

BARNES HOUSING TRUST FUND

**GRANT APPLICATION
POLICIES AND PROCEDURES
MANUAL**



Effective: XXXX

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1.0 GENERAL INFORMATION

1.1 Barnes Fund Program Overview

In 2013, Mayor Karl Dean and the Metro Council created Metro Nashville's first housing trust fund to leverage affordable housing developments throughout Davidson County. Named after Reverend William Barnes, who worked tirelessly over five decades to improve the lives and housing conditions of Davidson County residents, the Barnes Fund continues that legacy today by granting funds to community efforts that encourage and preserve affordability. The Barnes Fund utilizes operational and other Metro dollars and donations to fund projects that create new affordable rental, housing co-operative, and homeownership opportunities and preserve existing homes through owner-occupied and rental rehabilitation.

To address critical housing needs, the Barnes Fund supports homeownership opportunities for households with incomes at or below 80% of the HUD area median income (AMI) and rental and limited equity housing co-operative opportunities for households with incomes at or below 60% AMI through grants to nonprofits. Eligible projects include new construction, conversion of non-residential properties to housing, and preservation (rehab) of existing housing. All projects awarded a Barnes Fund grant – except owner-occupied rehab projects – must be affordable for at least 30 years.

The Metropolitan Housing Trust Fund Commission (HTFC) provides oversight and administration of the Barnes Fund. The Commission is dedicated to excellent stewardship and investment opportunities that both fulfill the mission of the Barnes Fund and boosts prosperity for the entire community. The Metro Housing Division provides staff support for the Barnes Fund.

More information about the Barnes Fund is available [here](#). Please visit our [Housing Dashboard](#) to view data on the Barnes Fund as well as other pertinent housing data.

1.2 Purpose and Applicability

The Metropolitan Housing Trust Fund Commission established this Grant Application Policies and Procedures Manual to be effective XXXX. The purpose of this Manual is to provide for the fair and equitable treatment of all organizations involved in applying for Barnes Fund grants and to ensure transparency in the award of funds. This Manual applies to the award of all grant funds administered by the HTFC.

2.0 APPLICATION AND AWARD METHOD

2.1 Requests for Applications

Each year, the Metro Council appropriates funds to the Barnes Fund. The HTFC makes these funds available to qualified nonprofit organizations on a competitive basis, and Housing Division staff prepare requests for applications (RFAs), which include grant policies, evaluation criteria, and grant requirements. Staff may prepare multiple RFAs for a funding round, with each RFA specific to a project type, such as homeownership, rental housing, and owner-occupied rehab.

In some instances, the Metro Council may appropriate funds for a specific purpose, and the HTFC will issue a special funding round with the RFA limited to that purpose.

The HTFC approves all grant policies and scoring matrices (evaluation criteria) prior to release. The HTFC may authorize staff to release draft RFAs, which include the grant policies and scoring matrices, for public review and comment before approving the final RFA.

Grant Policies

Grant Policies in each RFA include the following information applicable to the funding round:

- Funding information, including the funding allocation and funding caps
- Policy priorities
- Eligibility requirements, such as threshold criteria and eligible projects and costs
- Project requirements, including affordability requirements, property standards, and project-specific requirements.

Evaluation Criteria

The RFA will set forth the criteria and point values to be used to rate each application. Staff will establish a scoring matrix with point ranges for each criterion. Applications will be scored on how well they meet each evaluation factor.

Funding Notices

Staff will publish funding notices on the Barnes Fund website and email notices to the Housing Division distribution list. To be added to the notification list, email Barnesfund@nashville.gov, Subject: Notification Request.

2.2. Submittal Process

The RFA details the process for submitting applications, including the

- Required submittal format;
- Process for submitting questions; and
- Submittal deadline.

Question Period

During the application window, staff will host at least one information session on each RFA and provide interested applicants with an opportunity to ask questions on the RFA. In addition, staff will establish a period to allow interested applicants to submit questions in writing. Staff will issue a response to questions asked at the information session(s) and submitted in writing on the Barnes Fund website and to information session participants and persons who submitted questions no later than 10 business days before the submittal deadline. Staff will not provide advice on an application's quality or viability or provide responses to questions that would give an applicant an unfair advantage.

Staff will not accept questions after the question period closes. As provided in Section 5.2, interested applicants, their team members, or anyone acting on their behalf may not communicate with Housing Division staff outside of the question period.

Submittal Deadline

Staff should establish an application window of at least 30 days. Staff will not accept applications after the submittal deadline and no exceptions will be granted. The HTFC authorizes staff to extend a submittal deadline due to unforeseen circumstances, such as technology issues with the application platform that impacts all users or a natural or other disaster occurring during the application window. For any other reason, the HTFC must approve a submittal extension.

2.3 Evaluation Process

Housing Division staff will review Threshold Criteria, which is defined in each RFA, to determine if applicants will move forward in the Evaluation Process.

Staff may send a Cure Notice to the contact person specified in the Application to address deficiencies (such as missing or incomplete items) and/or provide clarification on inconsistent or confusing responses. Applicants receiving a Cure Notice will have 10 calendar days from the date of the Cure Notice to respond. Responses submitted after the Cure Period deadline will not be accepted.

Applicants may not submit additional items for the purpose of increasing the score or change the scope of the project or funding request.

The HTFC Chair will approve an evaluation committee for each RFA issued in a funding round. For example, if three (3) RFAs are issued, the Chair will approve three (3) evaluation committees. Each committee will include a minimum of three (3) persons, including a Housing Trust Fund Commissioner appointed by the HTFC Chair. No more than one (1) Housing Trust Fund Commissioner can serve on an evaluation committee. Other evaluation committee members should have expertise in the project type being evaluated and may include representatives of Metro government and/or MDHA. Staff of the Housing Division will support the evaluation committee and not serve on an evaluation committee. To protect the integrity of the evaluation process, the names of evaluation committee members and meetings of the evaluation committee will not be publicly disclosed until the HTFC has approved award recommendations.

Evaluations should be based on the evaluation criteria set forth in the RFA. Criteria not specified in the RFA cannot be considered. Initially, applications should be evaluated on an individual basis against the requirements stated in the RFA; applications may be analyzed in comparison with each other for each project type after initial scoring. Personal knowledge of an applicant not based on the applicant's submission should not be part of the evaluation. Evaluators should make the evaluations thorough, objective, and well documented as possible.

Staff are responsible for ensuring that the evaluation results are sufficiently documented and retained in accordance with Section 5.0. Staff will prepare an evaluation report to document the ranking of the applications according to the evaluation criteria. In addition, a narrative should accompany the scores to explain how the scores were derived, detailing the significant strengths, weaknesses, and deficiencies in the proposal.

2.4 Award Recommendations

Staff will present results of evaluations and award recommendations for HTFC approval.

Applications will be ranked from highest to lowest score based on the evaluation rating for each project type. Proposals that do not achieve the minimum score specified in the respective RFA will not be recommended for funding. Award recommendations will be based on the order of an application's total average score, beginning with the highest ranked application, until funding is exhausted for the project type if separate funding categories are created or until all funding is exhausted if there is one (1) funding category. Applications may only be recommended for partial funding under the following circumstances:

1. The balance of funds allocated for a project type is not exhausted but is less than the amount requested by the next highest scoring, qualified applicant, and
2. The next highest scoring, qualified applicant is willing to accept partial funding (if not, the next highest scoring, qualified applicant may be considered for the award).

Within 5 business days following HTFC approval of award recommendations, staff will post a list of recommended awards on the Barnes Fund website.

Final awards are approved by the Metro Council as discussed in Section 3.0.

2.5 Application Review and Appeals

Applicants may seek consultation with staff to review their application after Metro Council has approved all contracts for the funding round.

Pursuant to the provisions of § 2.68.030 of the Metropolitan Code of Laws, decisions of the Metropolitan Housing Trust Fund Commission may be appealed to the Chancery Court of Davidson County for review under a common law writ of certiorari. Any appeal must be filed within sixty days after entry of a final decision by the Commission. Any person or other entity considering an appeal should consult with an attorney to ensure that time and procedural requirements are met.

3.0 CONTRACTING

The HTFC and Metro Legal will approve the grant contract template which articulates the terms and conditions of the award, including expectations for performance and accountability. Grant contract provisions, other than the draw schedule and minor scope clarifications, are not negotiable.

The Housing Division will begin the contracting process upon the HTFC's approval of award recommendations and the contract template. Contracts are executed by the Housing Trust Fund Chair and the nonprofit's authorized representative, whose signature must be notarized.

All Grant Contracts and amendments must be approved by Resolution of the Metro Council. The following items must be submitted to Council with the Grant Contract pursuant to Metropolitan Code 5.04.070:

1. A copy of the nonprofit's corporate charter or other articles, constitution, bylaws, or instruments of organization;
2. A copy of a letter from the Internal Revenue Service evidencing the fact that the

organization is a nonprofit, tax-exempt organization under the Internal Revenue Code of 1986, as amended;

3. A statement of the nature and extent of the organization's program that serves the residents of the metropolitan government;
4. The proposed use of the funds to be provided by the metropolitan government;
5. The proposed budget of the organization, indicating all sources of funds and a line-item identification of the proposed expenditure of metropolitan government funds;
6. A copy of the nonprofit's annual audit pursuant to Metro Code subsection 5.04.070(E).

Contract extensions and/or changes to the project (such as scope, location, number of units, budget, or draw schedule) require a contract amendment. For contract extensions, Grantees must notify Housing Division staff at least ninety (90) days prior to contract expiration of its request to extend the contract term. Grantees must submit all contract amendment requests in the form prescribed by Metro. Current annual audits must be submitted with the amendment request unless already on file with the Housing Division.

All contract amendments require approval of the Housing Trust Fund Commission and the Metro Council.

4.0 RETENTION OF APPLICATION RECORDS

For applications recommended for funding, application records will be retained for the term of the Affordability Period specified in each contract. For applications not awarded funds, application records will be retained for six (6) years after the HTFC approves the award recommendations for the funding round.

5.0 CODE OF CONDUCT

5.1 Confidentiality and Conduct Agreement

Members of an evaluation committee and staff members supporting an evaluation committee must acknowledge the importance of the undertaking and understand the following expectations to:

- Review applications in a competent, conscientious, and unbiased manner.
- Not discuss applications with individuals outside of the evaluation committee or Housing Division staff prior to grant award recommendations by the

Housing Trust Fund Commission and to understand that if such discussion occurs, the member may be removed from the evaluation committee.

- Report to the Housing Division Director any contact with elected or appointed officials of the Metropolitan Government, individuals outside of government, applicants, or news media requesting preferential treatment related to the funding round or attempt to influence the outcome of a funding round.
- Understand the evaluation is striving for a consensus score and to maintain independence while working collaboratively to reach consensus on application scores.
- Utilize the member's expertise in undertaking an evaluation and to understand that it is the member's responsibility to score applications according to their responses to evaluation criteria and recommend funding for applications that best further the objectives of the Barnes Housing Trust Fund.
- Notify the Housing Division Director and request to be excused from the evaluation committee if unable to fulfill obligations relative to the process.
- Avoid any action, whether or not specifically prohibited by law, which may result in real or perceived conflicts of interest.
- Affirm that to the best of the member's knowledge, neither the member, nor the member's immediate family, nor any person with whom the member has a close, personal relationship, has a financial or employment interest in any application being evaluated. Should one later be discovered, affirm that the member will notify the Housing Division Director and be removed from further activity.
- Understand that if the member's performance is less than stated above, the member may be removed from the evaluation process.

5.2 Prohibition on Communication

After the release of the RFA and until the Housing Trust Fund Commission votes on award recommendations, potential applicants, their team members, or anyone acting on their behalf are restricted from contacting Housing Trust Fund Commissioners, Metro Housing Division staff, or Evaluation Committee members regarding this funding opportunity, with the exception of the Question Period described in Section 2.2 or other exceptions provided in the RFA. Any communication outside of these exceptions may be grounds for rejecting the application.

6.0 PUBLIC RECORDS POLICY

All application materials are considered public records. Persons requesting application records must follow Metro's [Public Records Request Policy](#).

7.0 REVISIONS AND AMENDMENTS TO THE POLICIES AND PROCEDURES MANUAL

Housing Division staff may make minor updates and revisions to the Grant Application Policies and Procedures Manual. Substantive updates, amendments, and revisions require HTFC approval. Revisions will be posted on the Barnes Fund website.

8.0 CONTACT INFORMATION

For questions or information about the Barnes Fund, email Barnesfund@nashville.gov.