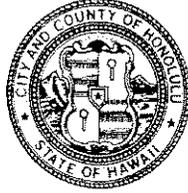


DEPARTMENT OF BUDGET AND FISCAL SERVICES
CITY AND COUNTY OF HONOLULU
530 SOUTH KING STREET, ROOM 208 • HONOLULU, HAWAII 96813
PHONE: (808) 768-3900 • FAX: (808) 768-3179 • INTERNET: www.honolulu.gov

MUFI HANNEMANN
MAYOR



MARY PATRICIA WATERHOUSE
DIRECTOR

MARK K. OTO
DEPUTY DIRECTOR

July 3, 2008

268389

The Honorable Barbara Marshall, Chair
and Members
Honolulu City Council
530 South King Street, Room 202
Honolulu, Hawaii 96813

RECEIVED

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CITY CLERK
HONOLULU, HAWAII

Dear Chair Marshall and Councilmembers:

This is to inform you that a notice to the general public regarding application procedures for Community Development Block Grant (CDBG) and HOME Investment Partnerships (HOME) funds for fiscal year 2010 was published in the Honolulu Star-Bulletin on Monday, June 30, 2008.

Completed CDBG and HOME funding applications are due at the Division of Purchasing by 4:00 p.m., Friday, August 29, 2008. Additionally, private nonprofit organizations must submit certain qualification documents such as Charters of Incorporation and audited financial statements by this same deadline. Funding applications and qualification documents will not be accepted after this deadline.

City agencies are not required to submit qualification materials; however, City agencies must complete and submit CDBG or HOME funding applications by the August 29th deadline in addition to their normal requests for funding.

A copy of the June 30, 2008, advertisement is attached for your information and use. The advertisement, the Request for Proposal document, which includes the list of qualification documents, and the CDBG/HOME funding applications may be viewed and downloaded at the Purchasing Division website:

<http://www.honolulu.gov/pur>

An informational meeting about the CDBG and HOME programs and the procedures to apply for funds will be held at 9:30 a.m., Friday, July 18, 2008, at the Mission Memorial Auditorium. All interested parties and agencies that wish to apply for fiscal year 2010 CDBG and HOME funds should attend this meeting.

The Honorable Barbara Marshall, Chair
and Members
July 3, 2008
Page Two

Following this informational meeting, we will hold a consultation meeting to provide all interested parties with the opportunity to submit statements and supporting testimony on the community development and housing needs to be considered in the development of the City's Action Plan. Persons unable to attend the consultation meeting may file their statements and testimonies regarding the Action Plan by close of business (4:30 p.m.) on July 21st, 2008. Correspondence should be addressed to Holly Kawano, Federal Grants Coordinator, Department of Budget and Fiscal Services, 530 South King Street, Room 208, Honolulu, Hawaii 96813.

We hope this information will assist you in responding to inquiries you may receive from prospective applicants. However, since we believe it is imperative to promote the availability of the CDBG and HOME program funds, we have implemented additional outreach efforts:

- The Federal Grants Branch webpage has been updated to notify readers of the availability of funding.
- The City's online e-mail notification system implemented last year will continue to allow registered applicants to receive e-mail notification of funding opportunities whenever they become available. Applicants may register at <http://www.honolulu.gov/budget/cdbg.htm>.
- A technical assistance workshop (tentatively scheduled for August 5th, 2008, in the Mission Memorial Auditorium) is being planned to assist applicants with questions on the CDBG and HOME funding applications.
- Additional publications (non-legal advertisements) will continue to be published, notifying the public of the availability of funding.

If you have any questions, please contact Holly Kawano, Federal Grants Coordinator at 768-3930.

Sincerely,

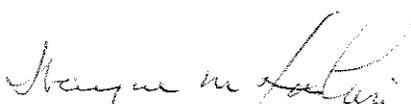


Mary Patricia Waterhouse
Director

MPW/HK:tb

Attachments

FORWARDED:



Wayne M. Hashiro, P.E.
Managing Director

REQUEST FOR PROPOSALS
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) AND
HOME INVESTMENT PARTNERSHIPS (HOME) PROGRAMS
AND
NOTICE OF CONSULTATION MEETING
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG),
HOME INVESTMENT PARTNERSHIPS (HOME),
EMERGENCY SHELTER GRANTS (ESG), AND
HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS (HOPWA) PROGRAMS

Request for Proposals:

The City and County of Honolulu, through its Department of Budget and Fiscal Services (City), is requesting proposals from qualified private nonprofit agencies and governmental agencies of the City and County of Honolulu for federal funding from the City's CDBG and HOME Programs for Fiscal Year 2010. The City anticipates that it will receive approximately \$8 million in CDBG funds and \$3.5 million in HOME funds to award to Agencies in Fiscal Year 2010. The City does not guarantee these amounts and does not guarantee that any funds will be available at all. The City is seeking projects that will enable it to achieve the goals and objectives published in its Final Consolidated Plan for Fiscal Years 2006-2010. The Consolidated Plan is available for viewing at the following web address: http://www.honolulu.gov/budget/consol_plan_+2006_2010.pdf.

Schedule:

The schedule to submit applications for fiscal year 2010 CDBG and HOME funding is as follows:

- June 30, 2008..... The Request For Proposals (RFP), including funding applications and a list of qualification materials is published at the Division of Purchasing, Department of Budget and Fiscal Services, City and County of Honolulu.
- July 18, 2008..... City to hold information/orientation meeting and consultation meeting.
- 4:00 p.m., August 29, 2008..... Deadline for all agencies to submit CDBG/ HOME funding application forms to the Division of Purchasing, as evidenced by a date and time stamp from the Division of Purchasing. Deadline for private nonprofit agencies to submit qualification materials to the Division of Purchasing.
- September to November 2008.....City staff reviews for eligibility and requests additional information for clarification of project proposals.
- December 2008 to January 2009.....Selection Committee is formed; and reviews and selects project proposals.
- February 2009.....City staff prepares Action Plan that includes selected project proposals for submittal to the U.S. Department of Housing and Urban Development (HUD).
- March 31, 2009..... Deadline for City Council approval of the Action Plan.
- September 2009..... City anticipates receiving HUD funds.

Informational meeting:

An information/orientation session about this RFP, qualification materials, application forms, and the CDBG and HOME programs will be held at 9:30 a.m., Friday, July 18, 2008, at the Mission

Memorial Auditorium, located immediately Diamond Head of Honolulu Hale, 550 South King Street, Honolulu, Hawaii.

Submission deadline:

All agencies must submit their CDBG/HOME funding applications to the Division of Purchasing by 4:00 p.m., Friday, August 29, 2008, as evidenced by a date and time stamp from the Division of Purchasing; AND private nonprofit agencies must additionally submit their qualification materials to the Division of Purchasing by this same deadline. The list of qualification materials required of private nonprofit agencies will be published in the RFP.

The Division of Purchasing is located at Honolulu Hale, 530 South King Street, Room 115, Honolulu, Hawaii. (<http://www.honolulu.gov/pur>)

To submit a CDBG and/or HOME funding application:

- Obtain the RFP and funding applications on the Division of Purchasing website: <http://www.honolulu.gov/pur>.
- You may also pick up these forms in person at the Division of Purchasing, Honolulu Hale, 530 South King Street, Room 115, Honolulu, Hawaii.
- Complete the CDBG and/or HOME funding applications, including all required attachments.
- Return the completed funding application(s) to the Division of Purchasing by 4:00 p.m., Friday, August 29, 2008, as evidenced by a date and time stamp from the Division of Purchasing.
- Private nonprofit agencies must also submit the qualification documents listed in the RFP.

Description of CDBG Program:

Projects that are funded in the CDBG program must address the CDBG program's primary objective, which is the "...development of viable urban communities, by providing decent housing and suitable living environments and expanding economic opportunities principally for persons of low and moderate income." All CDBG projects to be funded under this RFP must principally benefit low and moderate income families.

Eligible CDBG activities include:

- Acquisition of real property.
- Disposition of real property.
- Acquisition, construction, reconstruction, rehabilitation or installation of public facilities.
- Clearance, demolition and removal of buildings and improvements.
- Provision of public services provided it is a new service or a quantifiable increase in a service now being provided and does not exceed 15% of the City's entitlement.
- Relocation payments.
- Rehabilitation of privately owned buildings and low-income public housing.
- Removal of material and architectural barriers restricting mobility of elderly and handicapped persons.
- Planning activities.
- Historic preservation.
- Economic development.
- Payment of reasonable administrative costs and carrying charges related to the planning and execution of community development activities.

Activities that are ineligible for CDBG funding include, but are not limited to, the following:

- Buildings for the general conduct of government.
- General government expenses.
- Political activities.

- Purchase of equipment unless as part of an economic development activity or when necessary for use by a recipient or subrecipient in the administration of activities assisted with CDBG funds.
- Operating and maintenance expenses.
- New housing construction unless carried out by a Community Based Development Organization (CBDO).
- Income payments for housing or any other funds.
- Religious activities.

The City may provide CDBG funds to a Community-Based Development Organization (CBDO) that is qualified to carry out certain CBDO activities such as neighborhood revitalization, community economic development, energy conservation, or new housing construction projects. Applicants need not be CBDOs to apply for CDBG funding from the City; however, only applicants that are already certified as CBDOs by the City will be granted CDBG funds to carry out CBDO activities. For details regarding CBDO certification, call 768-3936.

Description of HOME program:

The HOME program is generally intended to:

- Expand the supply of decent and affordable housing, particularly rental housing, for low and very low income Americans.
- Strengthen the abilities of State and local governments to design and implement strategies for achieving adequate supplies of decent, affordable housing.
- Provide both financial and technical assistance to participating jurisdictions, including the development of model programs for affordable low-income housing.
- Extend and strengthen partnerships among all levels of government and the private sector, including for-profit and nonprofit organizations, in the production and operation of affordable housing.

In general, HOME funds may be used to pay the following eligible costs:

- Development hard costs defined as the actual cost of constructing or rehabilitating housing.
- Acquisition costs.
- Related soft costs defined as other reasonable and necessary costs incurred and associated with the financing, or development (or both) of new construction, rehabilitation or acquisition of housing assisted with HOME funds.
- Relocation costs.
- Costs related to tenant-based rental assistance.

Activities that *cannot* be funded with HOME funds include, but are not limited to, the following:

- Provide a project reserve account for replacements, a project reserve account for unanticipated increases in operating costs, or operating subsidies.
- Provide tenant-based rental assistance for the special purpose of the existing Section 8 program or preventing displacement for projects assisted with rental rehabilitation grants.
- Provide non-federal matching contributions required under any other Federal program.
- Provide assistance authorized under Part 965 (PHA-Owned or Leased Projects - Maintenance and Operation).
- Carry out activities authorized under Part 968 (Public Housing Modernization).
- Provide assistance to eligible low income housing under Part 248 (Prepayment of Low Income Housing Mortgages).
- Provide assistance (other than tenant-based rental assistance or assistance to a first-time homebuyer to acquire housing previously assisted with HOME funds) to a project previously assisted with HOME funds during the period of affordability established by the City. However, additional HOME funds may be committed to a project up to one year after project completion, but the amount of HOME funds in the project may not exceed the maximum per unit subsidy

amount.

- Pay impact fees.

The City will set aside fifteen percent (15%) of its annual HOME allocation from HUD for use by Community Housing Development Organizations (CHDO). Organizations need not be CHDOs to apply for HOME funds; however, only organizations that are already certified as CHDOs by the City will be eligible for CHDO set-aside funding. For details regarding CHDO certification, call 768-3936.

All other questions may be directed to Eric Stoetzer at 768-3933.

Consultation Meeting:

NOTICE IS HEREBY GIVEN that a consultation meeting will be held on July 18, 2008, by the City and County of Honolulu for the Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME), Emergency Shelter Grants (ESG), and Housing Opportunities for Persons With AIDS (HOPWA) Programs. The meeting will provide interested persons, especially those from agencies that provide assisted housing, health services and social services (including those focusing on services to children, elderly persons, persons with disabilities, persons with HIV/AIDS and their families, homeless persons) with the opportunity to submit statements and supporting testimony on the community development and housing needs to be considered in the development of the City's Action Plan.

Persons unable to attend the consultation meeting may file their statements and testimonies regarding the Action Plan by close of business (4:30 p.m.) on July 21, 2008. Correspondence should be addressed to Holly Kawano, Federal Grants Coordinator, Department of Budget and Fiscal Services, 530 South King Street, Room 208, Honolulu, Hawaii 96813.

The consultation meeting will be held on:

Friday, July 18, 2008, immediately following the
RFP Information/Orientation Meeting
Mission Memorial Auditorium
550 South King Street
Honolulu, Hawaii 96813
(A Handicapped Accessible Site)

The services of interpreters for non-English speaking persons or signers for the hearing-impaired will be made available upon request. Requests for these or other special services must be made to the Department of Budget and Fiscal Services, no later than July 11, 2008 by calling 768-3933 (V/TDD).

All interested persons are invited to attend.

Holly Kawano, Federal Grants Coordinator
Department of Budget and Fiscal Services
530 South King Street, Room 208
Honolulu, Hawaii 96813

Mary Patricia Waterhouse, Director
Department of Budget and Fiscal Services
By order of MUFU HANNEMANN, MAYOR
City and County of Honolulu