

CITY OF NEW ORLEANS

C. Ray Nagin, Mayor

NEIGHBORHOOD 1

Donna A. Addkison
Chief Development Officer

SuperNOFA 2007

APPLICATION
for

RENTAL ACTIVITIES
(HOME/CHDO FUNDING)

CITY OF NEW ORLEANS

OFFICE OF THE MAYOR Neighborhood 1

September 18, 2006

NOFA APPLICATION

GENERAL INSTRUCTIONS

1. **Program Description.** A description of the HOME Investment Partnerships Program (HOME), as contained in the Notice of Funding Availability (NOFA)-General Information Packet, will assist the applicant with identifying the types of programs best suited for the funds that are being requested. Applicants will be competitively selected for funding under a process using selection criteria that is described in the NOFA.
2. **Applying for More than One Project or Activity.** Applicants applying for more than one project or two or more activities contained in the NOFA (Homebuyer, Rental, Rental, Minor Repair) must submit individual applications for each.
3. **Submission Requirements.** All applications must be complete in order to be considered for review. Applicants must submit (1) original and three (3) copies of the proposal. **PLEASE STAPLE THE APPLICATION. DO NOT BIND.** Applications will be rated as a whole and not by component parts. **APPLICATIONS SUBMITTED BY FAX OR ELECTRONIC MAIL WILL NOT BE ACCEPTED.**
4. **PLEASE INCLUDE THE PAGE IMMEDIATELY FOLLOWING THIS GENERAL INSTRUCTION SHEET AS THE COVER PAGE FOR YOUR APPLICATION.**
5. **Attachments:** You may attach pages as necessary; please include the exhibit number on all attachments and place them in the document in the proper order.
6. **For Additional Information.** If you have any questions regarding this NOFA application, please contact Neighborhood 1, 1340 Poydras Street, Suite 1000, New Orleans, Louisiana 70112, (504) 658-4200.

**NEIGHBORHOOD1
SuperNOFA 2007
RENTAL PROJECTS**

Application Number Assigned by NEIGHBORHOOD 1

Applicant Identification and Certification

ORGANIZATION NAME:

OFFICIAL MAILING ADDRESS:

EMPLOYER IDENTIFICATION NUMBER:

PERSON(S) TO BE CONTACTED ON MATTERS INVOLVING THIS APPLICATION:

| <u>Name</u> | <u>Title</u> | <u>Phone/FAX #</u> |
|-------------|--------------|--------------------|
| _____ | _____ | _____ |
| _____ | _____ | _____ |

FUNDING REQUEST/AMOUNT:

TARGET/SERVICE DELIVERY AREA:

CERTIFICATION:

To the best of my knowledge and belief, all of the information provided in this application is true and correct:

Typed Name of Authorized Representative

Title

Signature of Authorized Representative

Date Signed

APPLICATION CHECKLIST

HOMEBUYER PROJECTS

Please utilize this form to insure that you have responded to all of the required information in the SuperNOFA Application

Exhibits

| | | |
|------------|---|-------|
| Exhibit 1a | Program/Project Summary [page 4] | _____ |
| Exhibit 1b | Project Description [page 4-5] | _____ |
| Exhibit 1c | Timeline [page 6] | _____ |
| Exhibit 2a | Project Characteristics [page 7] | _____ |
| Exhibit 2b | Tenant Household and Income Characteristics [page 8] | _____ |
| Exhibit 3a | Project Operation and Management - Rents and Utilities [page 9] | _____ |
| Exhibit 3b | Project Operation and Management - Operating Cash Flow Analysis [page 11] | _____ |
| Exhibit 3c | Project Operation and Management - Management Plan [page 11] | _____ |
| Exhibit 4a | Sources & Uses Statement and Narrative [page 12-13] | _____ |
| Exhibit 4b | HOME Program Income [page 16] | _____ |
| Exhibit 4c | HOME Match Requirements [page 17] | _____ |
| Exhibit 5a | Organizational Capacity [page-19] | _____ |
| Exhibit 5b | Prior Contract Performance [page 20] | _____ |
| Exhibit 6 | Fair Housing Statement [page 21] | _____ |
| Exhibit 7 | Acquisition and Relocation Notifications (if applicable) [page 22] | _____ |

EXHIBIT 1a - PROGRAM/PROJECT SUMMARY

Please indicate the following in the table below. Note that general administrative costs are not provided by the HOME Program, only eligible project costs are available.

- The **Total Project Cost** includes all project costs, regardless of funding source, required to develop the project. This amount must agree with line G of the Total Project Cost column on the Sources and Uses Statement, Exhibit 4a. Indicate the total cost per unit by dividing the Total Development Cost by the number of units to be developed.
- The **Financial Assistance** is the amount of HOME funds requested herein. This amount must agree with line G of the HOME funds column on the Sources and Uses Statement, Exhibit 4a. Indicate the financial assistance cost per unit by dividing the Total Financial Assistance by the number of units to be developed.

| Proposed Activity | Fund Source | No. of Units | Total Project Cost | | Financial Assistance | |
|-------------------|-------------|--------------|--------------------|----------|----------------------|----------|
| | | | Total | Per/Unit | Total | Per/Unit |
| Rental Projects | HOME | | | | | |

EXHIBIT 1b: PROJECT DESCRIPTION

Provide below, a narrative description of the project, addressing, at a minimum, the following issues:

1. Describe how the project will be conducted and the timeline for completing it.
2. Indicate the location of the project and its relationship to services and facilities.
3. Describe the physical attributes and amenities of the project.
4. Discuss what population the project will serve, in accordance with Exhibit 2b, below.
5. Indicate whether the project will address the needs of households with disabilities.
6. Explain how you will maintain cost reasonableness in order to maximize the number of households assisted.
7. Explain how you will leverage federal funds with private funding sources and indicate the leverage ratio.
8. Discuss the rents, operating costs and project debt capacity, as calculated in Exhibit 3b, below.

EXHIBIT 1b: PROJECT DESCRIPTION
(Continued)

EXHIBIT 2b - TENANT HOUSEHOLD AND INCOME CHARACTERISTICS

Indicate in the tables below the household characteristics and the income categories of the tenants that the proposed project will serve, consistent with the Consolidated Plan and the HOME Program regulations.

Rental Unit Configuration: Indicate by household type, the total number of units for each bedroom size.

| Low Income | 0 BR | 1 BR | 2 BR | 3 BR | 4/More | Total |
|---------------------|------|------|------|------|--------|-------|
| Elderly/Handicapped | | | | | | |
| Family | | | | | | |
| Subtotal | | | | | | |
| Other Units | | | | | | |
| Total | | | | | | |

Income Categories: Indicate by bedroom size, the number of tenants in each income category.

| Unit Type | Total No. of Units | No. Tenants ≤50% MFI | No. Tenants >50% ≤60% MFI | No. Tenants >60% ≤80% MFI |
|--------------|-----------------------|----------------------------|---------------------------------|---------------------------------|
| 0-BR | | | | |
| 1 BR | | | | |
| 2 BR | | | | |
| 3 BR | | | | |
| 4 BR | | | | |
| Other | | | | |
| Total | | | | |

EXHIBIT 3 - PROJECT OPERATION AND MANAGEMENT

EXHIBIT 3a - RENTS AND UTILITIES

HOME funded rental projects are required to conform to maximum HOME Program rent limitations. Indicate in the table below a proposed rent and utility allowance for each type and/or bedroom size unit. These allowances cannot exceed, but may be less than the HOME maximum, as dictated by realistic market conditions.

- Column 1: Indicate the number of bedrooms in the unit. You may specify different rents for the same size unit.
- Column 2: Indicate the number of units of that size at the same rent.
- Column 3: Designate whether the unit is to be rented at the Low HOME Rent (L) or the High HOME Rent (H).
At least 20 percent of the units must be rented at the Low HOME Rent level.
- Column 4: Using the HOME Rents (following page), indicate the rent that you plan to charge for the units.
- Column 5: Using the Utility Allowances (following page), calculate the total amount of any utilities that are to be paid by the tenants.
- Column 6: Subtract the amount in column 5 from the amount in column 4.
- Column 7: Multiply the number of units indicated in column 2 times the total rent and utilities in column 6.

| (1) No. of BDRM | (2) No. of Units | (3) High or Low HOME Rent | (4) Rent | (5) Utility Allowance | (6) Total Rent and Utilities (col 4 - col 5) | (7) Total Income (col. 2 X col 6) |
|-----------------------|------------------------|---------------------------------------|-------------|-----------------------------|---|---|
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| | | | | | | |
| Total Revenue | | | | | | |

HOME RENTS AND UTILITY ALLOWANCES WORKSHEET

2006 HOME RENTS

The HOME Program requires that maximum rent levels be established in accordance with the following schedules. At least 20 percent, but not more than 50 percent, of the units in a project must have rents that do not exceed the **Low HOME Rent** levels; the remainder, up to 80 percent, may have rents that do not exceed the **High HOME Rent** levels.

Utility allowances, BELOW, must be **subtracted** from these rents to the extent that the tenant pays for some or all the utilities. Consequently, net rent levels will actually be lower than the amounts indicated, whenever the tenant pays utilities, which is typical. Utilities for two bedroom units vary between \$139 for gas and \$164 for electric; utilities for three-bedroom units vary between \$169 for gas and \$194 for electric.

| HOME RENT | EFF | 1BR | 2BR | 3BR | 4BR | 5BR | 6BR |
|--------------------|-----|-----|-----|-----|-----|-------|-------|
| LOW (_20%) | 457 | 490 | 588 | 680 | 758 | 836 | 915 |
| HIGH (≤80%) | 537 | 595 | 696 | 850 | 923 | 1,006 | 1,084 |

UTILITY ALLOWANCES

| UTILITY TYPE | 0BR | 1BR | 2BR | 3BR | 4BR | 5BR |
|------------------------|------|------|------|------|------|------|
| Gas Heating | \$8 | \$12 | \$15 | \$18 | \$20 | \$23 |
| Electric Heating | \$21 | \$24 | \$26 | \$28 | \$30 | \$32 |
| Gas Cooking | \$4 | \$4 | \$5 | \$7 | \$8 | \$10 |
| Electric Cooking | \$4 | \$6 | \$8 | \$9 | \$11 | \$13 |
| Gas Water Heating | \$7 | \$8 | \$11 | \$12 | \$15 | \$16 |
| Electric Water Heating | \$17 | \$19 | \$22 | \$25 | \$29 | \$30 |
| Air Conditioning | \$27 | \$31 | \$38 | \$49 | \$60 | \$72 |
| Other Electric | \$15 | \$16 | \$18 | \$20 | \$21 | \$24 |
| Water | \$7 | \$8 | \$14 | \$19 | \$22 | \$25 |
| Sewer | \$8 | \$9 | \$15 | \$19 | \$22 | \$24 |
| Trash Collection | \$13 | \$13 | \$13 | \$13 | \$13 | \$13 |
| Range | \$5 | \$5 | \$5 | \$6 | \$6 | \$7 |
| Refrigerator | \$5 | \$5 | \$5 | \$6 | \$6 | \$8 |
| TOTAL | | | | | | |

EXHIBIT 3b - OPERATING CASH FLOW ANALYSIS

Prepare and attach a 10-year operating cash flow analysis of the proposed project using the income from the rents specified above and the expected operating expenses. Calculate the project's Net Operating Income (NOI) and, using an appropriate debt-coverage ratio, usually between 1.11 (90% NOI) and 1.43 (70% NOI), determine the debt capacity of the project. The amount calculated for year one of the cash flow analysis should be equivalent to the amount indicated in column 5 and/or 6 of the Sources and Uses Statement, Exhibit 4a. This is the amount of private leverage you should expect to finance. The greater the private financing, the greater the leverage and the higher the likelihood that your application will achieve a high ranking. **Remember to include a narrative discussion of this analysis (rents, operating costs and project debt capacity) in Exhibit 1b, above.**

EXHIBIT 3c - MANAGEMENT PLAN

Provide below, or attach a Management Plan describing how the property will be managed. Indicate the property management experience of the entity that will manage the property and be responsible for leasing, maintenance, and compliance with annual HOME requirements such as tenant re-certifications and rent schedules. Include a brief history of the entity and the length of time it has been involved in providing the proposed services. Do not send résumés.

EXHIBIT 4a - SOURCES AND USES STATEMENT

See instructions following this exhibit.

| Line Item & Number | | Total Project Cost | HOME Funds | Funds | Funds |
|--------------------|---|-----------------------|---------------------------------|-------|-------|
| A1 | Acquisition Cost (Land & Improvements) [§206(c)] | | | | |
| A2 | Appraisal [§206(d)(2)] | | | | |
| A3 | Title Examination [§206(d)(2)] | | | | |
| A4 | Legal, Recordation, etc. [§206(d)(2)] | | | | |
| A5 | Total Acquisition Costs | | | | |
| B | Construction (_____ sq.ft. @ \$ _____) [§206(a)] | | | | |
| C1 | Architect Fees [§206(d)(1)] | | | | |
| C2 | Financing Fees (i.e., Commitment) [§206(d)(2)] | | | | |
| C3 | Related Finance (Closing) Costs (≠ A5) [§206(d)(2)] | | | | |
| C4 | Building Permits [§206(d)(2)] | | | | |
| C5 | Audit [§206(d)(3)] | | | | |
| C6 | Affirmative Marketing/Fair Housing [§206(d)(4)] | | | | |
| C7 | Initial Operating Deficit Reserve [§206(d)(5)] | | | | |
| C8 | Work Write-up Preparation [§206(d)(6)] | | | | |
| C9 | Rehab Inspection [§206(d)(6)] | | | | |
| C10 | Housing Counseling [§206(d)(6)] | | | | |
| C11 | CHDO Project-Specific Costs (Loan Only) [§301] | | | | |
| C12 | Relocation Costs [§206(f)] | | | | |
| C13 | Interim Financing Costs [§206(g)] | | | | |
| C14 | Other, Attach Complete Explanation: | | | | |
| C15 | Total Soft Costs | | | | |
| D | TOTAL DEVELOPMENT COST (A5+B4+C15) | | | | |
| E | Developer's Fee [§206(d)(2)] | | | | |
| F | Homebuyer Assistance [§205(a)] | | | | |
| G | TOTAL PROJECT COST (D+E+F) | | | | |
| H | TOTAL PROJECT COST/UNIT (# of units _____) | | | | |

EXHIBIT 3a - SOURCES AND USES STATEMENT (Narrative)

Use the space below to:

1. identify all non-HOME sources of permanent and/or interim funding
2. discuss the allocation of costs to funding sources
3. explain how costs were derived
4. discuss how the project will be permanently financed.

Instructions

SOURCES AND USES STATEMENT

[Do not submit these instructions with your SuperNOFA application; submit the exhibits only.]

The Sources and Uses Statement should be used to indicate how the requested funds will be budgeted for Rental Housing Projects. The regulatory references on each line are references to the HOME Program regulations. **Please provide a narrative to accompany the Sources and Uses Statement.** The narrative should be concise but should explain, as appropriate, how the various costs were derived. All narrative entries should include the appropriate line item reference. Identify all permanent funding sources required to develop the project and label the columns with the funding source.

- A1 The acquisition cost of land and the buildings (improvements) situated thereon.
- A2 The cost of conducting an “as-is” appraisal of the land and improvements in order to establish that the purchase price does not exceed the value of the property.
- A3 The cost of the legal research required to ascertain that the seller has a clear title to the property that is to be acquired.
- A4 The costs charged by an attorney who conducts the "Act of Sale", and the costs to record said act in the official records of the courts for Orleans Parish.
- A5 The total of lines A1 through A4.**
- B The total of all Construction and Contingency costs.** The cost of construction or rehabilitating the building(s) that comprise the project. This cost is normally ascertained by a fixed-price bid process. The cost per square foot should be furnished in the space provided. The cost of making site improvements, such as on-site roads, and sewer and water lines and landscaping in keeping with the surrounding area may be included on this line. The costs of laundry and community facilities developed as part of a multifamily rental project should also be entered on this line. A contingency for unforeseen construction costs is usually involved in rehabilitation projects and may also be included in this line item.
- C1 The fees charged by an architect who will prepare plans and specifications for the project. The budget narrative should indicate the services to be provided (i.e., design development, construction drawings, project supervision), and the basis for computing the cost.
- C2 The customary and reasonable fees charged by a lender as a condition of originating a loan. They may include commitment or origination fees.
- C3 These include title examination costs, recordation fees, private mortgage insurance costs and any other customary and reasonable costs related to a private loan transaction that will produce loan proceeds to partly finance the project. The cost of an appraisal that is used to establish the selling price of a home may be entered on this line.
- C4 The costs of building permits issued by the City. Note: these costs are generally borne by a contractor and may be included in the contractor’s bid. If they are to be paid separately, be sure that the bid specifications advise bidders **not** to include the permit costs in their bid price.
- C5 The cost of paying for the required program audit, the cost of which must be determined through a procurement process and approved by the Neighborhood 1 Audit Bureau. **Do not use this line.**
- C6 The costs of affirmatively marketing assisted housing units in compliance with §92.351 of the HOME regulations. Simple advertisement in a widely-distributed newspaper, or in television or radio spots is **not** sufficient to qualify as an eligible cost in this category.
- C7 **For rental projects only.** This is an allowance for operating expenses that will be incurred after completion of the project but before full occupancy has been attained (limited to 18 months), thus creating an operating deficit. The reserve may be used to pay for operating expenses, scheduled payments to a replacement reserve and for debt-service payments.

Applicants should minimize the need for a reserve by marketing units well in advance of their completion. Advance marketing will also provide ample opportunity for Neighborhood 1 certification of tenant eligibility and will create a supply of tenants who will be ready to move in upon completion.

- C8 The cost of preparing a work write-up for the job. In Neighborhood 1's estimation, this task should not exceed two working days for the average double shotgun home that does not exceed a size of 1,500 square feet. A single house should take less time and a larger or more complex or more deteriorated house may require more time. Explain in the narrative how you determined the cost of this task.
- C9 The initial inspection to assess the code violations and consider the scope of repairs that will be necessary to rehabilitate the house, as well as the minimum number of progress payment inspections and other interim inspections required to assess the progress of the work.
- C10 This cost is only applicable to new owners or tenants; it is not a customary service provided to current homeowners (i.e., Owner-Occupied Programs). The counseling can only be provided to the persons who become the owner or tenant; it cannot be provided prospectively to a group of potential owners or tenants. The counseling must be provided by a certified counseling agency or organization approved by Neighborhood 1.
- C11 A separate budget must be attached for any costs in this category. These costs are only provided as a **loan** to Community Housing Development Organizations (CHDOs). See §92.301 of the HOME regulations.
- C12 The costs of temporary or permanent relocation of tenants who will be affected by the project. Please contact the NEIGHBORHOOD 1 Relocation Bureau for assistance in determining relocation needs and costs and, most importantly, procedures.
- C13 The cost of interest and principal payments on interim construction, bridge or guaranteed loans that will be used to pay for eligible project costs. Such financing should be used only for the developmental or construction phase of a project and should be replaced with permanent financing shortly after project completion.
- C14 Attach a complete explanation and justification of any additional cost items and identify the section of the HOME regulations under which you deem the costs to be eligible.
- C15 The total of all eligible project soft costs.**
- D The total of lines A5, B and C15.**
- E The amount of a Developer's Fee. This amount is limited to a **maximum** of 15 percent of the Total Development Cost, but is not available for Owner-Occupied Rehabilitation Programs. A developer's fee is awarded to compensate an organization for the effort required to locate and identify a suitable site, negotiate its acquisition, subdivide and/or re-zone it, if necessary, develop plans, arrange financing, etc. The fee is not intended to cover all of an organization's administrative costs. A 15 percent fee is only awarded for the most complex projects, typically projects that will require non-federal financing or Low Income Housing Tax Credits. If funds provided by the City are the only funding sources used to develop the project, a maximum developer's fee will not be awarded.
- F If applicable, the amount of funds needed to assist homebuyers with the purchase of a home. Some or all of such funds are to be secured as a second mortgage on the property.
- G The total of lines D, E and F.**
- H** Specify the number of housing units to be assisted and divide the amounts on line G by the number of units in order to ascertain the average cost per unit.

EXHIBIT 4b - PROGRAM INCOME

Program income is derived from the sale of a property developed with federal funds. The City may require that program income be returned to the City upon receipt or it may allow sub-recipients to retain program income and spend it, with proper authorization, to develop additional affordable housing activities. Program income must be reported to the City monthly, whether it is remitted or retained. Further conditions that apply to the retention of program income are that: 1) it can only be used for eligible activities and, 2) it must be expended prior to the drawdown of additional grant funds. The City wishes to encourage the development of program income, which creates an additional funding source that can be used to increase the number of affordable housing units.

Please provide a narrative to describe the affirmative steps that you plan to take to maximize the development of program income, and to develop additional affordable housing units. Please indicate the amount of program income that you expect to develop as a result of the expenditure of the requested funding, explain how you calculated the amount, and indicate how you propose to utilize any program income.

Example “We will rehabilitate 5 houses at an average cost of \$75,000 and sell them to homebuyers who are expected to finance an average of \$60,000 of the cost. Thus \$300,000 of program income will be generated, which can be used to rehabilitate 4 more houses at an average cost of \$75,000. The sale of these 4 houses will result in another \$240,000 of program income, which can be used to develop at least 3 more houses, given the same development costs and sales proceeds as above”.

Narrative:

EXHIBIT 4c - HOME MATCH REQUIREMENTS

The HOME Program requires matching contributions equal to **12.5 percent** of HOME expenditures. Each HOME-funded activity must make a contribution toward meeting the HOME matching funds requirement. Please indicate below how you will develop matching contributions. Identify the source and amount of matching funds. Note: any amount of non-federal funds committed to a project are considered leveraged funds, but not all leveraged funds are considered “matching” funds under the HOME Program. Consequently, funds or other contributions that help meet HOME Program match requirements are extremely important and will impact the approval of your proposal.

The following table must be used to identify any eligible HOME Program matching funds. A further description of the categories can be found at §92.220 of the HOME regulations. Remember, matching funds are derived from non-federal sources and must be permanently contributed to the project. For example, loan funds are not eligible matching contributions because they are not permanently contributed.

| FORM OF MATCH | AMOUNT |
|--|--------|
| Cash Contributions | |
| Foregone Taxes, Fees and Other Charges | |
| Donated Land or Other Real Property | |
| On-site and Off-site Infrastructure | |
| Proceeds from Affordable Housing Bonds | |
| Donated Site Preparation and Construction Materials | |
| Donated Use of Site Preparation and Construction Equipment | |
| Donated or Voluntary Labor and Professional Services | |
| Sweat Equity | |
| Supportive Services | |
| Homebuyer Counseling Services | |
| Total value of matching contributions | |

EXHIBIT 4c, continued

HOME Matching Funds Narrative

Please include below a narrative to explain how the matching funds will be provided and documented. The narrative should be organized under the same headings that appear in the above chart.

EXHIBIT 5a: ORGANIZATIONAL CAPACITY

Use the space below to briefly describe the members of the Development Team that will be responsible for carrying out the project. Identify each of the key professionals: Developer, Architect, Lender, Contractor, consultants, etc., and provide a statement of their qualifications and experience developing either affordable housing projects or other residential developments.

EXHIBIT 5b: PRIOR CONTRACT PERFORMANCE

Please complete the following table in order to indicate the past performance of your organization or that of an affiliated organization, in carrying out housing projects or activities under contract to the City of New Orleans. For current contracts, the indicated performance should be through August 31, 2006. If the performance is that of an affiliated organization, identify the organization and explain the affiliation.

| Contract Number | Project Type ¹ | Contract Amount | Units | Funds Expended | Units Completed |
|-----------------|---------------------------|-----------------|-------|----------------|-----------------|
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| TOTALS | | | | | |

¹ Project types are: OOR - Owner-Occupied Rehabilitation; RR - Rental; HB - Homebuyer; MR - Minor Repair or Emergency Repair.

Narrative:

EXHIBIT 6 - FAIR HOUSING STATEMENT

In accordance with the fair housing laws, housing programs funded or assisted with federal funds such as under the Community Development Block Grant (CDBG) program, and the Home Investment Partnership Program (HOME), must be administered in a manner that will affirmatively further fair housing. Further, the City of New Orleans, as a CDBG and HOME grantee, must certify that it will affirmatively further fair housing. In order for the City to certify that it will affirmatively further fair housing, it must analyze and eliminate housing discrimination, promote fair housing choices, provide opportunities for racially and ethnically inclusive patterns of housing occupancy, promote housing that is accessible to and usable by persons with disabilities, and foster compliance with the nondiscrimination provisions of the Fair Housing Act, U.S. Department of HUD, Office of Fair Housing and Equal Opportunity, Fair Housing Planning Guide.

It is imperative, therefore, that potential sub-recipients of the above funds include a fair housing impact statement addressing not only how you will refrain from housing discrimination, but also how you will ensure that your housing and community and economic development programs are accessible to persons with disabilities and do not contribute to or intensify segregated housing patterns. For example, if you intend to target a particular neighborhood to rehabilitate blighted housing, you must address how your program is going to affect segregated housing patterns in that and the surrounding areas.

Fair Housing Statement: (if necessary, attach your statement on a separate sheet of paper)

EXHIBIT 7 - ACQUISITION AND RELOCATION NOTIFICATIONS **(If applicable)**

If you are proposing to carry out a project that involves specific properties, and those properties are to be **acquired** with federal funding that you are requesting from the City, you must issue the proper notification to the property owner. Guideform A, which is attached, will meet this requirement; it may have to be customized for the specific project.

If you are seeking funding for any **occupied property** that you already own, plan to acquire, or otherwise assist with federal funds, you must issue a General Information Notice (GIN) to the occupants and submit acknowledged copies thereof along with this NOFA application. Guideform B, which is attached, will meet this requirement; it may have to be customized for the specific project. Return-receipt mail should be utilized whenever possible.

As applicable, you must submit copies of the referenced notices sent to owners of properties to be acquired and to tenants in all properties that will be assisted by proposed program activities along with this application package.

Are any properties that are proposed for funding sought under this SuperNOFA application legally occupied?
Yes _____, No _____ ?

Have you provided the required notices to the occupants? Yes _____, No _____, N/A _____ ?

Have you included copies of any notices with this application? Yes _____, No _____, N/A _____ ?

[ORGANIZATION'S LETTERHEAD]

Dear _____:

This is to inform you that _____ (*organization name*) would like to purchase the property located at (street address or other property identification), if a satisfactory agreement can be reached. We are prepared to pay \$_____ for clear title to the property under the conditions described in the attached proposed purchase agreement. Because Federal funds may be used in the purchase, however, we are required to disclose to you the following information:

1. The sale is voluntary. If you do not wish to sell, the (organization name) will not acquire your property. The (organization name) does not have the power to acquire your property by condemnation (i.e., eminent domain).
2. We estimate the fair market value of the property to be \$_____.

Since the purchase would be a voluntary, arm's length transaction, you would not be eligible for relocation payments or other relocation assistance under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA), or any other law or regulation. Also, as indicated in the purchase agreement, this offer is made on the condition that no tenant will be permitted to occupy the property before the sale is completed.

Again, please understand that if you do not wish to sell your property, we will take no further action to acquire it. If you are willing to sell the property under the conditions described in the attached purchase agreement, please sign the contract and return it to us.

If you have any questions about this matter, please contact _____. His/Her telephone number is _____.

Sincerely,

(Name/Title)

Enclosure
cc: N1 Relocation Bureau

[ORGANIZATION'S LETTERHEAD]

Tenant's Name & Address

Dear (tenant's name):

The, (organization name), has submitted an application to the City of New Orleans for Community Development Block Grant (CDBG) and/or HOME Investment Partnerships Program (HOME) funds to [acquire] [and/or] [rehabilitate] the property that you currently occupy, which is located at (address).

This notice is to inform you of your rights under Federal law. If you are required to move as a result of the acquisition or rehabilitation of this property, you will be eligible for relocation assistance under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended. However, **do not move now**. This is not a notice to vacate the premises. You should continue to pay your monthly rent to your landlord because a failure to pay rent and meet your other obligations as a tenant may be cause for eviction and loss of relocation assistance.

You are urged not to move or sign any agreement to purchase or lease a new unit before receiving formal notice of your eligibility for relocation assistance. If you move or are evicted before receiving such notice, you may not receive any assistance. Please contact us before you make any moving plans.

If for any reason any other persons move into this unit with you after this notice, your assistance may be reduced. If you have any questions, please contact:

(name), (title)

(address)

(phone)

Again, this is not a notice to vacate and does not establish eligibility for relocation payments or other relocation assistance.

Sincerely,

(name and title)

cc: Neighborhood 1 Relocation Bureau

ACKNOWLEDGMENT

I, the undersigned tenant do hereby acknowledge that I have received an identical copy or duplicate of this letter. I further understand that I do not have to move from my residence at this time because of the proposed rehabilitation of the property.

(Tenant Signature)

(Date)

(Witness Signature)

(Date)