not wait until the project is completed to obtain the necessary inspections and inspector signatures. This may result in requiring a destructive inspection. A BEES Compliance Certification list is provided on AHFC's website: [Alaska Housing Finance Corporation :: Building Energy Efficiency Standard \(ahfc.us\)](http://Alaska Housing Finance Corporation :: Building Energy Efficiency Standard (ahfc.us)) .

All applicable local codes, rehabilitation standards, ordinances, and zoning ordinances must be followed. Housing that is constructed or rehabilitated must be developed by a contractor with a Residential Endorsement.

Affordable Housing units will need to satisfy the inspection protocol applicable to the federal program the units will be government by.

All projects must meet the following minimum accessibility laws:

- Americans with Disabilities Act
- Fair Housing Amendments Act of 1988
- Alaska Statute AS 18.80.240
- Local Government Ordinances
- Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), implementing regulations 24 CFR Part 8.

14. Procurement Timeline

The below tables provides dates applicable to this NOFA process. Any changes to the dates provided below will be communicated to all applicants via email.

Last Frontier Housing Initiative Proposals for CITY OF KOTZEBUE	Tentative Schedule
Issue Application – Invitations for Applications / RFPs	MONTH DATE, 2024
Final Deadline to Submit Questions on Application	MONTH DATE, 2024
Application / Proposals Due	MONTH DATE, 2024
Notice of Intent to Award Announced	MONTH DATE, 2024

B. APPLICATION REQUIREMENTS

1. Application Forms

All applications must be submitted via (DELIVERY METHOD) to CITY OF KOTZEBUE and, where required, use forms and Excel files provided by CITY OF KOTZEBUE. Workbooks and application forms will be provided via APPLICATION LOCATION. Any applicable limitations stated in the application materials regarding space and page numbers must be followed.

2. Underwriting Criteria

Financial feasibility of the applications will be evaluated based upon a number of criteria, including but not limited to:

- The total development cost and development cost per unit;
- The extent to which financing assumptions seem realistic and are backed-up by supporting documentation;
- The amount of amortizing debt as a that can reasonably be anticipated to be carried based on the anticipated revenue sources;

3. Required Application Material

(I) Threshold (T) Items

Each application proposal will be subject to a threshold review. An application which, in CITY OF KOTZEBUE’s sole opinion, has not met the required Threshold Criteria identified in this section and submitted all threshold materials, will be considered non-responsive, and may NOT be considered further in this Notice of Funding Availability cycle CITY OF KOTZEBUE reserves the right to request technical corrections to the application. Opportunities for technical corrections will not be extended for any potential corrections that would affect project scoring or otherwise qualify the application as “non-responsive” under the threshold criteria identified below. If an opportunity for technical correction is extended and the required information for correction is not provided by the applicant during the correction period stated in the notice of technical deficiency, the application will be deemed non-responsive and will not be considered for funding through this NOFA.

Please note: With the exception of the Schematic Drawings and Color Renderings, all information related to the application should be formatted for print on 8 ½ by 11 inch paper.

For all applicants, the Threshold Items include the following:

- T-#1: One (1) **Signed Signatures and Certifications form**. This is required for an applicant to be considered responsive to this NOFA.
- T-#2: **Evidence of legal organizational status**, i.e., non-profit designation letter from the Internal Revenue Service (non-profits and municipalities), authorizing legislation (Regional Housing Authorities), Certificate of Incorporation issued by the Department of Commerce (for-profit corporations), partnership agreement (if available - partnerships).
- T-#3: Evidence demonstrating the **Financial Feasibility** of the proposed project. Both *development feasibility* (i.e., sources of development funds equal development costs) and *operational feasibility* (project revenue + other operating subsidies, if any, exceed in an acceptable amount the projects operating expenses and debt service requirements) must be evident. All applicants must complete the Application Workbooks for each property (Excel file). **Customized workbooks** of the applicant and / or unapproved (by CITY OF KOTZEBUE) modifications to the CITY OF KOTZEBUE workbook **will not be accepted**.

Evidence of Financial Feasibility must include:

- (a) Development costs verified through credible third party support of the projected development costs. Information provided by entities with an identity-of-interest relationship to the Applicant and / or Developer may not be used to qualify as credible “third party” support.

Include bids and/or cost estimates supplied by the proposed contractor or professional construction cost estimators with experience estimating similar multi-family residential housing in Alaska.

- (b) Data which supports estimated operating expenses and debt carrying capability.
- (c) Support for the reliability of other proposed project funding sources have been confirmed, i.e. letters of funding commitment, preliminary loan review, evidence of application for other funding sources, etc. Please note: the information requested under this section applies to permanent sources of financing and those anticipated during the construction phase.
- (d) Reasonable assurances that the project can be successfully implemented within the proposed time frame and that substantive

development activity will begin within 180 days of award of Last Frontier Housing Initiative funds.

Substantive activities include securing financing, completion of blueprints or plans, receipt of building permits, and starting project construction.

T-#4 If required by the federal affordable housing program, the application materials must provide an employment and vendor plan detailing efforts to include Section 3 and MBE/WBE firms and employees in the design, development and construction of the new community. These plans must be provided in the format proscribed by CITY OF KOTZEBUE in the online application system.

T-#5 A **Management Plan** which in CITY OF KOTZEBUE's opinion adequately demonstrates the ability of the recipient to manage the proposed projects. The management plan submitted must include an appropriate plan for managing the affordable and / or professional housing units.

T-#6 **An Executive Summary**: The Executive Summary must be formatted according to the reference file included in the on-line application materials. Each of the four required headings must be included, and all bulleted points in the reference document will need to be addressed.

T-#7 **Affirmative Marketing Plan**

All applicants shall adopt affirmative marketing procedures and policies for all affordable housing produced under this NOFA. This affirmative marketing plan shall include the following:

1. Methods for informing the public, owners and potential tenants about fair housing laws and the owner's policies regarding compliance with fair housing laws. Homeownership projects must include practices regarding equal opportunity lending practices.
2. A description of what the owner will do to affirmatively market housing assisted with funds awarded through this NOFA.
3. A description of what the owners will do to inform persons not likely to apply for housing without special outreach. Based on historical data for the HOME program, the groups least likely to apply are persons who are minorities such as Hispanic, Black, and Asian or Pacific Islander, people who have Limited English Proficiency (LEP) and persons living in rural communities in the State.
4. A description of how the owner will maintain records documenting actions taken to affirmatively market units assisted with funding through this NOFA and to assess marketing effectiveness.

5. A description of how the owner's affirmative marketing efforts will be assessed and what corrective actions will be taken where requirements are not met.

T-#8 **Schematic Drawings** for each of the proposed projects (construction and improvement plans). At minimum, provide the following drawings for each of the two (2) projects:

- i. Color-Rendered Site Plan
- ii. Landscape Plan
- iii. Floor Plans for All Building Types and Community Facilities
- iv. Unit Plans for All Unit Types
- v. Typical Elevations for All Building Types
- vi. Color-Rendered Perspectives

T-#9 **Development Team Resumes** for known team members such as

- i. The primary development team point(s) of contact,
- ii. The contractor and architectural firms, if known
- iii. The proposed syndicator / investor points of contact.

T-#10 **Concurrence of Review Committee of the Proposed Design's Acceptability:** An XYZ member review committee will evaluate the drawings provided in response to T-#8. Applicants are invited to prepare a narrative summary of their site, building and unit plans for Review Committee consideration. The narrative summary must be double-spaced, use a minimum of twelve-point font and be no more than ten (10) pages in length.

The drawings and narrative will be evaluated to determine if the proposal is of acceptable quality for funding consideration. This determination will evaluate the proposals adherence to the threshold considerations stated in this NOFA, operational and maintenance considerations, and the appropriateness of the proposed use of public funds.

If a discrepancy is noted between the narrative information provided to the review committee and the other materials submitted with the application, CITY OF KOTZEBUE will contact the development team for a redacted narrative or redact the conflicting information itself prior to forwarding the materials to the review committee members.

Proposals will be evaluated on a pass-fail basis in response to this threshold item. Development teams are encouraged to include the following in their narrative summaries:

- Noteworthy Energy Efficiency and Durability (i.e. materials) features of the proposals
- Expected tenancy and services to be provided at sites
- Operational / functional considerations facilitated by the design

- Anticipated impact on maintenance and operating costs from design and operational plan proposed
- Feasibility constraints impacting the design choices made

C. EVALUATION CRITERIA

All applications will undergo a threshold review. Applications that pass the threshold review will be evaluated according to the objective rating criteria outlined in this NOFA.

Summary Rating and Award Criteria Table			
Rating Factor	Affordable Units Score	Professional Units Score	Total Score
Property Design	20	20	40
Underwriting	20	20	40
Leverage	20	20	40
Cost	20	20	40
Property Operations	20	20	40
Total	100	100	200

1. **Project Design (Maximum 20 Points)**
 - a. Specify the expectations for scoring and the materials that will be used as the basis of evaluation for the review committee.

2. **Underwriting (Maximum 20 points)**
 - a. Specify the expectations for scoring and the materials that will be used as the basis of evaluation for the review committee.

3. **Leverage (Maximum 20 Points)**
 - a. Specify the expectations for scoring and the materials that will be used as the basis of evaluation for the review committee.

4. **Cost (Maximum 20 Points)**
 - a. Specify the expectations for scoring and the materials that will be used as the basis of evaluation for the review committee.

5. **Property Operations (Maximum 20 Points)**
 - a. Specify the expectations for scoring and the materials that will be used as the basis of evaluation for the review committee.

PROJECT CHANGES & NONCOMPLIANCE WITH CRITERIA AFTER AWARD

CITY OF KOTZEBUE will not approve any project changes pertaining to rating criteria that would modify the order in which applications were ranked during the rating process. CITY OF KOTZEBUE will consider requested changes only if there is substantive reason, in CITY OF KOTZEBUEs opinion to believe that in not approving the change, the financial feasibility of the project will be compromised.

All project characteristics proposed by the applicant become part of the extended use agreement or deed restriction which are recorded on a funded project. Failure to meet any of these requirements which are incorporated in to the extended use agreement or deed restriction is considered a violation of this award plan. Such violations are considered reportable as non-compliance of program funds (and if not corrected in a timely manner), are events which may cause AHFC and / or CITY OF KOTZEBUE to demand repayment of the program funds.

4. PUBLIC INTEREST DETERMINATION

Projects which are proposed to receive Last Frontier Housing Initiative program funding must be determined to be in the public interest. For the purpose of the Last Frontier Housing Initiative program, an application will be determined to meet the public interest test if it meets the Notice of Funding Availability (NOFA) application requirements, including the Application Instructions, Rating and Award Criteria, and program criteria identified within the Last Frontier Housing Initiative Program Summary and associated documents. These include, but are not limited to, the following:

1. Eligibility of the applicant to receive the funds requested.
2. The application meets the Threshold Requirements identified in the Application Instructions. Also, that it earns the minimum number of points required in the rating process.
3. The funding provided is not more than is necessary to result in a financially feasible development. This "subsidy layering review," includes other funding sources committed to the project, and loan funds which are known to be available, and which would reasonably be expected to support the development based on anticipated revenue and expenses. CITY OF KOTZEBUE reserves the right to adjust the applicant's projected revenue and expenses based on an underwriting review completed by AHFC and / or CITY OF KOTZEBUE.
4. The project can be reasonably expected to be acquired, and/or begin significant

construction or rehabilitation activities, whichever is applicable, during the twelve months following the award of funds.

5. The project does not primarily further a private interest at the expense of the criteria identified above.