

NEIGHBORHOOD STABILIZATION DETAILED EVALUATION CRITERIA - DHF AND HOME/HOME-CHDO

Note: Some criteria will not apply to homeownership projects and therefore applicants will not earn points in these categories. Scores for homeownership projects will be normalized to 100% to allow for comparison with applications proposing rental units.

CATEGORY	MAXIMUM POINTS	Subcategory Points	REQUIREMENTS TO RECEIVE MAXIMUM SCORE
Development Team – max 30 points rental (26 for sale)			
Organizational capacity (developer), including board composition and functioning, financial controls	6	3	<p>Nonprofit board membership and minutes demonstrate range of board expertise and engagement needed to support appropriate oversight of organization operations and finances. Board composition and attendance over the past 12 month period aligns with requirements of by-laws. Organization does not have any judgements or litigation that could significantly impact its ability to execute the scope of work proposed.</p> <p>Organization is financially stable and demonstrates appropriate financial controls. Audits/financials show no finding or concerns that impact the organization's ability to execute the proposed scope of work.</p>
Developer track record with similar developments	9	5	Developer has successfully completed at least 10 units of similar complexity (in terms of affordability targets, financing sources, building type, site challenges) in the past five years
		4	Developer has successfully completed at least 5 units of the same building type and similar complexity in Durham in the past five years
Development team experience with similar developments	5	3	Development team (excluding developer) has successfully completed at least 10 units of the same building type and similar complexity in Durham in the past five years

		2	Development team (excluding developer) has successfully completed at least 5 units of the same building type and similar complexity in Durham in the past five years
<i>For rental projects only:</i> Property manager experience with similar developments	4	4	Property manager is currently managing - successfully - 25+ units of housing in similar building type targeting similar population in the past 5 years
Experience of key development team members	6	2	Project manager has at 5+ years experience as project manager for projects of similar complexity
		2	Other team members (excluding developer) have at least 5+ experience as lead team member on projects of similar complexity
		2	Project manager, architect or owners' representative have successfully completed a similar project in Durham in the past 5 years
Project – 50 points rental (45 for home ownership)			
Proposed area median income being served (priority on serving lower AMI households, including formerly homeless)	12	6	At least 25% of total units serve households at or below 30% AMI and
		4	At least 25% of total units serve households between 31 and 50% AMI
		2	At least 80% of units serve households at or below 60% AMI
Length of proposed affordability period	11	11	All units are affordable for 50+ years (proportional allocation of points for lengths over 20 and less than 50). Will be enforced by deed restriction or other acceptable mechanism.
<i>For rental projects:</i> Commitment to low barrier tenant selection policies	5	5	Max points if tenant selection policy consistent with HOME requirements for tenant selection
<i>For rehab:</i> Reasonableness of scope of work, including green and energy efficiency improvements	10	8	<i>For rehab:</i> Scope of rehabilitation is consistent with meeting 20 year usable life (e.g. upgrade/replacement of major systems)
		2	Rehabilitation standards will exceed Energy Star in terms of energy efficiency or will include improvements that utilize environmentally sustainable materials or improve indoor air quality beyond required building code

<p><i>For new construction:</i> Reasonableness of scope of work, including green and energy efficiency improvements</p>	<p>10</p>	<p>5</p> <p>5</p>	<p>Construction will utilize high quality materials and construction standards will meet or exceed building code requirements. Major systems will have 20+ year usable life.</p> <p>Construction standards will exceed Energy Star in terms of energy efficiency or will include improvements that utilize environmentally sustainable materials or improve indoor air quality beyond required building code</p>
<p>Readiness to proceed</p>	<p>8</p>	<p>5</p> <p>3</p>	<p>Developer has secured all other financing commitments for project (except City) and is on track to close by June 30, 2018. <i>(In addition, for CHDO applications, applicant has done outreach to the community to inform residents about the project and solicit community feedback.)</i></p> <p>Developer has submitted a project schedule that is realistic, given City times for funding, and allows for construction start on or before September 1, 2018.</p>
<p>Commitment to participation of minority and women-owned business enterprises</p>	<p>4</p>	<p>4</p>	<p>EBOP plan sets out specific goals of at least 11% minority owned and 7% women owned</p>
<p>Project Financial Strength – 20 points</p>			
<p>City investment per affordable unit (with consideration of the AMI level being served)</p>	<p>10</p>	<p>4</p> <p>6</p>	<p>Total city request does not exceed the amount needed to make the project work</p> <p>Maximum points for lowest city funding request (of all eligible requests received) per affordable unit, weighted by proposed affordability level (see Weighted Per Unit Cost calculation page)</p>
<p>Demonstrated capacity to manage public dollars and comply with funding requirements</p>	<p>10</p>	<p>10</p>	<p>Organization does not have any outstanding fiscal or programmatic compliance problems for other public funding, including other City of Durham funding. 'Outstanding' refers only to problems which have not been resolved or for which an approved corrective action plan is not in place.</p>