



# LOUDOUN COUNTY VIRGINIA

## COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

### Competitive Grant Application Program Year Sixteen

July 1, 2019 – June 30, 2020

Application Submission Deadline: 4:00 p.m. on  
November 5, 2018

Loudoun County Department of Family Services  
P. O. Box 7400  
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(703)777-0353 V/TTY

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PART 1: Introduction to the Federal Community Development Block Grant Program

**Overview** The Community Development Block Grant (CDBG) program is a flexible program that provides communities with resources to address a wide range of unique community development needs. The (CDBG) program is authorized by Title I of the Housing and Community Development Act of 1974, as amended. The U.S. Department of Housing and Community Development (HUD) provides annual grants on a formula basis to entitled metropolitan cities and urban counties to implement a variety of community and economic development activities directed towards neighborhood revitalization and the provision of improved community facilities and services. CDBG activities are initiated and developed at the local level based on local needs, priorities, and benefits to the community. Entitlement grantees (i.e., Loudoun County) receiving CDBG funds determine the activities it will fund ensuring certain requirements are met. Activities must also further Loudoun County 2014-2018 Consolidated Plan goals and priority needs. HUD approved the extension of the 2014-2018 Consolidated Plan to 2021 to enable Loudoun County to develop a plan with the region's jurisdictions.

**National Objectives** The CDBG Program's purpose is to develop viable communities by providing decent housing and a suitable living environment by expanding economic opportunities, principally for persons of low and moderate income. Projects must meet at least one of the following National Objectives:

- 1) **Projects Providing Primary Benefit to Low and Moderate Income Persons.** Activities that benefit low and moderate income (LMI) persons are divided into four categories:
  - a. **Area Benefit Activities** - The activity addresses the identified needs of LMI persons residing in an area where at least 23.97%<sup>1</sup> of residents are LMI persons. The benefits of this type of activity are available to all persons in the area regardless of income. Examples of potentially eligible activities include street improvements, water and sewer lines, neighborhood facilities and park renovations. Area benefit is determined based upon census tract data or a neighborhood survey.
  - b. **Limited Clientele Activities**<sup>2</sup> - A limited clientele activity benefits a specific group of people (rather than all the residents in a particular area), at least 51% of whom are LMI persons. To qualify under this category, the activity must meet one of the three (3) following tests:

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<sup>1</sup>Generally, the LMI percentage required for **area benefit** is 51% of residents. However, due to Loudoun County's affluent population, HUD has established an "**exception criteria**" that lowers the LMI percentage requirement to 23.97%. Source: <https://www.hudexchange.info/manage-a-program/acs-low-mod-summary-data-exception-grantees/>. Last accessed Oct. 2018.

<sup>2</sup> Some examples of limited clientele activities include construction/renovation of senior centers, public services for individuals experiencing homelessness, remedial reading for adults, and provision of job training activities for persons with disabilities.

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- i. Benefit a clientele who are generally presumed to be principally LMI. The following groups are presumed by HUD to meet this criterion: Abused children, persons with disabilities (adults), older adults, illiterate persons, battered spouses, migrant farm workers, and persons experiencing homelessness.
  - ii. Require information on family size and income, so it is evident that at least 51% of the clientele are persons whose family income does not exceed the LMI limits.
  - iii. Have income eligibility requirements, which limit the activity exclusively to LMI persons.
- c. **Housing Activities<sup>3</sup>** - A housing activity adds or improves permanent, residential structures that will be occupied by LMI persons upon completion. The housing can be either owner or renter occupied. Rental units occupied by LMI persons must be at affordable rents based on established standards. Occupancy of housing shall be determined using the following rules and shall be maintained for a period of at least fifteen (15) years:
  - i. Residential rehabilitation: Compliance is based upon household income of occupants.
  - ii. Housing construction: Compliance is based on the same rules as for residential rehabilitation with the following exception: Non-elderly, multi-family rental structures must have at least 20% of the units occupied by LMI persons. Where LMI occupancy is between 20% and 50%, the CDBG portion of the total development cost may not be greater than the portion of units occupied by LMI persons. Total development costs include the cost of all work from design and engineering through completion of the physical improvements and, if integral to the project, the cost of acquisition.
  - iii. Acquisition of property or conversion of buildings for permanent housing: Compliance is based on household income of the occupants in the structures, according to the applicable rules listed above for residential rehabilitation and new housing construction.
- d. **LMI Jobs<sup>4</sup>** - An LMI jobs activity creates or retains permanent jobs, at least 51% of which are either taken by LMI persons or considered to be available to LMI persons.
  - i. Jobs are considered to be "*available to*" LMI persons only when both:
    - 1. Special skills that can only be acquired with substantial (i.e., one year or more) training or work experience or education beyond high

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<sup>3</sup> Any residential unit that is to be rehabilitated must, at a minimum, be brought into conformance with HUD Section 8 Housing Quality Standards. Any non-residential structure that is to be rehabilitated must, at a minimum, be brought into conformance with the Building Officials and Code Administrator's (BOCA) minimum property standards. All properties built before 1978 must be evaluated for lead-based paint, and steps to remediate hazards must be undertaken if found.

<sup>4</sup> An example of an eligible activity is: A business incubator which is designed to offer both space and assistance to new firms hiring and/or serving LMI persons to help them become viable small businesses.

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school are not a prerequisite to fill such job, or the business nevertheless agrees to hire unqualified persons and train them; and

2. Local government or the assisted business takes actions that would ensure that LMI persons receive "first consideration" for filling such jobs.
  - ii. Principles involved in providing "first consideration": The business must use a hiring practice that in all likelihood will result in over 51% of persons hired being LMI persons; and the business must seriously consider a sufficient number of LMI jobs applicants to meet this intent; and the distance from residence and availability of transportation to job site must be considered in determining whether a particular LMI person can be seriously considered an applicant for the job.

2) **Projects Which Aid in the Prevention or Elimination of Slums and Blight.** An activity will be considered to address prevention or elimination of slums and blight in an area if:

- a. The deteriorated area meets the definition of slums, blight, or deteriorated or deteriorating area and is formally designated a slum or blighted area in accordance with State Law. In Virginia, this definition and procedure for designation is available in Title 36, Article 7 of the Code of Virginia, and
- b. It is in an area with a substantial number of deteriorated buildings or improvements, and
- c. It is in an area designated by the local government as in need of physical improvements due to blighted effects, with clearly delineated boundaries, and
- d. It addresses at least one or more of the conditions which contributed to the deterioration.

3) **Projects Which Address An Urgent Community Development Need.**<sup>5</sup> An activity will be considered to address this objective if the following conditions are met:

- a. The activity is designed to alleviate existing conditions which pose a serious and immediate threat to the health, safety or welfare of the *community*, and
- b. The conditions are of recent origin or recently became urgent. Recent is defined as being within an 18 month period immediately preceding the application deadline, and
- c. There are no other funds available to address the problem, and
- d. There exists a current declaration of emergency by the Governor of Virginia or of a health threat by the State Health Commissioner

**NOTE: PROJECTS THAT CANNOT DEMONSTRATE THAT AT LEAST ONE OF THE THREE NATIONAL OBJECTIVES OF THE PROGRAM WILL BE MET WILL NOT BE CONSIDERED FOR FUNDING.**

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<sup>5</sup> An example of an urgent need is the result of catastrophes or emergencies such as floods, earthquakes or damaging hurricanes.

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PART 2: Introduction to the Loudoun County CDBG Program and Priority Needs

**Entitlement Grantee** In September 2003, Loudoun County achieved Urban County status with a population exceeding 200,000 and became eligible to receive federal Community Development Block Grant (CDBG) funds as an entitlement grantee. As an entitlement grantee, the County receives an annual allocation of CDBG funds from the U.S. Department of Housing and Urban Development (HUD). The County FY 2020 allocation from HUD is expected to be approximately \$1,000,000. The purpose of the program is to enable entitled communities to develop a wide range of activities and programs geared towards revitalizing neighborhoods, improving community facilities and services, and expanding economic development.

**Loudoun County CDBG Goals and Priority Needs** In 2014, the Loudoun County Board of Supervisors adopted the five-year Consolidated Plan for federal fiscal years 2014-2018 (Consolidated Plan). The 2014-2018 Consolidated Plan is still in effect for PY16. The Consolidated Plan provides a comprehensive approach to the housing and community development needs of Loudoun County, including the seven incorporated towns. The Consolidated Plan's goals were developed after extensive input from numerous stakeholders including county agencies, nonprofit housing developers, human service providers, business groups, and interested citizens.

**Housing Goals**

- Maintain and increase stock of affordable owner-occupied housing.
- Maintain and increase stock of affordable rental housing.
- Improve affordable homeownership options for first-time homebuyers.
- Expand the supply of affordable, accessible housing and supportive services for persons with special needs.

**Homeless Goals**

- Increase housing opportunities to maximize independence and self-sufficiency among homeless families, homeless individuals and persons experiencing chronic homelessness.
- Encourage and support homeless prevention activities.
- Provide emergency shelter services to stabilize families and individuals.
- Enhance provision of supportive and skill-building services to stabilize individuals and families and promote maximum self-sufficiency.

**Community Development Goals**

- Focus available resources in older existing communities.
- Create a suitable living environment by making countywide infrastructure improvements.
- Expand public services and employment opportunities.
- Preserve, expand and improve accessible public facilities.

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**Priority Needs**

Priority needs were determined based on a needs assessment and market analysis. As stated in the Consolidated Plan, priorities for allocating investment were identified as high or low. PY16's Application Evaluation Criteria awards bonus points to high priority activities.

**High Priority Needs**

1. Increase stock of affordable housing for homebuyers
2. Preserve affordable housing for homebuyers
3. Rehabilitate homes owned by low and moderate income homeowners
4. Provide loan assistance to low and moderate income homebuyers
5. Increase stock of affordable rental housing
6. Provide rental assistance to extremely low income households
7. Increase stock of Permanent Supportive Housing for persons with disabilities and/or special needs population
8. Increase the number of Transitional Housing units
9. Provide Rapid Re-Housing services and rental assistance to persons experiencing or at risk of homelessness
10. Provide Emergency Shelter Services to stabilize families and individuals
11. Provide job training and employment placement services
12. Provide emergency and accessibility home repairs to special needs households
13. Designate target areas for neighborhood revitalization with defined boundaries
14. Provide water, wastewater, road and storm drainage improvements to low and moderate income communities

**Low Priority Needs**

15. Provide homeownership counseling
16. Provide intensive case management to maximize self-sufficiency
17. Expand in-home care services to special needs households
18. Assist low and moderate income persons with medical and/or health care services

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PART 3: Applicant/Project Eligibility

**Eligible Applicants**

- Applicants must be:
  - 1) a governmental entity such as Loudoun County or one of the incorporated towns of Hamilton, Hillsboro, Leesburg, Lovettsville, Middleburg, Purcellville and Round Hill; or
  - 2) a non-profit organization with 501(c) (3) tax-exempt status whose overall service population includes a considerable number of Loudoun residents; or delivers a considerable number of service hours to Loudoun residents; and the non-profit organization has either a physical presence in Loudoun County or is located within reasonable proximity to Loudoun County.
- Applicant's organization must have been in business for at least two (2) years.
- Applicants for the development of new affordable housing construction projects (including pre-development design/engineering costs) must meet the requirements of a Community-Based Development Organization (CBDO) (§570.204 (c) (1)). See CBDO checklist on page 36.

**Eligible Projects/Activities**

- Proposed projects/activities must:
  - 1) occur within Loudoun County and/or directly serve Loudoun County residents.
  - 2) address one or more of the three HUD national objectives (see pp. 1-3);
  - 3) address one or more of the Loudoun County's CDBG Goals (see p. 4-5);
  - 4) relate to one or more County Housing Policies- if an affordable housing development project- (see pages 37-44 of application packet); and
  - 5) be eligible under the following HUD categories of eligible activities.

**HUD Eligible Activities**

- **Acquisition of Real Property** To acquire real property in whole or in part by purchase, long-term lease (15 years or more), donation, or otherwise. CDBG funds may be used under this category by the county, another public agency, a public non-profit entity or a private non-profit entity to acquire property for a public purpose.
- **Public Facilities and Improvements** For the acquisition (including long-term leases), construction, reconstruction, rehabilitation or installation of public improvements or facilities (except for buildings for the general conduct of government). Includes all improvements and facilities that are either publicly owned or that are traditionally provided by the government, or owned by a non-profit, and operated so as to be open to the general public.
- **Public Services** To provide public services (including labor, supplies, materials and other costs). The public service must be either a new service or a quantifiable increase in the level of a service. The amount of CDBG funds obligated in a program year to support



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public service activities may not exceed 15% of the County's total grant award. For federal fiscal year 2019 the total amount of funding estimated to be available for Public Services is \$150,000.

- **Rehabilitation** For the rehabilitation of eligible owner-occupied and rental housing units. May include landscaping, sidewalks, garages and driveways when accompanied with other rehabilitation needed on the property. Nonprofit owned, nonresidential buildings and improvements are also eligible under this category.
- **Construction of Housing** CDBG funds may be used to construct permanent new housing if the project is implemented by an eligible Community-Based Development Organization under §570.204 (c) (1) (see CBDO checklist on page 36).
- **Special Economic Development Activities** Commercial or industrial improvements carried out by the County or a non-profit subrecipient that may include acquisition, construction, rehabilitation, reconstruction, or installation of commercial or industrial buildings or structures and other related real property equipment and improvements.
- **Microenterprise Assistance** Facilitates economic development through the establishment, stabilization, and expansion of Microenterprises. This category authorizes the use of CDBG funds to provide financial assistance to an existing microenterprise or to assist in the establishment of a microenterprise. (Microenterprise: a business having 5 or fewer employees, one or more of whom owns the business.)
- **Special Activities by CBDOs** A Community-Based Development Organization (CBDO) may be designated by the County to carry out a range of activities the County may otherwise not carry out itself. The most frequent use of this provision has been to carry out new construction of housing. An organization must meet certain requirements to be designated a CBDO (see CBDO checklist on page 36).
- **Homeownership Assistance** May provide financial assistance to low and moderate income households to assist them in the purchase of a home.

**Ineligible Activities**

**Ineligible Activities**<sup>6</sup> The following are examples of activities that cannot be funded by CDBG:

- Activities that do not meet a CDBG National Objective.
- Buildings used for the general conduct of government. (Except removal of architectural barriers).
- General government expenses required to carry out the regular responsibilities of local government.

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<sup>6</sup> This is not an exhaustive list of ineligible activities; eligibility determinations will be made on a project by project basis based on thorough review of the application and proposed project.

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- Political or religious activities.
- New construction of housing units, except as described above under Special Activities by CBDOS.
- Purchase of construction equipment, fire protection equipment, furnishings and personal property.
- Income payments (exception is emergency payments made over a period of up to three (3) consecutive months directly to the provider of such items or services as food, clothing, housing or utilities on behalf of an individual or family).

**Eligible Incomes** CDBG projects generally must benefit at least 51% low and moderate income persons. The exception is for an “area benefit” project that must benefit 23.97% of low/moderate income population. An area benefit project must be substantiated by census tract or other supporting data.

The following table lists current low and moderate income limits by family size. It is the responsibility of the applicant to obtain and provide the necessary information on income eligibility for the proposed CDBG project. If the project is funded, the sub-recipient must maintain records documenting the income of beneficiaries of the project. Additional information on documenting income can be obtained from CDBG program staff.

<b>2018 HUD Area Median Income Limits , eff. 4/1/2018, based on AMI of \$117,200</b>								
	<b>1 person</b>	<b>2 persons</b>	<b>3 persons</b>	<b>4 persons</b>	<b>5 persons</b>	<b>6 persons</b>	<b>7 persons</b>	<b>8 persons</b>
<b>Extremely Low (30%) Income Limits</b>	\$24,650	\$28,150	\$31,650	\$35,150	\$38,000	\$40,800	\$43,600	\$46,400
<b>Very Low (50%) Income Limits</b>	\$41,050	\$46,900	\$52,750	\$58,600	\$63,300	\$68,000	\$72,700	\$77,400
<b>Low (80%) Income Limits</b>	\$65,700	\$75,050	\$84,450	\$93,800	\$101,350	\$108,850	\$116,350	\$123,850

Note: This AMI table updates yearly around April. If awarded, which usually occurs after April, the AMI table that will be used for the quarterly reporting will have updated income limits.

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PART 4: Environmental Compliance

HUD-Assisted projects must comply with the National Environmental Policy Act and related laws and authorities as implemented at 24 CFR 58. These regulations require:

- Documentation that HUD-funded projects are not harming the environment and that the environment is not impacting the project.
- Consideration of environmental impacts of a project early in the planning and decision-making process prior to commitment of HUD funds for a project.

**Understanding Environmental Compliance requirements is important for appropriate planning and development of a project timeline. Advance preparation will help to ensure that a project is “shovel ready” at the time of making application for federal CDBG funds. The organization sponsoring the project will be required to provide to Loudoun County data and information necessary to document environmental compliance. Loudoun County staff will also require access to the project site for visual inspection. Required documentation may include, but is not limited to, Phase I and Phase II Environmental Studies; project plans; site maps; permits obtained; proof of site-control; detailed information on all aspects of the project.**

Examples of proposed projects that are likely to require completion of an in-depth Environmental Assessment prior to commitment of HUD funds are listed below. List is not exhaustive.

- New construction
- Reconstruction or major rehabilitation of a facility
- Demolition
- Rehabilitation of 5 or more single family homes
- Projects that involve a change in land use
- Projects that involve excavation

Additional Environmental compliance considerations:

- 1) **Lead-Based Paint Hazards Requirements:** All projects must follow HUD Lead-Based Paint regulations which include notification to occupants about the existence (or potential existence) of lead hazards, identification of lead-based paint, and control/remediation of lead-based paint hazards to limit lead exposure to residents. Regulations affect rehabilitation, homebuyer programs, special needs housing, acquisition, tenant-based rental assistance and public service facilities. Properties built after 1978 are exempt from these regulations. For a summary of HUD Lead Safe Housing Rule requirements see: [https://www.hud.gov/program\\_offices/healthy\\_homes/enforcement/lshr](https://www.hud.gov/program_offices/healthy_homes/enforcement/lshr) .

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- 2) **Historic Preservation Requirements:** Projects involving acquisition, disposition, rehabilitation, repurposing, demolition or other construction funded with Federal dollars are subject to historic preservation requirements. This also includes known historic properties (generally 50 years of age or older), properties listed (or with the potential to be listed) on the National Register, and/or properties located in a historic district or adjacent to a historic property. The National Historic Preservation Act of 1966 requires considering the impact of projects on historic properties.
- a. CDBG-funded projects must comply by implementing regulations at 36 CFR Part 800, incorporated by reference in 24 CFR Part 58.
  - b. Additional information on historic preservation guidelines is available at the Virginia Department of Historic Resources review and compliance page located at: [http://dhr.virginia.gov/review/orc\\_home.html](http://dhr.virginia.gov/review/orc_home.html)

*Contact CDBG Accounts Assistant, Sandra Berrios, for additional information on environmental compliance regulations related to a proposed project.*

*Email: [sandra.berrios@loudoun.gov](mailto:sandra.berrios@loudoun.gov) Telephone: 703.771-5731*

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PART 5: Application Guidelines

**Applications** The application packet is available on the Loudoun County website [www.loudoun.gov/cdbq](http://www.loudoun.gov/cdbq) or by calling (703)777-0353 V/TTY.

- Applications must be received no later than 4:00 p.m. Monday, November 5, 2018. Applications received after the deadline will not be considered for funding. No exceptions will be made to this requirement.
- The application cover sheet must be signed (not electronically) and certified by the person from the organization with authority to apply for grant funding. An application with an unsigned cover sheet is incomplete and will not be considered for funding.
- Submissions by facsimile (fax) machine or email only will not be accepted.
- Affordable Housing Development Project Applicants must complete Parts 8 and 8a. All other applicants complete Part 8 only.
- Applicants must submit one (1) original-signed paper application, eight (8) copies, and email the completed application to [Sandra.berrios@loudoun.gov](mailto:Sandra.berrios@loudoun.gov) . The emailed application and original-signed paper application must both be received by the deadline to be considered.
- Attachments – only one (1) copy. Attachments do not need to be submitted electronically.
- Applications should be prepared in a readable type size of 12 point or larger.
- Application bindings should be restricted to a clip or submitted in a manner that does not contain stapling or permanent binding to permit ease of handling.

**Supplemental application materials**

All applications must provide one set of the following supplemental material as attachments:

- Organization's history, mission and, strategic plan
- 501(c) (3) Certificate or Letter of Application
- Articles of Incorporation and By-Laws
- Current Board of Directors roster
- 2017 (or most recent) Financial Audit/Statement
- Current organization budget
- Board Resolution authorizing application and match for CDBG funds
- Key Staff Resumes
- MOU's or Letters of Support from project partners (if any)
- Evidence that you are a CBDO, if applicable.

**Application Due Date**

**All applications (original and emailed copy) are both due no later than Monday, November 5, 2018 by 4:00 p.m.** Please submit applications to the following address:

Sandra Berrios, CDBG Accounts Assistant  
Loudoun County Department of Family Services  
P.O. Box 7400  
102 Heritage Way, NE, Suite 103  
Leesburg, Virginia 20177-7400  
[Sandra.berrios@loudoun.gov](mailto:Sandra.berrios@loudoun.gov)

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PART 6: CDBG Application Review and Funding Award Process

1. After the close of the application period, DFS CDBG Program staff will review each submitted application for completeness and for basic CDBG Program eligibility.
  - a. If it is determined that an application is incomplete or otherwise ineligible for funding, the applicant organization will be notified of this determination in writing.
2. Staff will forward the eligible applications to the Review Committee members who will review and score the applications objectively based on the Evaluation/Scoring Criteria (included on the following pages).
3. The Review Committee will make a funding recommendation and provide the funding recommendation to the Family Services Advisory Board (FSAB) in a written summary report.
4. The FSAB will consider the funding recommendation of the Review Committee. The FSAB will formulate a recommendation for funding to the Board of Supervisors.
5. The Loudoun County Finance Government Operations and Economic Development Committee (FGOEDC) of the Board of Supervisors will be briefed on the FSAB funding recommendation.
6. CDBG program staff will include the activities recommended for funding in the Annual Action Plan.
7. The Annual Action Plan, with funding recommendations included, will be presented to the Loudoun County Board of Supervisors and the community as part of a Public Hearing of the Board of Supervisors. Revisions to the Annual Action Plan and funding recommendations may be made during this time by the Board of Supervisors.
8. The Annual Action Plan and funding recommendations are presented to the Board of Supervisors at a Business Meeting for approval and adoption.
9. The Loudoun County Annual Action Plan is submitted to HUD for review and approval.
10. While waiting for HUD's review and approval, staff will prepare Subrecipient Contractor Agreements.
  - a. Each Agreement will contain the terms and conditions of the CDBG funding, a description of the approved activity and costs, and specify applicable regulations and reporting requirements for funding.
  - b. The person designated in the application (typically the Executive Director) will be required to sign the Subrecipient Agreement and return it to DFS.
11. All Agreements will be executed by the County of Loudoun upon approval of the Annual Action Plan by HUD.
12. Subrecipient Agreements will be for a term not to exceed 12 months beginning on the first day of July of the program year.

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PART 7: Evaluation Criteria/Scoring  
***All Applicants***

**Evaluation Criteria** Consists of five main areas and one bonus area: Project Description, Project Budget, Benefit to Low and Moderate Income (LMI) Loudoun Residents, Relationship to CDBG Goals, Organizational Capacity, and Meets High Priority Needs (bonus).

**Scoring** Applications will be evaluated and ranked (scored) using an objective point system with 100 (110 if awarded bonus) being the highest number of points possible and 0 being the lowest number of points possible. Applications will be funded based upon score. Applications receiving the same score will be ranked based upon date and time of application receipt. Evaluation scoring criteria will be based as described below.

- 1. Project Description** **30 points maximum**
  - **21-30 points**: The project meets a CDBG national objective, is clearly defined and detailed, is innovative, includes **measurable** results/outcomes, and provides a clear and realistic timeline for completion within the program year.
  - **11-20 points**: The project meets a CDBG national objective, is defined, includes **measurable** results/outcomes, and provides a timeline for completion within the program year.
  - **0-10 points**: The project meets a CDBG national objective, is defined, and includes **measurable** results/outcomes.
  
- 2. Project Budget** **25 points maximum**
  - **16-25 points**: Budget includes at least a 3:1 ratio of non-County cash to CDBG funds, certification and documented cost estimates and the Budget Narrative section on all items over \$2,000 is detailed and well supported.
  - **11-15 points**: Budget includes at least a 3:1 ratio of non-County cash to CDBG funds, is certified and cost estimates are well documented.
  - **6-10 points**: Budget includes at least a 2:1 ratio of non-County cash to CDBG funds, certification and well documented cost estimates.
  - **0-5 points**: Budget includes at least a 1:1 ratio of non-County cash to CDBG funds, certification and documented cost estimates.
  
- 3. Benefit to Low and Moderate Income (LMI) Loudoun Residents** **15 points maximum**
  - **11-15 points**: Project serves at least 51% LMI (23.97% if area benefit project), with priority given to persons at or below 30% AMI, includes methodology and category of benefit. The number of persons/households to be served is clearly stated. Organization is based in Loudoun County and only serves Loudoun residents.
  - **6-10 points**: Project serves at least 51% LMI (23.97% if area benefit project) with priority given to persons at or below 50% AMI, includes methodology and category of benefit. The number of persons/households to be served is clearly

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stated. Project mainly (at least 80%) serves Loudoun County residents.

- 0-5 points: Project serves at least 51% LMI (23.97% if area benefit project) with priority given to persons below 80% AMI, includes methodology and category of benefit. The number of persons/households to be served is clearly stated and at least 55% of the clients served are Loudoun County residents.

**4. Relationship to Loudoun County CDBG Goals** **20 points maximum**

- 11-20 points: Project directly relates to one of Loudoun's CDBG goals, specifically identifies the need for the service or project, and demonstrates significant impact on identified need.
- 6-14 points: Project relates to one of Loudoun's CDBG goals and identifies the need for the service or project and impact on identified need.
- 0-5 points: Project minimally relates to one of Loudoun's CDBG goals and does not adequately identify the need and impact for the service or project.

**5. Organizational Capacity** **10 points maximum**

- 6-10 points: Staff has prior experience implementing and managing similar projects and organization has a sound financial management system. If the organization previously received CDBG funds and the project achieved stated measurable outcomes and used all of the grant funds within the program year.
- 0-5 points: Staff project management experience is limited and/or financial management capacity is limited. If the organization previously received CDBG funds and the project did not achieve stated measurable outcomes and/or did not use all of the grant funds within the program year.

**6. Meets High Priority Need** **10 bonus points**

- 10 points: Project directly addresses at least one of Loudoun's CDBG high priority needs. See page 5.
- 0 points: Project does not address any of Loudoun's CDBG high priority needs.



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**Evaluation Criteria/Scoring**  
***Affordable Housing Development Project Applicants***

**Evaluation Criteria** Consists of five areas: Project Readiness, Project Development Costs/Financing, Benefit to Households at or below 50% AMI, Relationship to County's CDBG Goals and Affordable Housing Development Experience.

**Scoring** Applications will be evaluated and scored using an objective point system with the highest number of possible points being 100 and lowest being 0. Applications will be funded based upon score. Applications receiving the same score will be ranked based upon date and time of application receipt. Evaluation criteria on which scoring will be based is described below.

- 1. Project Readiness** **30 points maximum**
  - 16-30 points: Applicant has evidence of site control (purchase agreement, title or other evidence); appropriate zoning; has completed a market analysis and preliminary site plan; has a clear project timeline for completion.
  - 0-15 points: Applicant has identified site; identified zoning issues; has a reasonable timeline for completion.
- 2. Project Development Costs/Financing** **20 points maximum**
  - 11-20 points: Project development costs are well defined; at least 70% of financing sources (other than CDBG) are identified; CDBG funds are 30% or less of total financing.
  - 6-10 points: At least 50% of financing sources are identified; CDBG funds are 30% or less of total financing.
  - 0-5 points: Less than 50% of financing sources are identified; CDBG funds make up over 30% of total financing.
- 3. Benefit to Households at or below 50% of AMI** **20 points maximum**
  - 11-20 points: At least 75% of households to be served are at or below 50% of AMI.
  - 6-10 points: At least 50% of households to be served are at or below 50% of AMI.
  - 0-5 points: Less than 50% of households to be served are at or below 50% of AMI.
- 4. Relationship to County's CDBG Goals** **20 points maximum**
  - 11-20 points: Project directly relates to one of Loudoun's CDBG goals, specifically identifies the need for the service or project, and demonstrates significant impact on identified need.
  - 6-14 points: Project relates to one of Loudoun's CDBG goals and identifies the need for the service or project and impact on identified need.
  - 0-5 points: Project minimally relates to one of Loudoun's CDBG goals and does not adequately identify the need and impact for the service or project.

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**5. Affordable Housing Development Experience**

**10 points maximum**

- 6-10 points: Applicant has been in business for at least 5 years and has been a principal developer of affordable housing. Staff has prior experience implementing and managing similar projects and organization has a sound financial management system. If the organization previously received CDBG funds and the project achieved stated measurable outcomes and used all of the grant funds within the program year.
- 0-5 points: Applicant has been in business less than 5 years and has limited experience with development of affordable housing. Staff project management experience is limited and/or financial management capacity is limited. If the organization previously received CDBG funds and the project did not achieve stated measurable outcomes and/or did not use all of the grant funds within the program year.

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Date Received: \_\_\_\_\_

Time Received: \_\_\_\_\_

PART 8: Application Cover Sheet

**(All Applicants)**

Date Submitted: \_\_\_\_\_

Amount of CDBG Funds Requested: \$ \_\_\_\_\_

Amount of Match Funds: \$ \_\_\_\_\_

Amount of Other Funding: \$ \_\_\_\_\_

Total Project Cost: \$ \_\_\_\_\_

Project Name: \_\_\_\_\_

Project Description: \_\_\_\_\_  
\_\_\_\_\_

Location of Project: \_\_\_\_\_

Submitted by: \_\_\_\_\_  
*(If applicable indicate whether incorporated, non-profit, or tax exempt)*

Federal Tax ID#: \_\_\_\_\_

DUNS #: \_\_\_\_\_

Address: \_\_\_\_\_  
*(City, State, Zip)*

Contact Person: \_\_\_\_\_  
*(Name and Job Title)*

Work Phone: \_\_\_\_\_ Work FAX: \_\_\_\_\_

E-mail: \_\_\_\_\_

Alternate Contact: \_\_\_\_\_  
*(Name and Job Title)*

Work Phone: \_\_\_\_\_ Work FAX: \_\_\_\_\_

E-mail: \_\_\_\_\_

**SIGN BELOW. AN APPLICATION WITH AN UNSIGNED COVER SHEET WILL NOT  
BE ACCEPTED FOR FUNDING**

I certify that to the best of my knowledge, data in this application are true and correct and the application has been duly authorized for submission by the governing body of the applicant.

Name and Title: \_\_\_\_\_

Signature and Date: \_\_\_\_\_

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**Project Description**  
**(30 point maximum, if possible, 2 pages limit for narrative)**

*Please limit description in this section to the project itself. Information on the applicant organization capacity/experience is to be included in the Organizational Capacity section (p. 26 of packet).*

In narrative form, with responses numbered according to the numbered questions below, address the following:

1. Describe the project including: What will the project will do? What is the need for the project? Who will be served? Provide the physical address where services will be delivered. Provide the timeline for completion.
2. Describe the national objective(s) the project addresses (see pages 1-3);
3. Describe unique or innovative elements of the project. If the project duplicates other projects or services currently provided in the County, what sets it apart from other services?
4. Describe cooperative or collaborative efforts to implement the project. Attach letters of support or collaboration, or MOU's, from local partners involved in the proposed project, if applicable.
5. Describe the **measurable results** (outcomes) that will be achieved by the project and the data that will be used to document the results. What method will be used to maintain records and reports on, and, the unduplicated number of persons served by the project?
6. If you have operated this program in prior years, describe the results achieved in the most recent one-year time period (indicate the specific calendar or fiscal year dates), and provide verifiable data demonstrating results achieved. Include information on the number of unduplicated Loudoun County residents served by the project. Outcome data can be included as an attachment to the application (please limit to one page).

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**Project Budget  
(25 point maximum)**

**Utilizing and amending the table below as needed, please provide a line item project budget. Include a cost allocation schedule showing all proposed sources and uses of funds.** Please note that match funds at a minimum of 10% of the requested CDBG funding amount are required from the applicant. The greater the financial support or leveraging from local and other sources, the greater the potential impact that CDBG funds will have on meeting local community needs. Documentation of the dollar match must be provided; this information is used to report the total dollar value of funded projects within the CDBG Annual Action Plan. **Match funds cannot be other federal funds.** Attach a Resolution from the applicant's governing body certifying availability of match funds. Indicate the source of cost estimates for all line item amounts in the budget over \$2,000.

**Please Note:** Budget format on next page is in EXCEL; double click and insert individual line items, subtotals will calculate automatically. If line item adjustments (inserts/deletions) are made, please ensure that all items totals, both across and down, match Total on far right.

Loudoun County, Virginia  
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**BUDGET**

Amount of CDBG Funds Requested (Col B): \_\_\_\_\_

Applicant's Match Funds (Col C): \_\_\_\_\_

Other Funding (Col D+E+F+G): 0.00

**Total Project Cost (Col H): 0.00**

EXCEL Spreadsheet Format
Note: Formulas!!

A	B	C	D	E	F	G	H
PROJECT ACTIVITIES	CDBG Funds Requested	Applicant Match Funds (10% of Requested)	Other Federal	State or Local	Other/In-Kind	Program Income	TOTAL
A. Acquisition Costs	0.00	\$0	\$0	\$0	\$0	0.00	0.00
1. Land							0.00
2. Existing Structures							0.00
3. Other:							0.00
Appraisals, Soil Tests, Surveys							0.00
B. Arch/Engineering Fee	0.00	\$0	\$0	\$0	\$0	0.00	0.00
1. Architect Fee							0.00
2. Engineering Fee							0.00
3. Other							0.00
C. Construction	0.00	\$0	\$0	\$0	\$0	0.00	0.00
1. Building Fee							0.00
2. Infrastructure/On-Site							0.00
3. Landscaping							0.00
4. Labor/Materials							0.00
5. Other							0.00
D. Rehabilitation	0.00	\$0	\$0	\$0	\$0	0.00	0.00
1. Building Fee							0.00
2. Infrastructure/On-Site							0.00
3. Landscaping							0.00
4. Labor/Materials							0.00
5. Other							0.00
E. Project Management		\$0	\$0	\$0	\$0	0.00	0.00
1. Project Mgmt							0.00
2. Project Operating Exp							0.00
3. Supplies							0.00
4. Audit							0.00
5. Other-Fees							0.00
F. Other Activities (specify)	0.00		\$0	\$0	\$0	0.00	0.00
Office Space							0.00
2							0.00
3							0.00
G. General Administration	0.00	\$0	\$0	\$0	\$0	0.00	0.00
1. Salaried Positions:							0.00
(job titles)							0.00
a.							0.00
b.							0.00
c.							0.00
2. Fringe Benefits (specify)							0.00
a.							0.00
b.							0.00
c.							0.00
<b>GRAND TOTAL (A-G)</b>	<b>0.00</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00</b>	<b>0.00</b>

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**Project Budget Continued:**

1. Provide a Budget Narrative on all line items over \$2,000.
2. Will this project incur ongoing operating costs? \_\_\_\_\_Yes \_\_\_\_\_No
3. Describe plans for funding this project in subsequent years.
4. Would you accept partial funding for this project? \_\_\_\_\_Yes \_\_\_\_\_No
  - a. How would partial funding impact the project?
5. Has your organization received CDBG funding in the past? \_\_\_\_\_Yes \_\_\_\_\_No If so, when, how much, and for what projects? Did your organization successfully implement and expend allocated CDBG funds? If CDBG funds were not expended, please explain. List information below for projects for which CDBG funding was awarded in prior years:

<u>Year</u>	<u>Amount</u>	<u>Project</u>	<u>All Funds Expended? (Yes /No)</u>	<u>Explanation:</u>
-------------	---------------	----------------	--------------------------------------	---------------------

\*In-kind donations and volunteer hours may be used for the match funds. The hourly rate for non-professional volunteers is \$26.75 (source: Independent Sector; VA rate. Last accessed 10/03/2018). The hourly rate for professional volunteers is determined by the applicant and must be justified in the Budget Narrative. **Records of the value of in-kind donations and volunteer hours must be maintained by the applicant and provided to the County if these sources are used to meet project match requirements.**

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**Benefit to Low and Moderate Income (LMI) Loudoun Residents  
(15 point maximum)**

1. Describe the methodology used to determine that at least 51% of the persons benefiting from the project are LMI (at least 23.97% if project provides area benefit). Describe the process to be used by the project to document the income of households or individuals served by the program.
2. Describe the category of low/moderate income benefit that is addressed by this project (refer to pp. 1-3).
3. If the project targets households at a specific income level, please indicate the income level or levels to be served (refer to the Area Median Income Limit chart on page 8).
4. Indicate the total number of Loudoun residents (individuals or households) that will benefit from this project during the project year, and indicate the percent that will be low and moderate income<sup>7</sup>. If the project will also serve non-Loudoun residents, please explain how Loudoun CDBG funding will be targeted specifically to Loudoun residents served by the project.
5. Provide the physical address of the location where services will be delivered.

---

<sup>7</sup> For CDBG, moderate-income households are those having an income between 51% and 80% of the Area Median Income (AMI), and low-income households have an income at or below 50% of the AMI. These limits vary by household size and are updated on a yearly basis. *Source: CDBG Basic Training, Ch. 1. Last revised March 2017.*



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**Relationship to Loudoun County CDBG Goals  
(20 point maximum)**

In narrative form, use the tables below to describe how the project addresses priority needs identified in the Loudoun County's CDBG Consolidated Plan. Address only the priority need(s) related to the project. As noted in the evaluation criteria, high priority need(s) will be awarded 10 bonus points.

**Housing High Priorities**

- Increase stock of affordable housing for homebuyers
- Preserve affordable housing for homebuyers
- Rehabilitate homes owned by low and moderate income homeowners
- Provide loan assistance to low and moderate income homebuyers
- Increase stock of affordable rental housing
- Provide rental assistance to extremely low income households
- Provide emergency and accessibility home repairs to special needs households

**Housing Low Priorities**

- Provide homeownership counseling

*Housing Goals:*

Loudoun County, Virginia  
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**Homeless High Priorities**

- Increase stock of Permanent Supportive Housing for persons with disabilities and/or special needs population
- Increase the number of Transitional Housing units
- Provide Rapid Re-Housing services and rental assistance to persons experiencing or at risk of homelessness
- Provide Emergency Shelter Services to stabilize families and individuals

**Homelessness Low Priorities**

- Provide intensive case management to maximize self-sufficiency
- Expand in-home care services to special needs households

*Homeless Goals:*

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**Community Development High Priorities**

- Designate target areas for neighborhood revitalization with defined boundaries
- Provide water, wastewater, road and storm drainage improvements to low and moderate income communities
- Provide job training and employment placement services

**Community Development Low Priorities**

- Assist low and moderate income persons with medical and/or health care services

*Community Development Goals:*

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**Organizational Capacity  
(10 point maximum)**

Use the table below and please list key staff that will manage/implement the project.

Job Title	Name	Hours Per Week

Applicants must demonstrate the ability to carry out the proposed activities and will be evaluated on experience, administrative capacity, previous funding expenditures, and appropriateness and adequacy of financial management systems and processes. In narrative format, provide the following information related to your organization and how the project for which funding is sought will be managed:

1. Describe key staff experience with project management.
2. Discuss current or previous experience with related program or project activity.
3. Describe the organization's financial management system to include: type of accounting records (manual or automated), use of outside accounting and/or payroll services, how CDBG funds will be separately tracked and the number of persons with signature authority.
4. If the organization previously received CDBG funds, describe how staff was successful at meeting the stated project outcomes and whether or not the entire grant funds were used within the program year. If not, explain why.
5. Include all project key staff- even if not CDBG-funded.

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**PART 8a – Form 1**  
(Affordable Housing Development Project Applicants)

**AFFORDABLE HOUSING DEVELOPMENT PROJECTS  
PROJECT SUMMARY AND APPLICANT EXPERIENCE**

**PROJECT:** \_\_\_\_\_ **ORGANIZATION:** \_\_\_\_\_

**1. Project Address:** \_\_\_\_\_  
\_\_\_\_\_

**Property Identification No.:** \_\_\_\_\_ **County District:** \_\_\_\_\_

**2. Number of Units:** \_\_\_\_\_

**3. Type of Project:** Rental \_\_\_\_\_ Homeownership \_\_\_\_\_

**4. Type of Units: (single family, townhouse, apartments, etc.)**  
\_\_\_\_\_

**5. Type of Development:**  
New Construction \_\_\_\_\_ Acquisition \_\_\_\_\_ Rehabilitation \_\_\_\_\_ Acquisition/Rehab \_\_\_\_\_

**6. Relationship to County Housing Policies (Identify policy/policies project addresses)**

**7. Development Team Experience:**  
Number of years in operation: \_\_\_\_\_ Number of years in housing development: \_\_\_\_\_  
Number of affordable housing units produced: \_\_\_\_\_

Name of Project	Location	Number of Units	Type of Units

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**PART 8a – Form 2**  
**AFFORDABLE HOUSING DEVELOPMENT PROJECTS**  
**PROJECT READINESS**

**PROJECT:** \_\_\_\_\_ **ORGANIZATION:** \_\_\_\_\_

**TYPE OF PROPOSED PROJECT (Check one):** Rental \_\_\_\_ Homeownership \_\_\_\_

Please check Yes or No as appropriate for the proposed project. Provide attachments as indicated in the sequence listed below. Clearly label each attachment.

**1. Has a site been identified?** Yes \_\_\_\_ No \_\_\_\_

N/A \_\_\_\_

Provide location map for project.

**2. Does applicant have site control?** Yes \_\_\_\_ No \_\_\_\_

N/A \_\_\_\_

Attach purchase agreement, title or other evidence.

**3. Has a feasibility study been completed?** Yes \_\_\_\_ No \_\_\_\_

N/A \_\_\_\_

Submit one copy as an attachment.

**4. Is there a market analysis?** Yes \_\_\_\_ No \_\_\_\_

N/A \_\_\_\_

Submit one copy as an attachment.

**5. Does the project require rezoning/special use permit?** Yes \_\_\_\_ No \_\_\_\_

N/A \_\_\_\_

If so, has request been filed (provide evidence)?

Yes \_\_\_\_ No \_\_\_\_

**6. Are utilities available at the project site?** Yes \_\_\_\_ No \_\_\_\_

N/A \_\_\_\_

**7. Has an environmental audit (Phase 1) of the site been undertaken?** Yes \_\_\_\_ No \_\_\_\_

N/A \_\_\_\_

Submit one copy as an attachment.

**8. Are there schematics and a preliminary site plan?** Yes \_\_\_\_ No \_\_\_\_

N/A \_\_\_\_

Submit one copy as an attachment.

**9. Have detailed cost estimates for rehab work been prepared?** Yes \_\_\_\_ No \_\_\_\_

N/A \_\_\_\_

Submit one copy as an attachment.

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**10. Is there an engineering report detailing property condition?**

**Yes\_\_\_No\_\_\_**

**N/A\_\_\_**

**Submit one copy as an attachment.**

**11. Has an appraisal been completed for the property?**

**Yes\_\_\_No\_\_\_**

**N/A\_\_\_**

**Submit one copy as an attachment**

**12. What is the assessed value of the property?**

**\$\_\_\_\_\_**

**13. Has total project financing been identified for this project?**

**Yes\_\_\_No\_\_\_**

**N/A\_\_\_**

**Submit summary of financing sources as an attachment.**

**14. Is project ready for implementation, assuming CDBG funding?**

**Yes\_\_\_No\_\_\_**

**N/A\_\_\_**

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**PART 8a – Form 3**  
**AFFORDABLE HOUSING DEVELOPMENT PROJECTS**  
**DETAILED ESTIMATE OF DEVELOPMENT COSTS**  
(Complete for Rental and Homeownership Projects)

**PROJECT:** \_\_\_\_\_ **ORGANIZATION:** \_\_\_\_\_

<b>CONTRACT COSTS (Fill in non-shaded areas only)</b>		<b>SUBTOTAL</b>	<b>TOTAL</b>
1. Land Improvements			
a. Off-Site			
b. On-Site			
c. Landscaping			
d. Engineering Fee (construction)			
<b><i>SUBTOTAL LAND IMPROVEMENTS</i></b>			
2. Structures			
a. Residential			
b. Non-Residential			
<b><i>SUBTOTAL STRUCTURES</i></b>			
3. Other Costs			
a. General Requirements			
b. Builders Overhead			
c. Builders Profit			
d. Developers Fee			
e. Building Permits			
f. Completion Assurance Letter of Credit			
g. Consultant Fee			
h. Other (describe)			
<b><i>SUBTOTAL OTHER COSTS</i></b>			
<b>DEVELOPMENT COSTS</b>			
1. Site Engineering/Survey			
2. Design & Supervising Architect(s)			
3. Soil Borings/Geotechnical			
4. Environmental Phase I			
5. Appraisal			
6. Mortgage Placement Fee			
7. Construction Interest			
8. Taxes during Construction			
9. Insurance during Construction			
10. Recordation and Transfer Taxes			
11. Legal Fees (title, title exam/ins., etc.)			
12. Cost Certification			
<b><i>SUBTOTAL DEVELOPMENT COSTS</i></b>			
<b>LAND/ACQUISITION/DEVELOPMENT COSTS</b>			
1. Total Improvement Costs			
2. Cost of Land/Acquisition			
3. Other (describe)			
<b><i>SUBTOTAL LAND/ACQUISITION/DEVELOPMENT</i></b>			
<b>TOTAL DEVELOPMENT COSTS</b>			



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**PART 8a – Form 4**  
**AFFORDABLE HOUSING DEVELOPMENT PROJECTS**  
**PROJECT COSTS AND FINANCING**  
**(Complete for Rental and Homeownership Projects)**

**PROJECT:** \_\_\_\_\_ **ORGANIZATION:** \_\_\_\_\_

**TOTAL DEVELOPMENT COSTS (From Form 3):** \$ \_\_\_\_\_

**TOTAL DEVELOPMENT COST PER UNIT:** \$ \_\_\_\_\_

**PROJECT FINANCING:**

**Proposed CDBG Program Funds:** \$ \_\_\_\_\_

**Equity**

Source: \_\_\_\_\_ Amt: \$ \_\_\_\_\_ Committed Yes \_\_\_ No \_\_\_

Source: \_\_\_\_\_ Amt: \$ \_\_\_\_\_ Committed Yes \_\_\_ No \_\_\_

Source: \_\_\_\_\_ Amt: \$ \_\_\_\_\_ Committed Yes \_\_\_ No \_\_\_

**Total Equity:** \$ \_\_\_\_\_

**Loans**

1<sup>st</sup> Trust \$ \_\_\_\_\_ at \_\_\_\_\_ % for \_\_\_\_\_ months Source \_\_\_\_\_

Committed Yes \_\_\_ No \_\_\_

2<sup>nd</sup> Trust \$ \_\_\_\_\_ at \_\_\_\_\_ % for \_\_\_\_\_ months Source \_\_\_\_\_

Committed Yes \_\_\_ No \_\_\_

3<sup>rd</sup> Trust \$ \_\_\_\_\_ at \_\_\_\_\_ % for \_\_\_\_\_ months Source \_\_\_\_\_

Committed Yes \_\_\_ No \_\_\_

**Additional details of project financing, if applicable:**

**Total Loans:** \$ \_\_\_\_\_

**TOTAL PROJECT FINANCING:** \$ \_\_\_\_\_

**CDBG AS % OF TOTAL PROJECT FINANCING** \_\_\_\_\_ %

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**PART 8a – Form 5**  
**AFFORDABLE HOUSING DEVELOPMENT PROJECTS**  
**HOMEOWNERSHIP HOUSING**  
(Homeownership Projects Only)

**PROJECT:** \_\_\_\_\_ **ORGANIZATION:** \_\_\_\_\_

**DEVELOPMENT DESCRIPTION**

No. of Units	Square Footage	No. of Bedrooms/Baths	Structure <sup>8</sup> Type	Type of <sup>9</sup> Construction	Cost/Unit	Sales Price/Unit
					\$	\$

**TARGETED PURCHASERS**

Number of Purchasers	Income as a % of AMI <sup>10</sup>

Does the project involve any temporary relocation? Yes \_\_\_\_ No \_\_\_\_

**PROJECTS REQUIRING PERMANENT RELOCATION WILL NOT BE  
CONSIDERED**

<sup>8</sup> Single-family attached/detached, multi-family

<sup>9</sup> Stick-built, modular, etc.

<sup>10</sup> Area Median Income

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**PART 8a – Form 6**  
**AFFORDABLE HOUSING DEVELOPMENT PROJECTS**  
**PROPOSED OCCUPANCY AND RENT SCHEDULES**  
**(Rental Projects Only)**

**PROJECT:** \_\_\_\_\_ **ORGANIZATION:** \_\_\_\_\_

**Total Number of Units in Project:** \_\_\_\_\_

**Affordable Units:**

\_\_\_\_\_ # units at or below 30% AMI\*      \_\_\_\_\_ # units at or below 50% AMI

\_\_\_\_\_ # units at or below 80% AMI

**# Market Rate Units:** \_\_\_\_\_

**RENT SCHEDULE**

<b>Unit Type</b>	<b>No. of Units</b>	<b>Rent</b>	<b>Utilities</b>	<b>Income Served as % of AMI</b>

**Does the project involve temporary relocation?**    Yes\_\_\_ No\_\_\_

**PROJECTS REQUIRING PERMANENT RELOCATION WILL NOT BE  
CONSIDERED**

\*Area Median Income

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**PART 8a – Form 7**

**AFFORDABLE HOUSING DEVELOPMENT PROJECTS**

**DETAILED ESTIMATE OF ANNUAL OPERATING EXPENSES (Rental Projects Only)**

**PROJECT:** \_\_\_\_\_

**ORGANIZATION:** \_\_\_\_\_

EXPENSE (Fill in non-shaded areas only)	ANNUAL	SUBTOTAL/TOTAL
<b>ADMINISTRATIVE</b>		
1. Advertising/Marketing		
2. Office Costs		
3. Management Fee %EGI		
4. Salaries		
5. Legal		
6. Auditing		
7. Bookkeeping/Accounting Fees		
8. Telephone		
9. Other Administrative (describe)		
<b>SUBTOTAL ADMINISTRATIVE</b>		
<b>UTILITIES</b>		
1. Fuel Oil		
2. Electric		
3. Water		
4. Gas		
5. Sewer		
<b>SUBTOTAL UTILITIES</b>		
<b>OPERATING &amp; MAINTENANCE</b>		
1. Janitor/Cleaning		
2. Exterminating Cost		
3. Trash Removal		
4. Security		
5. Grounds		
6. Maintenance/Repairs		
7. Elevator Maintenance		
8. Heating/Cooling Repairs & Maintenance		
9. Snow Removal		
10. Decorating		
11. Miscellaneous (describe)		
<b>SUBTOTAL OPERATING &amp; MAINTENANCE</b>		
<b>TAXES AND INSURANCE</b>		
1. Real Estate Taxes		
2. Payroll Taxes		
3. Misc. Taxes/Licenses/Permits		
4. Property & Liability Insurance		
5. Other Insurance		
6. Fidelity Bond		
7. Workers' Compensation		
8. Health Insurance & Employee Benefits		
<b>SUBTOTAL TAXES AND INSURANCE</b>		
<b>TOTAL OPERATING EXPENSES</b>		
<b>REPLACEMENT RESERVES</b>		
<b>TOTAL EXPENSES</b>		

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**PART 8a Form 8**  
**AFFORDABLE HOUSING DEVELOPMENT PROJECTS**  
**PRO FORMA**  
**(Rental Projects Only)**

**PROJECT:** \_\_\_\_\_ **ORGANIZATION:** \_\_\_\_\_

**Provide information for each of the first five full years of stabilized occupancy.**  
**Please fill in the blanks with the actual years included in your projection.**

<b>FIVE YEAR PROJECT PRO FORMA</b>	<b>YEAR 1</b>	<b>YEAR 2</b>	<b>YEAR 3</b>	<b>YEAR 4</b>	<b>YEAR 5</b>
<b>ANNUAL REVENUES</b>					
1. Annual Rental Income	\$	\$	\$	\$	\$
2. Other Annual Income (list)	\$	\$	\$	\$	\$
3. GROSS INCOME	\$	\$	\$	\$	\$
4. Minus 5% Vacancy Loss	\$	\$	\$	\$	\$
5. EFFECTIVE GROSS INCOME (#3 minus #4)	\$	\$	\$	\$	\$
6. Operating Expenses	\$	\$	\$	\$	\$
7. NET OPERATING INCOME (NOI) = #5 minus #6	\$	\$	\$	\$	\$
8. Debt Service	\$	\$	\$	\$	\$
9. CASH FLOW AFTER DEBT SERVICE (#7 minus #8)	\$	\$	\$	\$	\$
10. DEBT COVERAGE RATIO (#7 / #8)					
11. OPERATING COST per UNIT (#6 / Total # Units)	\$	\$	\$	\$	\$

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**PART 8a Form 9**  
**Community-Based Development Organization**  
**Check List**

**Project:** \_\_\_\_\_ **Organization:** \_\_\_\_\_

*In order to qualify as a Community-Based Development Organization (CBDO), an entity must meet the criteria specified at Section 570.204 (c) (1), (2), or (3) of Community Development Block Grant (CDBG) regulations. Generally, this means the entity must:*

1. Be organized under State or local law to carry out community development activities. For entitled communities (such as Loudoun), the entity must operate primarily within the grantee's (county's) jurisdiction.
2. Maintain at least 51% of its governing body's membership to be made up of any combination of the following:
  - Low and moderate income residents of its area of operation;
  - Owners or senior officers of private establishments and other institutions located in and serving its geographic area of operation; **or**
  - Representatives of low and moderate income neighborhood organizations located in its geographic area of operation.
3. Require that members of the governing body be nominated and approved by the organization's general membership or by its permanent governing body.
4. Have as its primary purpose the improvement of the physical, economic, or social environment of its geographic area of operations, with particular emphasis on the needs of low and moderate income persons.
5. Be either nonprofit or for-profit, but, if for-profit, only incidental monetary benefits to its members are allowed.
6. Not be an agency or instrumentality of the county, and not permit more than one-third of its governing body to be appointed by or consist of elected or other public officials or employees of the county, even if such persons would otherwise meet the requirements described above.
7. Not be subject to the reversion of its assets to the county upon dissolution.
8. Be free to contract for goods and services from vendors of its own choosing (i.e., is not acting as an agent of the county).

**Note:** Please provide evidence that you are a CBDO. See checklist on p.36, Part 10.

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**PART 9: Loudoun County Housing Policies**

CPAM 2007-0001

# **Countywide Housing Policies**

**Adopted September 18, 2007**

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**Housing Policies**

**Revised General Plan (Chapter 2, pp. 2-12 to 2-15)**

**Housing**

The County's primary housing objective is to assure that existing and future County residents and the workforce are served by a range of housing opportunities. An adequate supply of varied types of housing, both rental and for-sale, in locations throughout the County is a fundamental ingredient of an enduring community. The creation of sustainable housing—its design, density, location, and performance—requires that the pattern of residential development benefit the user now and over time. To accomplish this objective, a diversity of housing types in a broad range of prices should be provided. Housing opportunities should be available in all areas of the County. Housing for special needs populations incorporating a programmatic approach also should be furnished.

The supply of single-family detached, attached and multi-family housing and their pricing is largely a function of market dynamics. The market determines the type of housing to be constructed, based upon demands for specific housing types and the potential return on investment for the developer. Loudoun's experience is that the market alone cannot meet all areas of housing need given current and projected job growth for the regional economy. Unmet housing needs occur across a broad segment of the County's income spectrum. The County defines unmet housing needs as the lack of housing options for households that are unable to rent or purchase due to insufficient incomes to meet current market prices. Housing diversity in type and price to address unmet needs will enhance Loudoun's economic vitality and the health of the community now and over time.

As total demand for housing in Loudoun has increased over the past fifteen years, single-family attached and multi-family units have gained a greater share of the for-sale market, while single-family detached homes and lots have accounted for a decreasing share. In 1990, single-family detached units represented 65% of the County's housing stock, whereas single-family attached units constituted 19% and multi-family units constituted 14%. By 2005, single-family detached units represented 54% of all homes; single-family attached units 27%, and multi-family units, 19%. By 2005, single-family detached units and lots accounted for only 49% of sales, compared to 58% of sales in 1990. Although the types of housing offered in the market are diversifying, housing costs are high and the shortage of affordable housing for residents and the workforce is growing.

The County can influence housing options and affordability by encouraging or requiring a clustered pattern of development and mixed-use communities with a diversity of housing types. To achieve this, the County should allow higher residential densities that are close to employment opportunities, schools, community centers, transit routes and other amenities where adequate water, sewer, roads, schools, open space, and recreation are, or will be in place. In and of themselves, increased densities are not the only answer to influencing the market. Flexibility in lot sizes and setback requirements, and relaxation



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of use restrictions are also necessary to achieve the desired product mix. The County can permit accessory and second-story apartments in existing villages and rural clusters and provide for a variety of unit types to be developed in designated Joint Land Management Areas (JLMAs) around the towns that have them. The County can form public-private partnerships to implement programs, providing incentives to influence the market.

**A. Housing Affordability**

Housing affordability has long been an issue in the Washington, D.C. metropolitan region. Affordability becomes a problem when the cost of housing exceeds an acceptable percentage of a household's disposable income. Households that are determined to reside in the metropolitan area can either pay a disproportionate amount of their income to secure housing, or pay less for lower quality or less adequate housing. In developing Loudoun County's vision for its residents, the Board of Supervisors has recognized affordable housing as an economic, transportation, and quality-of-life issue. While the County is providing a significant share of the region's housing, prices and rents are at a level that is too costly for many of Loudoun's workforce. Workers filling jobs in Loudoun often live in other jurisdictions and generate traffic on local roads as they commute to work increasing air pollution and gas consumption. Some housing units contain multiple families or additional occupants, resulting in overcrowded conditions which adversely affect neighborhoods and quality of life. The lack of affordably priced housing also has an impact on the continued ability to attract and retain a diversified employment base.

**B. Unmet Housing Needs**

The County's affordable housing policies focus on the unmet housing needs of all Loudoun's citizens and workers. The market is not meeting all areas of need given the County's vibrant economy and location in the region. The County's housing strategy gives guidance to the development of a variety of programs that address Loudoun-specific needs as identified through systematic audit, evaluation, and study. The County has identified that, within the broad spectrum of housing need, different levels of effort and varying approaches must be applied in order to effectively address the problem of housing affordability.

Providing housing for special needs populations to include low-income residents (less than 30% AMI), elderly residents requiring congregate care, disabled residents, and the homeless often requires heavy subsidies, which have historically been provided by the federal and state governments. Given the reduction of federal and state assistance, the County is committed to identifying resources to replace that assistance as well as encouraging the formation of public and private partnerships to support the development of housing for people who are elderly, disabled, or living on very low incomes.

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To address the unmet housing needs of Loudoun's workforce earning 30% to 100% AMI, a full range of tools to include loans, regulations, and other incentives should be considered. One important program is the Affordable Dwelling Unit (ADU) program. This program, adopted in 1993 as part of the Zoning Ordinance is based on state enabling legislation, and aimed at fulfilling the housing needs of County residents with incomes from 30% to 70% AMI.

The ADU rental units are designed to serve residents earning 30% to 50% AMI and priced at 30% of income (exclusive of utilities). ADU for-sale units are designed to serve residents with incomes of 50% to 70% AMI. For-sale units should be available at 3 times that income. As important as this program is to providing affordable housing to County residents, it has not been able to keep pace with the growing demand. In addition, there are deficiencies in the implementation of the ordinance that lessens its effectiveness to secure affordable housing for households in the lower range of the ADU program. This program alone cannot meet the need.

The County may establish a dedicated stream of revenue to fund the housing trust fund which would leverage federal, state, and other funding sources for the production of new units, to provide down payments for first-time homebuyers and to purchase land for affordable housing development. The affordability issue also includes developing strategies to preserve the existing supply of owner-occupied housing and affordable rental units. As such, the Plan recommends other programmatic initiatives aimed at revitalization, renovation, and restoration of the existing housing stock, provisions to allow manufactured housing as an option, and the commitment of County government to play a greater role in addressing unmet housing needs.

### **Guiding Principles Policies**

1. The County seeks to promote housing options for all people who live and/or work in Loudoun.
2. County policies and programs will focus on the unmet housing needs of households earning up to 100% of the Washington Metropolitan Area Median Income (AMI) that being the area of greatest need.
3. The County will regularly examine and estimate unmet housing needs, and housing programs will be evaluated for their effectiveness in addressing those needs.
4. Housing that is developed to fulfill unmet housing needs should generally be located near existing or planned employment opportunities, schools, communities, transit routes, and other amenities.

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5. The County is committed to bring all existing affordable housing in need of indoor plumbing, operational septic and water systems, and major system repair (new roofs, heating and cooling systems) up to safe and livable conditions.
6. The County encourages a variety of housing types, sizes and innovative designs to be developed to assist in fulfilling unmet housing needs throughout the County.
7. The County will require a mix of housing options appropriately located in communities to support a balanced development program.
8. The County will encourage the development of housing for special needs populations (as defined in the Glossary) integrated within existing and planned residential communities, particularly in areas within walking distance of convenience shopping and employment opportunities, transit, and other amenities.
9. The County will promote the provision of an affordable range of housing types throughout the County.
10. The County will promote the formation of public and private partnerships and facilitate the utilization of state and federal housing programs to assist in fulfilling unmet housing needs.
11. The County supports the development of housing and of communities that apply universal design principles.
12. The County encourages development that utilizes energy efficient design and construction principles, promotes high performance and sustainable buildings, and minimizes construction waste and other negative environmental impacts.
13. The use of planned and/or zoned non-residential land to address unmet housing needs is not supported unless the proposed use provides a mix of residential, commercial and offices uses and addresses the full range of unmet housing needs.
14. In addition to the requirements of the ADU Ordinance, the County encourages each development proposal that includes a residential component to address unmet housing needs recognizing that the largest segment of unmet need is housing for incomes below 30% AMI.

**Housing Supply Policies**

1. The County will identify options for addressing unmet housing needs not covered by the ADU zoning ordinance and work toward an implementation plan.
2. The County will encourage preservation by adaptive re-use of existing unused, or underutilized structures throughout the County, for the development of affordable

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dwelling units, as defined in the Zoning Ordinance and in accordance with the policies in the *Revised General Plan*.

**Cooperation Policies**

1. The County will initiate a regional cooperative effort with neighboring jurisdictions to establish a dialogue and programs to address the provision of a healthy balance of jobs and housing in each jurisdiction.
2. The County will provide technical planning expertise and financial support to the Towns to assist them in establishing programs that provide affordable housing. Such programs might include a revitalization tax credit program, housing rehabilitation, the development of regulations that allow for a broad range of housing types and sizes and upper story residential uses over stores, etc.
3. The County will work in partnership with nonprofit, public and private entities committed to the provision of a wide range of housing opportunities by offering technical and financial assistance.

**Funding Policies**

1. Developers of residential and mixed-use projects are encouraged to include funding commitments and proffers to fulfill unmet housing needs in their development proposals.
2. The County may maintain a dedicated revenue stream to fund the housing trust fund to address unmet housing needs. The fund will be evaluated annually to determine its effectiveness and efficiency.

**Programs and Incentives Policies**

1. The County will encourage the creation of programs, tools and incentives both publicly and privately developed that will fulfill unmet housing needs.
2. The County may provide incentives to stimulate the development of new housing projects when the applicant demonstrates the capacity to affect economic efficiencies in producing and sustaining affordable rents or sale prices over time.
3. The County may adopt or develop and implement an employer-assisted housing program to help meet workers' housing needs.
4. The County may develop and implement revitalization tax credit programs and/or loan programs for housing rehabilitation to conserve existing affordable housing.

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5. The County may establish additional incentives, such as density bonuses; expedited application review; reductions or waiver of permit, development, and infrastructure fees or capital facilities contributions; tax credit programs; and zoning modifications to meet housing goals and objectives.
6. The County may maintain an inventory of County-owned real property. The Board of Supervisors may consider the use of inventoried property by nonprofit, public and private sector entities as an incentive for residential development to fulfill unmet housing needs when it is consistent with other Plan policies. In using County-owned real property, the development goal is to provide 1) special needs housing and/or 2) a mix of housing types and sizes suitable for a range of households having less than 70% of Area Median Income (AMI).
7. The County promotes the recognition of good design and innovation in affordable housing by the Design Cabinet, County programs, and other channels.

### **Legislation Policies**

1. The County requires that for land development applications proposing development of 50 or more dwelling units with a density greater than one dwelling unit per acre, located in an approved sewer service area, a percentage of the total number of dwellings will be developed as affordable units and given an appropriate density increase.
2. The County will seek state enabling legislation to eliminate the exemption from the ADU Ordinance of buildings with elevators that are four stories or higher.
3. The County will strengthen ADU Program regulations to do as much as the state code allows to require the development of affordable housing that is interspersed within neighborhoods, communities and throughout the County as a part of new development.
4. Until such time as a Housing Authority is established to develop new affordable housing, rehabilitate housing, and revitalize community infrastructure, the County encourages the Industrial Development Authority to exercise its authority to assist with tax exempt bond financing, leverage gap financing and stimulate cooperative partnerships toward the preservation and production of housing to address unmet needs.
5. The County will amend the Zoning Ordinance to expand the number of districts where manufactured housing, accessory units, and other alternative housing types are allowed.

## ***TO BE ADDED TO THE GLOSSARY***

### **Manufactured Housing:**

Manufactured housing are homes built entirely in the factory, transported to the site, and installed under a federal building code administered by the U.S. Department of Housing and Urban Development (HUD).

### **Special Needs Population:**

Special needs populations include low income residents (incomes below the 30 percent Area Median Income (AMI)), elderly residents requiring congregate care, disabled residents, and the homeless.

### **Universal Design:**

The simple design of both products and the built environment to be usable by people of all ages and abilities, and which promotes the ability for people to age in place.

### **Unmet Housing Needs:**

The lack of housing options for households earning up to 100% of the Washington Metropolitan Area Median Income (AMI).

## **PART 10**

### **APPLICATION CHECKLIST**

- \_\_\_\_\_ **Application submitted (hardcopy and electronic) by 4:00 p.m. on Monday, November 5, 2018.**
- \_\_\_\_\_ Signed Application Cover Sheet
- \_\_\_\_\_ Application Narrative – Part 8 (for all applicants)  
(Includes Project Description, Project Budget, Benefit to Low and Moderate Income Loudoun Residents, Relationship to CDBG Goals and Organizational Capacity)
- \_\_\_\_\_ Application Supplement – Part 8a  
For Affordable Housing Development Projects – Includes Forms 1 through 9

**\*ATTACHMENTS (One copy of each)**

- \_\_\_\_\_ Organization's history, mission and strategic plan
- \_\_\_\_\_ 501 (c) (3) Certificate or Letter of Application
- \_\_\_\_\_ Articles of Incorporation and By-Laws
- \_\_\_\_\_ Current Board of Directors roster
- \_\_\_\_\_ 2017 (or most recent) Financial Audit/Statement
- \_\_\_\_\_ Current Organization Budget
- \_\_\_\_\_ Board Resolution Authorizing Application and Match for CDBG Funds
- \_\_\_\_\_ Key Staff Resumes
- \_\_\_\_\_ Letters of Support or copies of MOU's related to the project, if applicable.
- \_\_\_\_\_ Evidence that you are a CBDO, if applicable.

*\*Note: For Affordable Housing Development Projects, additional attachments are required as noted on Part 8a, Form 2, Project Readiness sheet (page 28 of packet).*