



**OKLAHOMA HOUSING FINANCE AGENCY  
2018 HOME Investment Partnerships Program (HOME)  
Application Packet**

**100 N.W. 63<sup>rd</sup> St., Suite 200  
P.O. Box 26720  
Oklahoma City, OK 73126-0720**

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## **Introduction**

Oklahoma Housing Finance Agency (OHFA) is the U.S. Department of Housing and Urban Development (HUD) designated State Home Investment Partnerships Program (HOME) Participating Jurisdiction (PJ) for the State of Oklahoma.

Title 24 Code of Federal Regulations (CFR), Part 92 (HOME Program Final Rule), governs this program. Those regulations are incorporated by reference in this Application packet. In any instance when there is a conflict between this packet and CFR Part 92, then CFR Part 92 shall control, except in those cases where OHFA has adopted more restrictive requirements than those included in CFR Part 92. The primary goal of the OHFA HOME Program is to retain and increase the supply of decent, safe, and sanitary affordable housing. OHFA furthers this goal by using the HOME Program financial resources as a catalyst in the development and strengthening of public partnerships with local governments, nonprofit organizations, private sector development entities, financial institutions, and debt and equity capital outlets.

**Potential Applicants must certify that they have read the 2018 HOME Program Processes, Procedures and Topical Guidance, a separate document also available on OHFA's website, [www.ohfa.org](http://www.ohfa.org). This document provides additional and more detailed guidance on various HOME Program and OHFA requirements.**

Oklahoma City, Tulsa, Lawton and Norman are communities that are HUD designated Participating Jurisdictions and receive direct annual allocations of HOME Program funds from HUD. Therefore, OHFA does not accept Applications for developments within the city limits of these cities. Applications for HOME funds will be accepted from within the Tulsa HOME Consortium, provided the proposed developments are not situated within the city limits of Tulsa.

## **HOME Program Description**

OHFA's HOME Program description is set forth below. A brief description is also contained in the 2018 Action Plan Update to the 2014-2018 Consolidated Plan, available through the Division of Community Development, Oklahoma Department of Commerce (ODOC). HUD mandates this Action Plan. OHFA conducts several public input sessions, and takes public input into account when drafting the Action Plan. A copy of the HOME 2018 Action Plan can be obtained by contacting ODOC or by accessing it on their website, [www.okcommerce.gov](http://www.okcommerce.gov).

## **HOME Eligible Entities**

1. **State Recipients:** Units of general local government, including cities, towns, counties and Indian tribes.
2. **CHDOs:** A Community Housing Development Organization (CHDO) is a private, nonprofit organization that meets certain qualifications prescribed in the HOME regulations. OHFA must utilize a minimum of fifteen percent (15%) of its annual allocation for housing owned, developed or sponsored by CHDOs. (OHFA has chosen to set-aside twenty-five percent (25%) of its annual allocation to CHDOs.) OHFA will designate organizations as CHDOs only after evaluating their qualifications. CHDOs also may be involved in the program as sub-recipients, but the use of HOME funds in this capacity is not counted toward the CHDO Set-Aside.

3. **Sub-recipients:** A sub-recipient is a public agency or nonprofit organization selected by OHFA to administer all or a portion of the HOME Program. It may or may not also qualify as a CHDO. Sub-recipients administer programs, not projects. An entity administering a single project would not be doing so as a sub-recipient. Sub-recipients may administer part of a program for OHFA; they do not have to administer the entire program.

4. **Nonprofit developers:** A nonprofit developer is a nonprofit housing development organization selected by OHFA, through the competitive Application process described herein, to develop a single HOME Program project.

5. **For-profit developers:** A for-profit developer is a for-profit housing development organization or individual selected by OHFA, through the competitive Application process described herein, to develop a single HOME Program project. **For Program Year 2018, for-profit developers are only eligible to apply for Rental Activities in Conjunction with Affordable Housing Tax Credits (AHTCs)**". They are ineligible to apply for any other type of HOME funding from OHFA.

### HOME Eligible Activities

#### 1. Homebuyer

HOME funds may be used by Applicants to assist eligible individuals or families for acquisition, acquisition and rehabilitation, new construction, and homebuyer assistance of affordable housing for homeownership. **Homebuyer education classes are a requirement for any and all homebuyer activities.** HOME Program Down-Payment Assistance is limited to a maximum of \$14,999 per assisted household, and is further limited to the amount of HOME funds required to make the housing affordable to the homebuyer.

The following is a list of Forms of Assistance. These are defined as a sub-activity under Homebuyer.

- A. Acquisition: Acquire homes for resale to individuals. Funds may be passed through in the form of a loan or grant to individuals for purchase of a home. If a home is acquired for resale without accompanying rehabilitation, it must meet all applicable State and local codes at the time of acquisition.
- B. Acquisition and rehabilitation: Acquire and rehabilitate substandard homes for resale to individuals.
- C. New Construction: Construct homes for sale to individuals.
- D. Homebuyer assistance: Provide down payment and/or closing cost assistance, or reduce the monthly carrying cost of a loan for individuals purchasing affordable housing.

Potential Applicants proposing to construct new HOME-assisted housing units for sale, or to acquire and/or rehabilitate HOME-assisted housing units for sale, should note that if a Homeownership unit has not been sold to a HOME-eligible homebuyer household within nine (9) months of the completion of the construction or rehabilitation, the homeownership unit must be converted to a HOME Rental unit. This rule applies to all Homeownership units assisted with 2018 Program Year funds. Neither OHFA nor HUD has any exception authority, and therefore neither agency can grant a waiver of this requirement.

#### 2. Rental

HOME funds may be used by Applicants for acquisition, acquisition and rehabilitation, rehabilitation and new construction of affordable rental housing. The following is a list of Forms of Assistance. These are defined as a sub-activity under Rental:

- A. Acquisition: Acquire housing for purposes of renting to individuals. If a home is acquired for rental without accompanying rehabilitation, it must meet all applicable State and local codes at the time of acquisition.
- B. Acquisition and Rehabilitation: Acquire and rehabilitate housing for purposes of renting to individuals.
- C. Rehabilitation: Rehabilitate currently owned housing for purposes of renting to individuals.
- D. New Construction: Construction of housing for purposes of renting to individuals.

Potential Applicants for Rental activities should note that HOME Rental units should be rented to an income-eligible household within six (6) months. If a HOME Rental unit is not leased to an initial income-eligible tenant household within six (6) months, the owner must submit a current marketing plan, and if appropriate, a plan for a more aggressive marketing strategy. In addition, if a HOME Rental unit is not leased to an initial income-eligible household within eighteen (18) months of the date of project completion, the owner must repay the HOME funds invested in that unit. These rules apply to initial qualifying tenant households only. **They apply to all Rental units assisted with 2018 Program Year funds. Neither OHFA nor HUD has any exception authority regarding the repayment of HOME funds after 18 months if a unit has not been leased to an initial, qualifying tenant household.**

Note: Awardees may not charge tenants living in HOME-assisted Rental housing any fees that are not customarily charged in rental housing.

#### **Applications for Rental Activities in Conjunction with Affordable Housing Tax Credits**

For Program Year 2018, all eligible entities wishing to submit an Application for Rental Activities in Conjunction with Affordable Housing Tax Credits (AHTCs) must submit their Applications **on or before June 28, 2018.** Applications may be submitted any time on or after April 3, 2018. Funding for Rental Activities in Conjunction with AHTCs will be from the Rental/Homeownership Set-Aside.

**OHFA will only accept Applications for Rental Activities in Conjunction with AHTCs that are proposed in conjunction with an AHTC Application for the Second Funding Period of 2018.**

Awards will be made contingent on an award of AHTCs. If the Applicant does not receive an award of AHTCs in the Second Funding Period of 2018, **the contingent award will carry over only to the First AHTC Funding Period of 2019. The contingent award will not carry over to any future Funding Period beyond the First Funding Period of 2019.** This is due to HUD's new accounting method for tracking commitment of the HOME funds within the statutorily mandated 24 month period. Under this new method, mandated to HUD by the Government Accounting Office (GAO), each program year must be tracked separately for commitment and expenditure deadlines. PJs can no longer rely on the cumulative method of tracking commitment and expenditure deadlines previously used by HUD.

### **3. Tenant-Based Rental Assistance (TBRA)**

HOME funds may be used to help eligible individual households afford housing costs such as rent, utility costs, security deposits and utility deposits. Funding for TBRA will be from the Rental/Homeownership Set-Aside.

### **4. CHDO Pre-development Loans**

HOME funds may be used by CHDOs for project-specific pre-development assistance intended to fund up-front, eligible project expenditures. This assistance provides a form of project feasibility "line of credit" that many nonprofit developers need, but often have difficulty obtaining from private sources.

All costs must be related to a specific project which, if deemed feasible, would receive HOME funds for development. Project pre-development costs may not exceed customary and reasonable preparation costs.

## **5. CHDO Operating Assistance**

HOME funds may be used by CHDOs for general operating expenses. Assistance for operating expenses may not exceed \$50,000 in any HOME Program Year. CHDO operating assistance awards may also be limited by other statutory or regulatory limits or restrictions. CHDO Operating Assistance is separate from, and not intended to supplant, CHDO Set-Aside funds. Operating Assistance funds cannot pay for project costs.

For Program Year 2018, CHDO Operating Assistance will be awarded at the same time as an award of CHDO Set-Aside funds, and as a percentage of the CHDO Set-Aside funds awarded. The CHDO Operating Assistance will be ten percent (10%) of the CHDO Set-Aside funding award, up to a maximum of \$50,000. **(The maximum of \$50,000 is for all CHDO Set-Aside awards in Program Year 2018, and not for each separate award.)** In so doing, OHFA will make an exception to its normal policy that a separate Application must be submitted for each different activity and form of assistance. However, to be awarded the CHDO Operating Assistance, the Applicant must complete all sections of the 2018 HOME Program Application that pertain to CHDO Operating Assistance, and must be eligible to receive CHDO Operating Assistance at the time of Application.

**Applications for CHDO Operating Assistance only will not be accepted.**

### **HOME Funding – Prohibited Activities**

HOME funds cannot be used to pay for:

- Any costs associated with HOME Application preparation or submittal.
- Costs outside stated contract periods, unless specifically permitted by OHFA and set forth in the Written Agreement.
- Operating subsidies.
- Existing indebtedness.
- Reserve accounts, except for funding an initial operating deficit reserve as set forth in 24 CFR Part 92.206(d)(5).
- The “nonfederal” match for other federal programs except to match McKinney Act funds.
- The development of common areas or off-site infrastructure.
- TBRA for rental assistance in conjunction with the federal Rental Rehabilitation Program (Section 17) to prevent displacements.
- Certain mandated existing Section 8 Program use, such as Section 8 rent subsidies for troubled HUD-insured projects.
- Activities authorized under 24 CFR Part 968 (Public Housing Modernization).
- Assistance to eligible low-income housing under 24 CFR Part 248 (Prepayment of Low Income Housing Mortgages).
- Project-based rental assistance.
- Assistance authorized under Section 9 of the 1937 Act (Public Housing Capital and Operating Funds).
- Tenant-based rental assistance for the special purposes of the existing Section 8 program.
- Assistance to a project previously assisted with HOME funds during the period of affordability established by HUD and/or OHFA in the Written Agreement. However, additional HOME funds may be committed to a project up to one year after project completion, but the total amount ~~of~~

HOME of HOME funds in the project may not exceed the maximum per-unit subsidy amount.

### **Mode of HOME Investment**

Applicants receiving an award of HOME funds will receive the funds in the form of a grant, except for those entities receiving an award of HOME funds in conjunction with Affordable Housing Tax Credits, and CHDOs receiving CHDO Pre-Development Loans.

Entities receiving an award of HOME funds in conjunction with Affordable Housing Tax Credits **will only be awarded HOME funds in the form of a loan**. The HOME funds will be loaned at a minimum of one percent (1%) simple interest per annum. The maximum loan term will be thirty (30) years and the principal and any unpaid interest must be repaid to OHFA on or before the expiration of the loan term. The date of first payment on the loan is negotiable in order to accommodate the lack of cash flow during the construction period. At a minimum, interest must be paid annually beginning the year after the Project places in service.

For Homebuyer contracts, Applicants must protect the HOME funds by loaning the funds to the beneficiaries. A suggested format is a forgivable loan, zero percent (0%) interest, with a percentage forgiven each year based on the length of the period of affordability. For the protection of the period of affordability, **OHFA will not accept loans forgiven at a more accelerated rate than the applicable prorated percentage based on the period of affordability**. However, the Awardee may choose to forgive the loan at a lesser rate, or to not forgive any part of the loan until the period of affordability has expired.

**OHFA has been advised by HUD that Participating Jurisdictions may not grant HOME funds to a pass-through entity that will subsequently loan the funds to another entity.**

### **HOME Program Funds Allocation**

The amount of OHFA's allocation of HOME funds for Program Year 2018 is unavailable at this time, but is anticipated to be similar to the allocation for Program Year 2016<sup>7</sup>, which was approximately \$5.7 million. The exact amount will be determined by formula by HUD.

All amounts or percentages set forth in this Application packet may be changed at the discretion of OHFA, except where mandated by HOME Program Rules. Such decisions shall be based upon demand, need, efficient resource use, and other program relevant considerations.

Recaptured Funds and Program Income may be used for funding activities as described herein or OHFA may allocate funding to meet other targeted activities.

Funding awards are subject to the availability of HOME funds and the timing needs of individual developments. **OHFA will not make future funding commitments.**

#### **1. Administrative Funds**

Ten percent (10%) of the annual allocation shall be used for administration. These funds shall be used by OHFA to support its overall program delivery and monitoring.

#### **2. CHDO Set-Aside**

Twenty-five percent (25%) of the annual allocation shall be used solely by CHDOs and solely for CHDO-eligible activities and CHDO Pre-Development Loans. No more than ten percent (10%) of the



funds shall be used for CHDO Pre-development Loans. **Rental activities in conjunction with Affordable Housing Tax Credits will not be funded from this set-aside.** Those activities will be funded from the Rental/Homeownership Set-Aside as set forth below.

### **3. Rental/Homeownership**

Fifty (50%) of the annual allocation shall be used for Rental and Homeownership housing activities, excluding Down-Payment Assistance. If no funds remain in the CHDO Set-Aside, Applications from CHDOs for CHDO-eligible activities will be considered from this set-aside.

### **4. Down-Payment Assistance**

Ten percent (10%) of the annual allocation shall be used for Down-Payment Assistance programs. Assistance to individual households cannot exceed \$14,999. If any funds remain in this set-aside after October 1, 2018, they will be transferred to the Rental/Homeownership Set-Aside.

### **5. CHDO Operating Assistance**

No more than five percent (5%) of the annual allocation will be available for CHDO Operating Assistance, pursuant to 24 CFR 92.208(a).

## **Award Amounts**

### **1. Homebuyer and Rental**

Except for Down-Payment Assistance programs, the amount of HOME funds to be allocated to an eligible Homeownership or Rental activity, including Rental activities being undertaken with AHTCs, is limited to no more than \$500,000. For Rental Activities in Conjunction with AHTCs, there is also a minimum required request and award amount of \$200,000.

Down-Payment Assistance programs are limited to \$200,000.

### **2. CHDO Pre-Development Loans**

CHDO Pre-Development Loans will be limited to a maximum of \$20,000. Loan terms will not exceed eighteen (18) months and interest rates are one percent (1%) simple interest per annum. Pre-development loans are due and payable on the first day of the nineteenth (19th) month.

### **3. CHDO Operating**

CHDO Operating Assistance can be provided up to a maximum of \$50,000.

## **Federal Program Regulations, Activity Rules, Model Program Guidance, Federal Notices**

Applicants may easily access a wealth of guidance and information relating to the HOME Program from HUD's HOME Program website, The HUD Exchange, and the OHFA website. Applicants new to the HOME Program are strongly encouraged to educate themselves on all aspects of HOME, and experienced Applicants should continually seek guidance to improve and build upon their current knowledge of the Program.

- HUD website: [www.hud.gov](http://www.hud.gov)
- HOME Program website: [www.hud.gov/offices/cpd/affordablehousing/programs/home](http://www.hud.gov/offices/cpd/affordablehousing/programs/home)
- OHFA website: [www.ohfa.org](http://www.ohfa.org)
- HUD Resources: HUD Exchange ([www.hudexchange.info](http://www.hudexchange.info)) is a one-stop shop for PJs and their partners to view resources, updates, and information related to all HUD programs.

## Questions

Questions regarding this Application Packet and the HOME regulations may be directed in writing to:

Oklahoma Housing Finance Agency  
Housing Development Team  
P.O. Box 26720  
Oklahoma City, OK 73126-0720

All Housing Development Team Staff can be contacted by e-mail, fax or phone. The individual fax number for each staff member is 405.419.9 plus the last three digits of the phone number.

<a href="mailto:darrell.beavers@ohfa.org">darrell.beavers@ohfa.org</a>	HDT <del>Director</del> Leader	405.419.8261
<a href="mailto:darcy.green@ohfa.org">darcy.green@ohfa.org</a>	HDT Program Supervisor	405.419.8145
<a href="mailto:jody.glaze@ohfa.org">jody.glaze@ohfa.org</a>	HDT Secretary	405.419.8133
<a href="mailto:danette.carr@ohfa.org">danette.carr@ohfa.org</a>	Housing Financial Analyst	405.419.8136
<a href="mailto:gerda.elpedes@ohfa.org">gerda.elpedes@ohfa.org</a>	Housing Financial Analyst	405.419.8269
<del><a href="mailto:pamela.miller@ohfa.org">pamela.miller@ohfa.org</a></del>	<del>Housing Financial Analyst</del>	<del>405.419.8134</del>
<a href="mailto:brandi.muse@ohfa.org">brandi.muse@ohfa.org</a>	Housing Financial Analyst	405.419.8201
<a href="mailto:alicia.thomas@ohfa.org">alicia.thomas@ohfa.org</a>	Housing Financial Analyst	405.419.8137
<a href="mailto:chevelle.galbreath@ohfa.org">chevelle.galbreath@ohfa.org</a>	Grant Accounting Supervisor	405.419.8130
<del><a href="mailto:rhonda.watson@ohfa.org">rhonda.watson@ohfa.org</a></del>	<del>HDT Compliance Supervisor</del>	<del>405.419.8104</del>
<a href="mailto:elaine.bulmer@ohfa.org">elaine.bulmer@ohfa.org</a>	HOME Compliance Officer	405.419.8132
<a href="mailto:sandra.mcgougan@ohfa.org">sandra.mcgougan@ohfa.org</a>	HOME Compliance Officer	405.419.8271

**Environmental Review questions should be directed to Gerda Elpedes or Alicia Thomas.**

## Application Process

An Application must be from an eligible entity and for an eligible activity. To be considered for funding, a HOME Application must satisfy all threshold requirements. An Applicant applying for HOME funds should thoroughly review the Application prior to submission.

Although one Project may have multiple HOME eligible activities, each proposed activity must be submitted as a separate Application. The one exception is for CHDO Operating Assistance. CHDO Operating Assistance will be awarded as part of an Application for CHDO Set-Aside funds.

A Project is defined as: a site or sites together with any building (including manufactured housing unit) or building located on the site(s) under common ownership, management and financing, to be assisted with HOME funds as a single undertaking. The "Project" includes all of the activities associated with the site(s) and building(s). For TBRA, "Project" means assistance to one or more families.

**OHFA will begin accepting Applications for HOME Program Year 2018 on April 3, 2018, for all activities.**

**Applications received after 4:30 p.m. will be considered received on the following day, and will be date stamped for the following day.**

OHFA will conduct a thorough review and make funding recommendations based on the documentation submitted. All Applications will be considered and acted upon by the OHFA Board of Trustees at one of their regularly scheduled meetings. Below are the deadlines by which an Application must be submitted to be considered at the corresponding Board meeting. OHFA at its discretion may delay the consideration of Applications if extenuating circumstances arise.

**The listed Board meeting dates may be subject to change. Therefore, Applicants are encouraged to contact Staff or access the OHFA website for updated information.** The first Board meeting at which Applications for 2018 HOME Program funds will be considered is the July 2018 Board meeting.

<u>Deadline for consideration</u>	<u>Board Meeting Date</u>
May 1, 2018 -----	July 1 <del>1</del> <u>2</u> , 2018
June 2 <del>8</del> <u>9</u> , 2018-----	September 1 <del>2</del> <u>3</u> , 2018
(Applicants for HOME Program funds in conjunction with AHTCs must submit their applications by this date.)	
September 1 <del>8</del> <u>7</u> , 2018-----	November 1 <del>4</del> <u>5</u> , 2018
November 1 <del>9</del> <u>20</u> , 2018.....	January, 201 <del>9</del> <u>8</u> (Exact date not set at this time)
January 2 <del>1</del> <u>2</u> , 201 <del>9</del> <u>8</u> .....	March, 201 <del>9</del> <u>8</u> (Exact date not set at this time)

Applications proposing to incorporate the use of HOME funds with OHFA’s AHTC Program will, if successful, be given a contingent award pending the outcome of the Tax Credit Application. The HOME Application should reference the Tax Credit Application. The contingency will be based upon satisfaction of the Tax Credit Program Application requirements and Tax Credits awarded. Any discrepancies between the two Applications must be resolved, which may include Staff requesting additional documentation and/or clarification for the HOME Application. **Any contingent award will only be valid for the Second Tax Credit Funding Period of 2018 and the First Tax Credit Funding Period of 2019.**

Oklahoma Housing Trust Fund Applications proposing to incorporate the use of HOME funds must be contingently approved before the HOME award. A HOME Application will not be contingently approved based upon a future Oklahoma Housing Trust Fund award.

**OHFA cannot, under any circumstances, commit HOME funds to a project without a firm financial commitment from all other funding sources.** The definition of a “commitment” of HOME funds is a legally binding Written Agreement with a State recipient, a sub-recipient, a CHDO, or a non-profit or for-profit developer to use a specific amount of HOME funds to produce affordable housing or provide down-payment assistance. Contingent awards as described above do not constitute a commitment of HOME funds.

**Application: Board Consideration**

All Applications will be considered and acted upon by the OHFA Board of Trustees at one of the regularly scheduled meetings. Unless otherwise posted, the meeting time will be 10:00 a.m. and the meeting place will be 100 NW 63<sup>rd</sup> Street, Oklahoma City, OK, 73116, in the Will Rogers Conference Room. Interested parties should check the OHFA website periodically for updates on meeting dates, times and locations.

**The Board of Trustees may, in their discretion, after hearing the recommendations of Staff and the Applicants, elect to approve or deny an Application irrespective of the recommendation of OHFA Staff, if deemed in the best interests of OHFA and/or the needs of the State of Oklahoma.** Accordingly, representatives of the Applicant are encouraged to attend the Board of Trustees meeting to answer any questions of the Trustees, and to present evidence and argument in support of approval of the Application, if necessary. The Applicant's representative should be a responsible employee or official of the Applicant. The Applicant may also be represented by legal counsel.

In their deliberations, the Board of Trustees will consider the Application, Staff's recommendations, the presentation of the Applicant, the HOME Program Rules (OAC 330:55), the Consolidated Plan, the HOME Program Action Plan for 2018 and the 2018 Application process. The procedures set forth in OAC 330:10 and Article II of the Oklahoma Administrative Procedures Act, 75 O.S., Sections 309, *et seq.* (the "OAPA") will be followed. The meeting will be considered an individual proceeding under the OAPA and the decision of the Board of Trustees will constitute a ***Final Order*** thereunder.

**Neither an Applicant nor members of the public shall communicate, directly or indirectly, with the Trustees regarding an Application under consideration by OHFA (except upon notice and opportunity for all parties to participate.)**

In the event the Applicant disputes the recommendation of Staff, the Applicant must file **ten (10) copies** of any response(s) to Staff's recommendation, or other information they wish the Board of Trustees to consider, **not less than forty-eight (48) hours** prior to the commencement of the meeting when the Application will be considered.

In addition to the hard copies, Applicants must submit an electronic version of the response. If both the hard copy and the electronic version are not received, the responses will not be accepted or considered by the Staff or the Trustees.

### **Application: Format**

Applications must be:

- Typed; single-spaced, with 12 point font
- On 8 ½ x 11 paper
- All pages are to be tabbed according to the threshold factors and evaluation criteria topics contained in the appropriate Submission Checklist. The pages in the Application must be either sequentially numbered within each tab or throughout the entire Application.

**Applicants are required to submit an original of each Application.** No copies are required.

### **Application Submission**

**Applications that are submitted electronically (e-mail or fax) will not be accepted.** Hand delivered Applications should be submitted to one of the HDT members listed on page 10 of this Application Packet, at the address below. Applications should not be left with the OHFA receptionist unless no HDT Staff member is available. Persons delivering Applications should ensure that the Applications are date-stamped, and obtain a receipt. **Applications sent by the U.S. Postal Service, Federal Express, UPS or other parcel service must be sent to the address directly below, not to OHFA's P.O. Box.**

OKLAHOMA HOUSING FINANCE AGENCY  
Attention: Housing Development Team  
100 NW 63rd Street, Suite 200  
Oklahoma City, OK 73116

**IT IS THE RESPONSIBILITY OF THE APPLICANT TO VERIFY TIMELY RECEIPT OF THE APPLICATION BY DESIGNATED STAFF.**

**Threshold Factors**

**Failure to submit or properly address threshold items will disqualify the Application from being scored and considered for funding.** Some factors may not apply to all Applications. Some requirements under a particular factor may not apply to all Applications.

**For threshold factors only**, all Applicants will be notified of insufficient documentation or items in need of clarification, and will be given a 14 calendar day period in which to provide additional documentation and/or clarification as needed. OHFA will permit such additional documentation and/or clarification to be provided electronically unless a document with an original signature is required.

**Program and Financial Monitoring**

An Application may be denied based upon a review by Program and Financial Compliance Staff (Compliance Staff) of performance issues and previous participation. Compliance Staff will assess the performance of the Applicant, administrators, consultants, or other partners involved in the development. **All monitoring requirements will be judged as of the date of submission of the Application to OHFA.**

**There is no documentation requirement for Program and Financial Monitoring.** OHFA Staff will review internal records and consult with Compliance Monitoring Staff and Financial Monitoring Staff to determine if the Application meets the necessary requirements for funding. OHFA Staff may request additional information from the Applicant in order to determine that the Application meets all the necessary requirements. Failure to provide any such additional information could cause OHFA Staff to recommend denial of the Application.

- A. **Applicants with unresolved monitoring findings are ineligible to apply for funding.** Prospective Applicants should therefore ensure that all monitoring findings have been resolved to the satisfaction of OHFA Compliance Staff before submitting an Application for HOME funds. “Unresolved” means that the monitoring finds were not corrected within the correction period established by OHFA Staff. Monitoring findings that are still within the correction period will not be counted against the Applicant.
  
- B. **Applicants with a score of three (3) or higher on OHFA’s Awardee Capacity Measurement System are ineligible to apply for funding.** A copy of the worksheet for the Awardee Capacity Monitoring System is available on OHFA’s website, [www.ohfa.org](http://www.ohfa.org). OHFA Compliance Staff has developed this Awardee Capacity Measurement System in order to better assess the capacity of Applicants to undertake a HOME Project or Program. HUD requires OHFA to certify that an Awardee has the capacity to undertake the Project or Program.

- C. **Applicants with five (5) or more open HOME written agreements (not including CHDO Operating Assistance written agreements) at the time of Application are ineligible to apply for funding.** ~~This includes any written agreements for which that entity is either the grantee or the administrator.~~ OHFA is taking a closer look at open written agreements and expenditure rates. A large number of open written agreements represents a possible capacity issue, especially should key staff leave before the written agreements are completed. Further, the limit prevents any one entity from monopolizing the limited HOME funds available. **An open written agreement is defined as any written agreement that has not been fully expended and for which the proper and complete close-out documents have not been submitted to OHFA.** If Applicants submit more than one Application for the same OHFA Board meeting, they should be aware that they cannot receive multiple awards that would cause them to exceed the five (5) written agreement limit.
- D. **Applicants with open HOME written agreements over three (3) years old that are not 100% expended and for which closeout documents have not been submitted to OHFA are ineligible to apply for OHFA HOME funds.** OHFA Staff will verify with HOME Finance that Applicants do not have any open HOME written agreements over three years old, or, if they do have open HOME written agreements over two years old, that the HOME funds are one hundred percent (100%) expended and acceptable closeout documents are on file.
- E. **Applicants with three (3) or more financial findings on one (1) or more open written agreements are ineligible to apply for funding.** Applicants should ensure that financial findings are resolved before submitting a new Application for HOME funds.

Compliance with all HOME Program rules and regulations is essential. Therefore, OHFA reserves the right, in its sole discretion, to deny any Application due to prior monitoring or financial findings or concerns, regardless of the number or perceived severity. OHFA also reserves the right, in its sole discretion, to deny an Application even if there have been no prior monitoring findings or concerns, if OHFA Staff has other legitimate concerns regarding the Applicant's capacity to undertake the Project or Program.

## **1. Application Information Form and Attachments A, B and C**

### Documentation Requirement:

Applicants must submit a fully completed Application Information Form with Attachments A, B and C. The forms for these can be found on pages 32-38.

Applicants receiving HOME funds must comply with all of the Other Federal Requirements as outlined in 24 CFR Part 92, Subpart H. **Applicants must include a signed and notarized Attachment B with their Applications, "Certification of Compliance with Other Federal Requirements."** No change to the wording of the form is permitted.

**Applicants must include a signed and notarized Attachment C with their Applications, "Certification of Financial Management"**. No change to the wording of the form is permitted.

## **2. HOME Application Certification**

### Documentation Requirement:

A completed, signed and notarized OHFA HOME Application Certification. The certification can be found on page 39 of this Application Packet.

**3. Applicant/Recipient Disclosure/Update Report (HUD-2880)**

Documentation Requirement:

A fully completed HUD-2880 Form. This form is available on OHFA's website.

**4. Application for Federal Assistance (HUD-424)**

Documentation Requirement:

A fully completed HUD-424 Form. This form is on OHFA's website.

**5. Affirmative Fair Housing Marketing Plan**

**(Applies to all Programs, such as DPA and TBRA, and to all Projects of 5 or more HOME-assisted units)**

Documentation Requirement:

Applicant must submit a copy of the Applicant's Affirmative Fair Housing Marketing Plan. Applicants should use either HUD Form 935.2A (multi-family) or the OHFA form for Single Family Housing, including DPA.

**6. Audit**

Documentation Requirements:

- A. A copy of the Applicant's most recent audit must be included or on file with OHFA. If on file with OHFA, the Applicant must provide details of when it was submitted and to whom.
- B. **If the audit is for a period ending before June 30, 2016~~7~~**, a statement that the most recent audit available is included or on file, a report on the current status of the new audit, and an expected completion date for the new audit must be provided. Failure to provide all three will disqualify the Application. The "period ending before June 30, 201~~6~~<sup>7</sup>" refers to the Applicant's Fiscal Year. It has nothing to do with the date of the preparation of the audit.
- C. Applicant must fully explain all audit findings, reportable conditions, or program compliance issues noted in the audit. The explanation must fully detail actions taken to clear the issues. The Applicant must submit the corrective action plan. If any deficiency or reportable conditions have not been stated and/or corrected, the Application may be ineligible for funding.
- D. If the Applicant is not required to have an audit according to OMB circular 2 CFR Part 200, then a balance sheet and income statement reflecting the current financial position of the Applicant must be submitted. The senior Financial Officer or the Executive Director must attest to the documents.
- E. **OHFA is required to certify that the Applicant has the financial capacity to undertake the activity for which it is applying.** OHFA will examine the audit (or balance sheet and income statement) in order to help assess the financial capacity of the Applicant. OHFA must be assured that the Applicant has sufficient financial strength to provide for unforeseen costs and unanticipated delays. If it does not appear to OHFA Staff that the Applicant has the financial capacity to undertake the Project, the Application will be recommended for denial.



## 7. Match

All Applications, except for CHDO Operating Assistance Applications, are required to provide match in an amount that is no less than twenty five percent (25%) of the total HOME contract amount. Match contributions must meet the definition of eligible match under the federal program regulations at 24 CFR Part 92. Match is a permanent contribution to the development. Match is a non-federal contribution to the development.

~~HUD has added a new paragraph to 24 CFR Part 92.221, stating that contributions to Homeownership housing constitute Match only to the extent that the sales price of the housing is reduced by the amount of the contribution.~~ If the sales price of the HOME-assisted housing unit is not reduced from the appraised value, no Match contribution will be recorded, no matter the type or amount of Match provided. Applicants for Homeownership activities must clearly demonstrate that their proposed Match contributions will reduce the sales price of the housing unit for the homebuyer. HUD has advised that if any part of the match is “mortgage-able” then it does not qualify as match.

The amount of Match required for a Pre-development loan Application is 25% of the amount of the loan request. Match liability incurred for funds expended for Pre-development loans is forgiven if the Project does not proceed.

**Banked match is acceptable, but it cannot be derived from an open contract. Banked match can only be derived from a closed, audited contract.** Any transfer of banked match from another entity must be completed, or there must be a written commitment to transfer the banked match, at the time an Application is submitted. Banked match is only the amount of match generated in excess of the match liability.

OHFA’s HOME Program has a twenty-five percent (25%) non-federal matching requirement. Waivers granted by HUD will not affect this requirement.

OHFA will make available to all Applicants a portion of the match credit OHFA has earned or will earn from its affordable housing bond program. Applicants will be allowed to submit proposals based on an eighteen and three-quarters percent (18.75%) match requirement. OHFA will supply the remaining six and one-quarter percent (6.25%) match.

This match can only be provided to funded Applicants, and only to those Applicants that actually incur a match liability. Limitations on the amount of total match liability that can be satisfied by affordable housing bonds prevent OHFA from increasing the amount available from this source. Due to these limitations, an Applicant cannot bank the match from the affordable housing bond program if it is not used.

No form of equity contribution qualifies as match. Owners may not use their own funds as match, even if the funds are not repayable.

### Documentation Requirements:

- A. Submit a worksheet showing the calculation of the total twenty-five percent (25%) match. Calculation must include all sources of match, even banked and bond match. The worksheet must also include separate calculations of each individual source of match, if applicable, showing how the total for each source was derived. For example, if using donated labor, the Applicant must show the calculation of the number of hours donated times the applicable rate.
- B. A description of all sources and amounts of all match commitments.



- C. Signed and dated commitment letters from provider for all sources, including an amount.
- D. If the Applicant is proposing to use banked match, the Applicant must obtain and submit a certification from OHFA's HOME Finance team, signed by both an OHFA representative and the Applicant, that verifies banked match. **It is the Applicant's responsibility to verify the accuracy of the banked match certification.** The date of the certification must be legible for verification purposes. The banked match certification cannot be more than 90 days old.
- E. If the Applicant is proposing to use match derived from affordable housing bonds, then it must be indicated on the Application Form and shown in the total match calculation.
- F. If the Applicant is proposing to use discounted land as a source of match, a third-party, independent appraisal must be provided.
- G. If the Applicant is proposing to use sweat equity for match, a third-party, independent audit must be provided for any sweat equity that is not specific to the Project for which the Applicant is applying for HOME funds.
- H. If the Applicant is applying for a Homeownership activity, proof that Match sources, other than Banked and/or Bond Match, reduce the sales price for the homebuyer.

## 8. Market Analysis

A market analysis is required for all activities except CHDO Pre-Development Loans and CHDO Operating Assistance.

The HOME Program Final Rule requires that OHFA assess the market conditions of the neighborhood in which the housing will be located. This is regardless of the number of units.

**Down-Payment Assistance Applications are required to provide a strong proof of need for the assistance in the area, including a pool of potential buyers.** Examples of this proof are letters from local realtors, vacancy statistics, Chamber of Commerce information, etc. The documentation must clearly demonstrate a need for homes for purchase and a pool of potential buyers. Evidence should be presented that the pool of potential buyers will be income-qualified. Also, evidence should be presented that there are available homes in the primary market area that are affordable to potential buyers.

For all developments of up to twenty (20) units, a market study must be included with the Application that includes all of the applicable documentation requirements listed below. For a development of up to twenty (20) units, Applicants may perform their own scientifically based housing market analysis. Such studies must fully describe the methodology used and sources of all data and information.

The market study will be utilized by OHFA to determine whether the Project meets housing needs and demands. Effective housing market analyses include a thorough investigation into site, neighborhood, and market area, plus a complete analysis of the housing supply and market conditions. Market analyses will determine appropriate housing quantities, types, features and unit mix and are required to clearly document demand for the type and number of affordable housing units proposed. Demand is defined as the total number of households in a market area that would potentially move into the units following the proposed activity. These households must be of the appropriate age, income and size for a specific proposed Project, and there must be some evidence that these households would have an interest in either renting or purchasing the units, depending on the activity proposed. Some sources of this evidentiary data are Housing Authorities, Chambers of Commerce, Community Action Agencies, and local realtors.

A **Statewide Housing Needs Assessment** was recently conducted and is available online at [www.oklahomahousingneeds.org](http://www.oklahomahousingneeds.org). It could be a valuable resource for market analysis.

The market analysis must be prepared no more than eighteen (18) months prior to the date the Application is filed with OHFA. Updates are not accepted.

**For developments of more than twenty (20) units, Applicants must submit a third party, independent housing market analysis.** The analysis must be prepared by a market analyst, unaffiliated with the Applicant, owner or developer, who has experience with single or multi-family rental or single-family homeownership housing, depending on the proposal.

**Documentation Requirements only for Rental Activities in Conjunction with AHTCs:**

Applicants for HOME funds in conjunction with an Affordable Housing Tax Credit Application must submit a third party, independent housing market analysis regardless of the number of units proposed. The analysis must be prepared by a market analyst, unaffiliated with the Applicant, owner or developer, who has experience with single or multi-family rental housing, depending on the proposal. If applying for HOME funds in conjunction with an Affordable Housing Tax Credit Application, the Applicant will only be required to submit one (1) market study between the two (2) (HOME & AHTC) Applications. The single market study should be submitted with the Tax Credit (AHTC) Application. **The study submitted must meet all requirements of both the AHTC and HOME programs.**

Applicants for Rental Activities in Conjunction with AHTCs are required to submit an electronic copy of their full market study along with their regular Application materials. This electronic version may be in the form of a CD, stick/flash drive, or other electronic storage device. E-mail attachments will not be accepted. This is in addition to, and not a substitution for, the regular hard copy of the study.

**Documentation Requirements for HOME activities requiring a market study:**

- A. All information included with the Market Study must be no more than ~~eighteen~~**twelve** (18~~2~~) months old;
- B. A summary of the qualifications of the individual(s) who participated in the development of the market study;
- C. A map and a description of the proposed site. Physical features of the property, streets and access information, availability of utilities, and zoning data. A discussion regarding the appropriateness of the location – availability of community facilities and proximity to local schools and parks;
- D. An evaluation of the need for affordable housing within the market area including a review of economic and employment factors such as population growth trends, development and activity, industry, major employers, and labor force;
- E. An assessment of the current housing supply type, quantity, unit mix, location, age, condition, occupancy levels, and housing cost overburden statistics;
- F. An identification of the number of households in the market area which are of the appropriate age, income and size for the proposed activity;
- G. A description of the potential effect on the occupancy rates of other comparable properties in the market area (for rental only);
- H. A description of rents and vacancy rates of comparable housing (for rental only);
- I. A calculation of the capture rate by dividing the total number of units in the Project by the total number of age, size and income-qualified renter households in the primary market area (for rental only);
- J. The expected time of market absorption of the proposed housing (for rental only);

K. Rent rolls for existing tenants (Rental Acquisition/Rehab only).

9. **Description** (~~Not applicable to CHDO Operating Assistance Applications~~)

**Applicants must provide a brief summary of the Project that includes all of the following:**

- A. Describe the location of the Project (e.g. county, city or town, street address if known, general location, or service area).
- B. If the Applicant is a CHDO applying for a CHDO-eligible activity, describe the CHDO's role in the Project (owner, sponsor and/or developer). **CHDO Applicants should note that the definition of these roles ~~was has been~~ modified in the most recent Final Rule.**
- C. Define the number and type of units. This should include bedroom mix. **For Rental activities only**, also specify if the units are fixed or floating units.
- D. **For Rental activities only**, if the proposed development is less than 100% HOME assisted units, then the Applicant must show the calculation of the number of HOME-assisted units at Low HOME and High HOME Rents. Applicants are referred to CPD Notice 98-02. The Applicant must demonstrate that the proposed Project has at least the minimum required number of total HOME units, and that the proposed Project has at least the minimum required number of Low HOME units.
- E. Describe how the Period of Affordability will be implemented and how long it will be. Refer to **2018 HOME Program Processes, Procedures and Topical Guidance**, which is a separate document available on OHFA's website, [www.ohfa.org](http://www.ohfa.org). Include drafts or templates of all documents that will be used for this purpose. **Use of the templates available on the OHFA website, [www.ohfa.org](http://www.ohfa.org), is required.**
- F. Depict the type of construction codes or standards to be used. Applicants should note that they must follow OHFA's Written Rehabilitation Standards or Written New Construction Standards, as applicable, as well as all State and local codes and the most recent version of the International Residential Code.
- G. Address the relocation of tenants or residents if applicable.
- H. For Rental New Construction only, Applicants are responsible for making the determination that proposed sites for new construction meet the requirements in 24 CFR Part 983.57(e)(2) and (3) (Site and Neighborhood Standards). Applicants for Rental New Construction activities should carefully review the Site and Neighborhood Standards section of the 2018 HOME Program Processes, Procedures and Topical Guidance. **All documentation utilized in making the determination must be included with the Application. OHFA is responsible to maintain records that document the results of the site and neighborhood standards review. If the documentation does not support the conclusion that a site meets the requirements, additional documentation will be requested.**

**Additional Required Information for Homebuyer (All Homebuyer activities, not just Down-Payment Assistance):**

- I. Explain the process for implementing the required Homebuyer Education classes and who will provide. The classes must be organized by someone who is certified, or is eligible for certification, by the Oklahoma Homebuyer Education Association or other such recognized organization that provides training/certification. Both pre and post purchase counseling are encouraged. **Attach copy of certification or letter.** Certification or letter cannot be more than three (3) years old.
- J. Statement that the requirements in the 2018 HOME Program Processes, Procedures and Topical Guidance section titled "Homebuyer" will be met. Applicants need only certify to OHFA that

they have read and understood the requirements, and that they will follow them. Applicants are not required to restate the requirements in their Applications.

- K. A draft or template of the Written Agreement to be entered into with the individual homebuyer(s). **Use of the template on the OHFA website, [www.ohfa.org](http://www.ohfa.org), is required.** When HOME assistance is provided to homebuyers, the CHDO, State recipient or sub-recipient must enter into a Written Agreement with each eligible homebuyer, separate and apart from the note and mortgage.
- L. A draft or template of the note and mortgage to be entered into with the individual homebuyer(s).
- M. The value of the property must not exceed ninety-five percent (95%) of the median area purchase price of a unit, as determined by the local HUD office, except for Homebuyer New Construction. For Homebuyer New Construction, the value of the property must not exceed the U.S. Census Bureau's median sales price for single family houses sold outside of a Metropolitan Statistical Area (MSA).
- N. For Down-Payment Assistance Applications, Applicants must provide an implementation schedule, of no more than eighteen (18) months from the date of the Award, which clearly identifies all major phases of the program, including close-out. This schedule should be thorough and detailed. If the Applicant is awarded funds for the Application, this schedule will be incorporated into the Special Conditions of the Written Agreement between OHFA and the Awardee. This schedule will be used for monitoring the progress of all phases of the activity prior to completion. Funded Applicants will be required to provide progress reports at least quarterly. OHFA will utilize these progress reports in order to determine if the Project is proceeding on schedule. .

Additional Required Information for CHDO Pre-development loans:

- O. Describe activities to be performed and tangible evidence that the potential development can be determined to be financially feasible. The Application should include a plan or course of action on how the Applicant will decide to go forward, not the actual determination of feasibility.
- P. A detailed description of the plan for repayment of the loan funds.
- Q. Applicant must have completed the Match section in Threshold.
- R. Production and implementation schedule, of no more than eighteen (18) months from the date of award, which clearly identifies all major phases of the activity, including close-out. This schedule should be thorough and detailed. If the Applicant is awarded funds for the Application, this schedule will be incorporated into the Special Conditions of the contract between OHFA and the Grantee. This schedule will be used for monitoring the progress of all phases of the activity prior to completion. Funded Applicants will be required to provide progress reports at least quarterly. OHFA will utilize these progress reports in order to determine if the Project is proceeding on schedule.

## **10. Development Commitments**

**(Not Applicable to Homebuyer Assistance, CHDO Pre-Development Loans, or CHDO Operating Assistance Applications.)**

Documentation Requirements:

**All Applications for rental activities must provide documentation for item D below. Items A, B and C need only be documented if the Applicant is partnering with another entity to undertake the activity.**

- A. An Applicant partnering with another entity must clearly demonstrate that the Applicant is the general partner or member with at least fifty-one percent (51%) of the voting majority over the

use of HOME funds under all circumstances in any partnership, LLC or other legal entity. **For CHDOs undertaking the activity as a CHDO Sponsorship activity, the CHDO must have 100% ownership of the General Partner of a Limited Partnership, or 100% ownership of the Managing Member of a Limited Liability Company. In either of these cases, Applicants must submit an organization chart.**

- B. A copy of organizational documents filed with a Secretary of State for the partnership, LLC or other legal entity. If not organized in Oklahoma, provide documentation of authorization to do business in Oklahoma.
- C. Copy of draft agreements for all commitments. Terms must be specifically delineated.
- D. If utilizing a property management company, the Application must clearly identify by name, address, and contact information. **If self-managing, the Applicant must provide a statement to that effect.** If utilizing a third party management company:
  - a. Provide draft copy of management agreement.
  - b. Describe role of the Applicant and the processes to maintain control over, and supervise, the activities of any third party management company.

**OHFA may choose not to release funds to any funded Project until OHFA has received, reviewed and accepted in writing all fully executed legally binding operating, management, ownership or other agreements.**

#### **11. Financing, Underwriting and Subsidy Layering**

Applicants must provide a detailed budget that delineates all sources and uses of funds for the total Project. Within the budget, Applicants must detail the exact activities and costs to be paid using HOME funds, including any and all soft costs. Generalizations such as “construction costs” are insufficient.

Some specific items in the Documentation Requirements below do not apply to all types of Projects. **If an item does not apply, the Applicant should so state.** If an item does apply, however, the Applicant should present as detailed and specific information as possible.

OHFA must carefully underwrite all HOME-assisted Projects, and make a determination regarding the long-term viability of the Project as well as the reasonableness of the amount of return to the owner or developer. OHFA must examine the sources and uses for each Project and determine whether the costs are reasonable. OHFA must also assure that there are firm financial commitments for every other funding source for the Project, if applicable.

If OHFA determines that the costs are not reasonable or that any other source of funds does not have a firm commitment, OHFA will advise the Applicant and request an adjustment to the costs and/or documentation of a firm commitment.

**OHFA may adjust or deny funding requests based on underwriting, the subsidy layering review, and/or other factors. Applicants should ensure that all schedules, budgets, and worksheets agree and balance.**

#### Documentation Requirements:

- A. Source of all funding with dollar amounts.
- B. Signed and dated commitment letters from all funding sources, including both private and governmental sources. Any terms must be clearly expressed. Commitment letters must contain

specific numbers that match those in any and all provided budgets. All commitments must be firm commitments. No contingent commitments are permitted.

- C. Detailed Project Budget, including, but not limited to:
- a. Acquisition of land and/or buildings.
  - b. All costs for land development, infrastructure and/or site work.
  - c. All costs of construction.
  - d. Professional fees, for example, architect, engineer, attorney, and etc.
  - e. Reserves, e.g. operating and replacement (Rental activities only).
  - f. Budget should delineate exact activities and costs to be paid with HOME funds as well as all other sources of funds.
  - g. Budget should include all soft costs (if any) and clearly delineate which source(s) of funds will pay for them.
  - h. Soft costs (except developer fees) paid for with HOME funds must not exceed seven percent (7%) of the total HOME funds (including soft costs) and must be allowable costs under the HOME Program rules.
  - i. Developer fees, if applicable. Developer fees will be considered separately from other soft costs and must not exceed fifteen percent (15%) of the total HOME funds (including developer fees.) Budget should clearly delineate which source(s) of funds will pay for developer fees. **For HOME Rental Activities in conjunction with AHTCs, HOME funds cannot pay for developer fees.**
  - j. Total sources of funds must equal total uses of funds.
  - k. Square footage of all units must be provided.
  - l. **All costs paid with HOME funds must be HOME-eligible costs.**
- D. Operating budget (**Rental Projects only**) illustrating income, expenses, and debt service.
- a. The budget should be presented over a fifteen (15) year time period.
  - b. Operating expenses must be reasonable.
  - c. The budget must delineate if utilities are included in the rent total and show calculations. Applicants must provide the source of the utility allowance(s) and the amount(s). **Applicants must use a utility allowance calculation method that has been approved for use by HOME Program Compliance Staff.** In the case of an Application for Acquisition/Rehabilitation, where the units have not yet been identified, Applicants and OHFA will use the PHA utility allowance for underwriting purposes only. The use of PHA utility allowances for ongoing operations is no longer permitted in the HOME Program.
  - d. The budget must include achievable rent rates, market vacancies, all fees, and debt coverage ratio.
- E. Profit and loss statement, for Homebuyer Projects only.

**For CHDO Pre-Development Loans, the above listed documentation is not required. The following are the only requirements:**

- F. The maximum loan amount is \$20,000. Loan terms will not exceed eighteen (18) months and interest rates are one percent (1%) simple interest per annum. Specific assistance loans will become due and payable on the first day of the nineteenth (19th) month.
- G. The Application must provide a detailed line item budget that indicates the eligible activities for which HOME loan funds will be expended.

**Applications to administer Down-Payment Assistance programs need only provide the following for this section:**

- H. Items A and B as set forth above; and
- I. A budget showing costs of administration and how they will be paid

- J. If any of those costs are paid with HOME funds, they must be HOME-eligible costs

## 12. Organizational Structure, Capacity and Experience

Applicants are required to have a clear understanding of the rules and regulations that govern the HOME Program, and must demonstrate capacity to implement and operate the HOME Program in accordance with all applicable regulations. **Applicants for HOME Program funds must have direct experience in the production of housing. Applicants may utilize the services of consultants, but they will be judged based upon the capacity and experience of their own staff and not that of the consultants.**

**OHFA must certify to HUD that Awardees of HOME funds have both the financial capacity and housing development expertise and experience to undertake the Project or Program awarded HOME funds.** Applicants must document their organizational structure and experience in order to prove that they have the necessary capacity, expertise and experience.

### Documentation Requirements:

- A. Narrative describing the experience of the organization and staff persons in the use of HOME funds, **other federally assisted housing activities**, and all other types of housing development activities, including both affordable and market rate housing development. Include the number of years of direct experience in the HOME Program and the number of HOME Written Agreements awarded and successfully completed. HOME Program experience is not a requirement for funding. However, it helps to establish capacity.
- B. Proof of staff and organizational experience related to the type of proposed Project, activity or form of assistance, if any. For this item, the experience must be specific to the type of Project or activity proposed. (For instance, experience with Homeowner Projects will not be credited toward a Rental Acquisition/Rehabilitation activity.) **Applicants are not required to have experience in the specific type of proposed Project.** However, it helps to establish capacity.
- C. Document and delineate the names and job titles of all staff persons responsible for the proposed activity and their areas of responsibility. This should include, but is not limited to, daily oversight for overall Project financing, production, and administration.
- D. Document all HOME Program training classes, webinars and workshops attended by housing development staff members.
- E. Provide a narrative describing how and where all records and materials pertaining to the HOME Written Agreement will be maintained.
- F. Name, address and contact information of consultant if using a consultant to supplement staff capacity and experience. **CHDO Applicants should note that even if they are using a consultant, they must have paid staff with housing development experience in order to receive an award of funds.** Consultants can, however, provide additional experience and expertise, and can provide training to the Applicant's paid staff.
- G. Detailed description of the experience of the consultant in consulting on HOME Written Agreements for the past three (3) years. This information must include any Applications currently submitted to OHFA for review. Applicants may provide information going back more than three years if needed to document the total number of HOME Written Agreements.
- H. The procurement procedures utilized in selecting the consultant. Specifics must be provided, so that OHFA can properly determine if all federal requirements were met.
- I. The exact services to be provided by the consultant.
- J. All Applicants for HOME funds in conjunction with Affordable Housing Tax Credits, and any Applicants with private, for-profit development partners, must submit signed financial statements or audited financial statements for all partners, for the most recent fiscal year. OHFA is required

to assess the financial capacity of the developer of HOME-assisted Projects, in order to help ensure the long-term viability of the Project. If OHFA Staff determines that the developer of the Project does not have the financial capacity to undertake a Project of the size and complexity of the Project proposed in the Application, OHFA Staff will recommend denial of the Application. If the Applicant is the developer, OHFA Staff will make that determination in Threshold Section Five, Audit. OHFA must be assured that the developer has sufficient financial strength to provide for unforeseen costs and unanticipated delays.

### **13. Capital Needs Assessment**

A capital needs assessment (CNA) is required for all multi-family Rental Rehabilitation or Acquisition/Rehabilitation Projects of 26 or more units, and for all Applications in conjunction with Affordable Housing Tax Credits, regardless of the number of units. A CNA may be requested by OHFA for smaller Projects if deemed necessary to properly underwrite the Projects. Capital needs assessments performed for the same Project as a requirement of another funding source may, at OHFA's discretion, be accepted in lieu of a specific CNA for the HOME Application.

Capital Needs Assessment (CNA) means a qualified professional's opinion of a property's current physical condition determined after a physical inspection of the interior and exterior of the units and structures. The physical inspection should include an interview with the onsite manager and maintenance personnel. This assessment should identify deferred maintenance, physical needs, **remaining useful life**, material building code violations that affect the property use, structural and mechanical integrity, and the future physical and financial needs. The assessment must include the cost of labor and materials identified in detail and the extent of future expenditures contemplated to ensure the costs will be addressed through operating and replacement reserves. Components which should be examined and analyzed in this assessment include but are not limited to:

- Site, including topography, drainage, pavement, curbing, sidewalks, parking, landscaping, amenities, water, sewer, storm drainage, gas and electric utility lines;
- Structural systems, both substructure and superstructure, including exterior walls and balconies, exterior doors and windows, roofing system and drainage;
- Interiors, including unit and common area finishes (carpeting, vinyl or tile flooring, plaster walls, paint condition, etc.), unit kitchen finishes, cabinets and appliances, unit bathroom finishes and fixtures, and common area lobbies and corridors; and
- Mechanical systems, including plumbing and domestic hot water, HVAC, electrical, lighting fixtures, fire protection, and elevators.

Capital Needs Assessments must be performed by a qualified independent third-party (architect, engineer, contractor, Rural Housing Services) which considers the proposed rehabilitation activities to ensure that the **proposed improvements have a useful life that meets the full term of affordability** pursuant to 24 CFR 92.252(e), or that there will be funds available to replace the improvements at the end of their useful life. The assessment should also demonstrate the need for the rehabilitation work and in the degree proposed. Assessment should also include notation of interview with onsite personnel or owner and the cost of labor and materials.

#### **Documentation Requirement:**



- Third-party independent analysis performed by a qualified architect, engineer, contractor, or Rural Housing Service. The assessment may be prepared no more than eighteen (18) months prior to Application submission.
- Certification of the independent analyst that the proposed improvements have a useful life that meets the full term of affordability, and that an interview was conducted with either the owner or onsite personnel.

### **Threshold Requirements Specific to CHDOs:**

#### **14. CHDO Eligibility Criteria Elements**

**This factor only applies if a CHDO is applying for a CHDO set aside activity, with or without CHDO Operating Assistance.** CHDOs must, at the time of application, indicate any organizational changes in the eligibility criteria elements since the date of certification or last recertification.

#### **Eligibility criteria elements:**

- Legal status
- Capacity (including paid staff with housing development experience)
- Organizational structure (including Board composition)
- Relationships with for-profit entities
- Other requirements

#### **Documentation Requirements:**

- A. If eligibility criteria element changes have occurred since the date of the CHDO's certification or re-certification by OHFA, updated documentation relating to all changes must be provided, along with the effective dates of the changes.
- B. If the Board composition has changed, a current Board roster must be provided, including information on the employer of any new Board member and which category (low-income, private, or public) the member represents on the Board. **Do not provide Social Security numbers for any Board members.**
- C. If there is a vacancy on the Board, the CHDO board requirement may still be met by the vacant position if the CHDO can demonstrate and document a diligent effort to fill the position.

The HOME Program requires that CHDOs must be recertified whenever they apply for HOME funds for CHDO activities. In addition, OHFA requires annual recertification of all CHDOs. A CHDO Recertification Application Packet will be made available to all CHDOs.

CHDOs must have paid employee staff with housing development experience in order to receive and maintain their CHDO designation. CHDOs can no longer meet their capacity requirements through the use of consultants or through a plan for staff to be trained by consultants. CHDO staff members may be part time, so long as they devote sufficient hours to the CHDO to perform all of the required tasks. Thus, for instance, a community action agency that has created a CHDO may have the same staff performing housing development functions for both the CAA and the CHDO.

## 15. CHDO Operating Assistance Only

Operating funds will only be awarded to CHDOs that are applying for CHDO Set-Aside funds. **Applicants for CHDO Activities must specifically request CHDO Operating Assistance in the Application.** CHDO Operating Assistance will be awarded in the amount of ten percent (10%) of the CHDO Set-Aside funding award, **up to a maximum of \$50,000 per CHDO per Program Year.**

### Documentation Requirement:

The Applicant must include a detailed line item budget that indicates precisely how the requested operating funds will be expended by employees in relation to those employees' CHDO job duties and responsibilities.

### Evaluation Criteria

Application responses are to be structured and information presented in such a way as to fully address each criterion. The information, data, and statements provided in response to each criterion will be the basis for evaluating each Application.

Failure to submit or properly address evaluation criteria items will disqualify the Application from receiving points for those items. Some criteria may not apply to all Applications. Some requirements under a particular criterion may not apply to all Applications.

**Only TBRA, Homebuyer and Rental Applications will be scored (including Rental Activities in Conjunction with Affordable Housing Tax Credits.)** For all other types of Applications, sufficient information will be provided in the responses to the Threshold Criteria, and tiebreakers will be used if there are insufficient funds available to fund all of the Applications for HOME funds from a specific set-aside at the same meeting of OHFA's Board of Trustees.

**DPA Applications will not be scored.** Tiebreakers will be used if there are insufficient funds available to fund all of the Applications for HOME funds from that set-aside at the same meeting of OHFA's Board of Trustees.

The score for an Application is expressed as a percentage of the total possible points for the type of activity and form of assistance for which the Applicant is applying. Application scores will be used to determine the order of funding if there are insufficient funds available to fund all of the Applications for HOME funds from a specific set-aside at the same meeting of OHFA's Board of Trustees.

Unless otherwise specified, the method that OHFA staff uses to calculate the score for a particular criterion is to take the number of complete and correct answers divided by the number of applicable questions. Then that number is multiplied by the total number of points in that criterion to arrive at the total points awarded. The total points awarded for all the applicable criteria are added together for a total Application score. **OHFA no longer requires a minimum score in order for an Application to receive funding.**

In the event of a tie on scores between Applications, and for Applications that are not scored, tiebreakers shall be used. The tiebreakers are set forth in the Tiebreakers criterion at the end of this section.

## 1. Leverage - 5 Points

**Leverage is applicable only to Homebuyer and Rental activities.** Applicants must fully describe all development leverage resources, inducements and incentives that are present in the proposed Application. All sources of construction or permanent financing, except HOME, paying development budget costs are eligible for leverage. However, assistance for homebuyers, such as first mortgages, is not considered leverage. **If any source of funding provides both construction and permanent financing, it will not be counted twice.**

Public and private resources, such as Rural Housing Incentive Districts, CDBG, AHP, AHTC equity, Historic Tax Credit equity, USDA-RHS, HUD, foundation funds, and private capital will be considered in the leverage analysis. **If a source qualifies for both Match and Leverage, it can only be counted in one place.** Some examples of Leverage are given below. **This is not an exclusive list.**

- All construction or permanent financing, public or private, except HOME, paying development budget costs (The maximum amount of a line of credit that will be calculated is the total development budget minus all other sources of construction funding.)
- The total equity provided to the development due to an award of Affordable Housing Tax Credits or from any other tax credits.
- Funds provided by the local governments and grants or loans from other sources.
- The value of donated labor, unskilled labor at \$10.00 per hour, and the value of skilled labor at a normal, accepted rate per hour. If using labor of any kind in leverage calculation, labor costs must be delineated from material costs.
- The value of land and/or a building donated or acquired for a development prior to the Application can count as leverage, but there must be an appraisal or tax assessment included in the Application to document its value.
- In order to count donated supplies or materials, only the documented value of the goods or materials will be considered. The expenses must be legitimately required by the program. The donor must provide a letter to confirm the amount.
- Discounts on supplies, materials, and professional services must be documented. Original prices and discount calculations are required.
- In addition, the value of State and local taxes, charges or fees that are waived, foregone or deferred in a manner that achieves affordability of HOME-assisted developments may be counted as leverage.
- If used to help pay development budget costs, CHDO proceeds may be counted as leverage, but only if the proceeds were generated from a prior Project. **CHDO proceeds to be earned from the Project for which the Applicant is applying will not be considered in the leverage calculation.**

### Documentation Requirements:

- A. Signed commitment letters including amounts, terms and other pertinent information from all sources. **All commitments must be firm commitments.**
- B. Applicant's calculation of the leverage percentage. This is the percentage of the total HOME funds represented by the total eligible leverage resources. The formula for calculating the percentage is the total amount of leverage sources divided by the total amount of HOME funding. That number would then be multiplied by 100 to express it as a percentage.

**If either A or B is insufficient or omitted from the original Application, the leverage source will not be included in the calculation. This documentation cannot be provided at a later date. It must be included with the Application.**

**Leverage points to be awarded:**

At least 10% up to 50% of the HOME funds requested	1 point
At least 51% up to 100% of the HOME funds requested	2 points
At least 101% up to 200% of the HOME funds requested	3 points
At least 201% up to 300% of the HOME funds requested	4 points
301% or more of the HOME funds requested	5 points

When determining the leverage percentage, **normal rounding shall apply**. Thus, for example, 50.5% will be rounded up to 51%. 50.4% will be rounded down to 50%.

**2. Readiness to Proceed – 10 Points**

**(Not Applicable to TBRA or CHDO Pre-Development Loan Applications)**

**Documentation Requirements:**

- A. Proof of acceptable form of ownership/site control-ownership, purchase contract or purchase option. For Acquisition and Acquisition/Rehabilitation, explain plan to obtain. Plans to obtain properties for Acquisition or Acquisition/Rehabilitation must show that the properties will be identified within six (6) months of the HOME award, so that there will not be a significant delay in executing a Written Agreement and committing the HOME funds. OHFA may revoke all or a part of a HOME Program award of funds if properties are not identified within the six (6) month time frame, due to the HOME Program commitment deadlines.
- B. Production and implementation schedule, of no more than twenty-four (24) months, which clearly identifies all major phases of the proposed Project, **including close-out**. This schedule should be thorough and detailed, and should begin on the anticipated date of award. If the Applicant is awarded funds for the Application, this schedule will be incorporated into the Special Conditions of the Written Agreement between OHFA and the Awardee. This schedule will be used for monitoring the progress of all phases of the activity prior to completion. Funded Applicants will be required to provide progress reports at least quarterly. OHFA will utilize these progress reports in order to determine if the Project is proceeding on schedule.
- C. Include preliminary plans and specifications, unless the activity is Acquisition/Rehabilitation and the property has not been identified.
- D. Document that the zoning required for the Project is in place. This documentation is not required for Acquisition/Rehabilitation activities and the property has not been identified.

Applicants should note that any documentation regarding readiness to proceed that is not provided with the Application will be required before the execution of a Written Agreement for HOME funds.

**3. Energy Efficient Building Materials – 7 Points**

**(Not applicable to TBRA or CHDO Pre-Development Loans)**

**The following is an exclusive list of amenities for which OHFA may award points.** One point shall be awarded for each item below, up to a maximum of 7 points.

- Shower heads with a maximum of 2.5 gallons per minute flow rate
- Low-flow kitchen faucets
- Low-flow toilets (must be all toilets in every unit)

- The use of **better than** R-2 insulation on exposed hot water pipes
- Installation of Energy Star qualified appliances
- Energy Star qualified windows with Low E glass
- Energy Star qualified HVAC
- Energy Star qualified Efficiency Water Heaters
- Radiant barrier per ASTM standards in attic and/or roof sheathing; and/or exterior wall sheathing (**may not be combined with spray foam insulation**)
- Low or no VOC paint
- Programmable thermostats
- **Applicants may select one (1) of the following:**
  - Insulation: Attic insulation **better than** R- 38, wall insulation **better than** R – 13, and floor insulation (if applicable) **better than** R-19
  - **OR**
  - Spray foam insulation exceeding code requirements
- **Applicants may select one (1) of the following:**
  - Radiant barrier per ASTM standards in attic and/or roof sheathing and/or exterior wall sheathing. **May not be combined with spray foam insulation. N/A for Rehabilitation Developments.**
  - **OR**
  - Insulation: R-3 or better insulation installed around the exterior foundation of every Building

**Documentation Requirements:**

The Applicant must provide a signed certification that the amenities for which points are being claimed will be provided. HOME Compliance Staff will monitor for these items on the initial compliance monitoring visit. An independent, qualified construction inspector hired by OHFA will also conduct construction inspections to ensure that the work is being done as specified in the Application. **Failure to provide the items as certified in the Application could result in a termination of the Written Agreement, de-obligation of the remaining funds, and repayment of funds already drawn down.**

**4. HOME Program Training – 10 Points**

**NOTE: OHFA is seeking input into additional training classes that can be included. Input can be provided via email to Darcy Green at darcy.green@ohfa.org. Input will also be accepted at the public input session on February 15, 2018 at 2:00 p.m. at OHFA’s offices, 100 NW 63-Street, Oklahoma City, OK, in the Will Rogers Conference Room.**

Points will be awarded based on the attendance of at least one employee of the Applicant at one of the listed HOME Program training classes. **Each class or webinar series will count five (5) points, up to a maximum of ten (10) points.** For Projects that will have a third-party management company, an employee of the third-party management company may attend in place of an employee of the Applicant for **one** of the trainings listed below. **This is an exclusive list:**

- HOME Funds Training class on ~~May 12, 2015 or~~ April 13, 2016, sponsored by OHFA
- OHFA-sponsored Fair Housing training workshop on October 12, 2016
- ~~HOME Compliance Training by OHFA Compliance Staff on either September 10<sup>th</sup> or September 17<sup>th</sup> of 2015~~

- A HUD-sponsored Building HOME training class conducted no earlier than September 15, 2014.
- The four-part Building HOME Webinar Series offered by HUD beginning in September of 2015. Participation in all four parts is required.
- Attendance at one of the two roundtables conducted by the Housing and Civil Enforcement Section of the Civil Rights Division of the U.S. Department of Justice on December 6, 2016 and December 7, 2016, **or** attendance at the December 14, 2016 Housing Discrimination Conference presented by the Office of Civil Rights Enforcement of the Attorney General's Office
- Zeffert & Associates HOME Fund Basics Webinars Part 1 and 2
- Having an individual on staff that is currently a Certified Homebuyer Education Professional (for Homebuyer or DPA activities only)

**Documentation Requirements:**

The Applicant must provide a certificate or other proof of attendance at one of the HUD Building HOME classes or webinar series. OHFA has an attendance record for the other classes/events. **Each bullet will be counted only once, regardless of the number of employees that attended or if classes were attended multiple times.**

**5. Tenant Special Needs Populations – 5 Points (Rental Only)**

Points will be awarded to a Project that commits to dedicate at least ten percent (10%) of the total residential units to serve a Special Needs Population, or multiple Special Needs Populations. A minimum of one (1) unit dedicated to a Special Needs Population is required in order to receive the points, regardless of the percentage. Points will be awarded for the following Special Needs Populations. This is an exclusive list:

- Homeless
- Persons with mental or physical disabilities
- Military veterans
- Youth aging out of foster care

**Documentation Requirements:**

The Applicant must provide a signed certification that the unit(s) will be dedicated to serving the selected Special Needs Population(s). **HOME Compliance Staff will monitor for this on all compliance monitoring visits.** Any manager's unit must be included in the calculation of ten percent (10%) of the total residential units. Special Needs Populations cannot be concentrated in a single bedroom size or single building if there are multiple bedroom sizes and/or multiple buildings.

**OHFA will require that the units dedicated to Special Needs Populations be held open for at least 90 days before attempting to lease to a household that is not a qualified Special Needs household.**

The 90 days will be from the placed in service date for new units, and from the date that the unit is available and ready for a new tenant for units that have previously been occupied. In order to lease a Special Needs unit to a household that is not a qualified Special Needs household, the Owner must obtain OHFA's permission to do so. OHFA will require proof that the Owner made reasonable attempts to lease the unit to a qualified Special Needs household, such as giving notice of the available unit to service providers and/or advocacy groups.

**Definitions of the Special Needs Populations:**

**Homeless:**

**Lacking a fixed, regular and adequate nighttime residence; AND has a primary nighttime residence that is a supervised public or private shelter providing temporary accommodations or a public or private place not ordinarily used as a sleeping accommodation for human beings; OR An individual or family who has been displaced due to a major disaster declared by the President of the United States AND receives temporary federal housing assistance within the state of Oklahoma AND has a valid personal federal disaster identification number issued by the Federal Emergency Management Agency (FEMA).**

**An individual or family residing with friends or relatives on a temporary basis is not eligible as homeless unless the family has been displaced due to a major disaster declared by the President of the United States AND has established residency within the state of Oklahoma (employment, school enrollment, etc.) AND has a valid personal federal disaster identification number issued by the Federal Emergency Management Agency (FEMA).**

**Homeless Verification:**

**To verify homeless eligibility, the homeless applicant must provide one of the following:**

- A referral from the shelter that the applicant is residing at; or**
- If the shelter is full, a statement from each local shelter in the county verifying that the shelters are unable to accommodate the applicant; or**
- If the county does not have a shelter, a statement from DHS that the applicant is homeless and there are not any shelters in that county.**

**Youth Aging Out of Foster Care:**

**This is self-explanatory. Beneficiaries must provide proof that they were a participant in the foster care system, and proof of their current age.**

**Military Veteran:**

**A person who has served in the active military, naval, or air service and who was discharged or released from such service under conditions other than dishonorable.**

**Persons with Mental or Physical Disabilities:**

**This means a household composed of one or more persons, at least one of whom is an adult, who has a disability.**

**(1) A person is considered to have a disability if the person has a physical, mental, or emotional impairment that:**

- (i) Is expected to be of long-continued and indefinite duration;**
- (ii) Substantially impedes his or her ability to live independently; and**
- (iii) Is of such a nature that such ability could be improved by more suitable housing conditions.**

**(2) A person will also be considered to have a disability if he or she has a developmental disability, which is a severe, chronic disability that:**

- (i) Is attributable to a mental or physical impairment or combination of mental and physical impairments;**
- (ii) Is manifested before the person attains age 22;**
- (iii) Is likely to continue indefinitely;**
- (iv) Results in substantial functional limitations in three or more of the following areas of major life activity: self-care, receptive and expressive language, learning, mobility, self-direction, capacity for independent living, and economic self-sufficiency; and**
- (v) Reflects the person's need for a combination and sequence of special, interdisciplinary, or generic care, treatment, or other services that are of lifelong or extended duration and are individually planned and coordinated. Notwithstanding the preceding provisions of this definition,**

**the term “person with disabilities” includes two or more persons with disabilities living together, one or more such persons living with another person who is determined to be important to their care or well-being, and the surviving member or members of any household described in the first sentence of this definition who were living, in a unit assisted with HOME funds, with the deceased member of the household at the time of his or her death.**

**6. Statewide Housing Needs Assessment – 5 Points (Rental Only)**

Points will be awarded to Projects located in one of the 19 Oklahoma counties shown in the recent Statewide Housing Needs Assessment to have rent overburden higher than the Statewide average, or a total need for 60% AMI units (as a percentage of population) higher than the Statewide average (or both). Also, the identified need in the county must be for 25 units or more. The 19 counties are:

Beckham, Bryan, Canadian, Cleveland, Custer, Garfield, Haskell, Logan, Love, McClain, McIntosh, Oklahoma, Payne, Pontotoc, Texas, Tulsa, Wagoner, Woods and Woodward.

**No documentation is required for this section**

**7. HOME Investment per Unit - 10 Points  
(Not applicable to TBRA or CHDO Pre-Development Loans)**

Developments will be evaluated based on the amount of HOME assistance provided per HOME-assisted unit. **Applicants should note that HOME assistance per unit cannot exceed the 2018 HOME Program Maximum Per-Unit Subsidy Limits.** OHFA Staff will perform the calculation. No documentation is required for this criterion.

**Points will be awarded as follows:**

\$1,000 to \$69,999 of HOME assistance per unit.	10 points
\$70,000 to \$89,999 of HOME assistance per unit.	8 points
\$90,000 to \$109,999 of HOME assistance per unit.	6 points
\$110,000 to \$129,999 of HOME assistance per unit.	4 points
\$130,000 or more of HOME assistance per unit.	0 points

**8. Tiebreakers**

**Applications for Down-Payment Assistance Programs compete only against each other.** They will not be scored. Tie-breakers will be used in the event that there are sufficient funds remaining for only one Application, and two or more Applications remain to be funded from the DPA Set-Aside.

In all other cases, Applications compete only against other Applications for funding from the same set-aside being considered at the same Board meeting. If there are sufficient funds in a set-aside to fund all Applications that meet all threshold requirements, then all of the Applications in that set-aside will be funded. If not, Applications will be funded in rank order by score, from highest to lowest. Tie-breakers will be used in the event that there are sufficient funds remaining for only one Application, and the next two or more Applications in rank order have achieved an equal score.



The following tiebreakers will be used for Applications for the following types of activities:

**Down-Payment Assistance**

1. First, Down-Payment Assistance funds will be awarded to the Application with the greater need for DPA funding, based on the results of the Statewide Housing Needs Assessment. OHFA will use the numbers for the whole need in each area, and not the alternative numbers for households as 60% of AMI or below. For Applicants proposing to serve multiple counties, OHFA will use the combined total housing demand.
2. The second and final tiebreaker will be a random drawing.

**All Other Applications**

1. First, Applications for CHDO activities will be awarded ahead of Applications for non-CHDO activities. Applicants do not receive preference simply because they are a CHDO. The Application must be for a CHDO activity.
2. Second, the Application with the least amount of HOME assistance per HOME-assisted unit will be awarded.
3. The third and final tiebreaker will be a random drawing.

**Awards of CHDO Operating Assistance**

CHDO Operating Assistance is limited by statute and the HOME Final Rule to five percent (5%) of OHFA's annual allocation of HOME funds. It is possible that two or more Applications for CHDO activities will achieve the same total score, and OHFA will have sufficient Program funds to fully fund all the activities, but will not have sufficient CHDO Operating Assistance funding to fully fund all Operating Assistance requests. In that event, the remaining Operating Assistance funding will be equally divided between or among the Applicants (as close as mathematically possible, considering that OHFA rounds all awards to the nearest dollar).

**Applicant Name:** \_\_\_\_\_

**Mailing Address:** \_\_\_\_\_

**City:** \_\_\_\_\_ **County:** \_\_\_\_\_

**State** \_\_\_\_\_ **Zip Code:** \_\_\_\_\_

**Phone #:** \_\_\_\_\_ **Fax #:** \_\_\_\_\_

**E-mail address:** \_\_\_\_\_

**Federal Employer Identification Number:** \_\_\_\_\_

**DUNS Number:** \_\_\_\_\_

**Applicant's Official Authorized Signatory:** \_\_\_\_\_

**Name of primary contact person:** \_\_\_\_\_

**Mailing Address of primary contact person:** \_\_\_\_\_

**City:** \_\_\_\_\_ **State and Zip Code:** \_\_\_\_\_

**Phone #:** \_\_\_\_\_ **Fax #:** \_\_\_\_\_

**E-mail address:** \_\_\_\_\_

**This box may be completed by Applicants who are utilizing a person or entity providing assistance, if Applicants would like the person or entity to be included as a contact.**

**Additional Contact:** \_\_\_\_\_

**Mailing Address:** \_\_\_\_\_

**City:** \_\_\_\_\_ **State:** \_\_\_\_\_ **Zip Code:** \_\_\_\_\_

**Phone #:** \_\_\_\_\_ **Fax #:** \_\_\_\_\_

**E-mail address:** \_\_\_\_\_

**Applicant is:**

City: \_\_\_\_\_ Town: \_\_\_\_\_ County: \_\_\_\_\_ Indian Tribe: \_\_\_\_\_

Public Housing Agency: \_\_\_\_\_ CHDO: \_\_\_\_\_

Non-Profit Developer: \_\_\_\_\_ For-Profit Developer: \_\_\_\_\_

Is Applicant applying as a CHDO for CHDO activities? Yes \_\_\_\_\_ No \_\_\_\_\_

**Location of Project:**

City (ies): \_\_\_\_\_

County (ies): \_\_\_\_\_

Oklahoma Senate District Number(s): \_\_\_\_\_

Oklahoma House District Number(s): \_\_\_\_\_

U.S. Congressional District: \_\_\_\_\_

_____ Units built	_____ Units rehabilitated/reconstructed
_____ Units acquired	_____ Units acquired and rehabilitated
_____ Units receiving DPA	

Total units receiving HOME assistance: \_\_\_\_\_

**HOME Activity:**

Is this Application in conjunction with an Oklahoma HTF Application? Yes \_\_\_\_\_ No \_\_\_\_\_

Is this Application in conjunction with an AHTC Application? Yes \_\_\_\_\_ No \_\_\_\_\_

If yes, then what is the name of Development? \_\_\_\_\_

**If the type of activity or form of assistance is not on the list, then it is not an eligible activity.**

**1. Homebuyer**

- \_\_\_\_\_ Acquisition
- \_\_\_\_\_ Acquisition/Rehabilitation
- \_\_\_\_\_ New Construction
- \_\_\_\_\_ Homebuyer Assistance

**2. Rental**

- \_\_\_\_\_ Single Family - Acquisition
- \_\_\_\_\_ Single Family - Acquisition/Rehabilitation
- \_\_\_\_\_ Single Family - Rehabilitation
- \_\_\_\_\_ Single Family - New Construction
- \_\_\_\_\_ Multi-Family - Acquisition
- \_\_\_\_\_ Multi-Family - Acquisition/Rehabilitation
- \_\_\_\_\_ Multi-Family - Rehabilitation
- \_\_\_\_\_ Multi-Family - New Construction

3. \_\_\_\_\_ CHDO Pre-development loans

4. \_\_\_\_\_ CHDO Operating Assistance

**HOME Application Match Calculation and Match Request**

<b>HOME Program Funds</b>	_____
<b>CHDO Operating Assistance in conjunction with a CHDO Activity (If applicable)</b>	_____
<b>Total HOME Funds Requested:</b>	_____
<b>Total Match (25% of HOME Contract, excluding CHDO Operating Assistance)</b>	_____
<b>Bond Match Request (Maximum of 6.25% of HOME Program funds)</b>	_____

DRAFT

**OHFA HOME Application - Attachment A**

**Check the appropriate line and sign and date at the bottom. It must be signed by the Chairman, Executive Director, or highest elected official, and duly notarized.**

**Match**

\_\_\_\_\_ NO sources of match presented in this Application are from federal sources. (All Applications, regardless of sources of match, must complete.)

\_\_\_\_\_ NONE of the \$\_\_\_\_\_ (amount) of banked match presented in this Application has been expended or committed to another development. (Only if using banked match.)

**Monitoring – Program or Financial**

\_\_\_\_\_ There are no HOME monitoring issues with any of Applicant’s open contracts.

**OR**

\_\_\_\_\_ There are some monitoring issues with some of open contracts. The plan(s) to correct the issues were submitted on \_\_\_\_\_ to the HOME Compliance Staff.

\_\_\_\_\_ Not Applicable

**CHDO Certification**

\_\_\_\_\_ No eligibility criteria have changed since the certification or recertification and supporting documents are on file in the CHDO’s corporate office.

**OR**

\_\_\_\_\_ The eligibility criteria of \_\_\_\_\_ has changed since the last certification or recertification and supporting documents are on file in the CHDO’s corporate office.

\_\_\_\_\_ Not Applicable

Signature \_\_\_\_\_

Printed name \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

State of Oklahoma  
County of \_\_\_\_\_

Attest:  
Subscribed and sworn to before me \_\_\_\_\_, \_\_\_\_\_.

My commission expires \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
Notary Public

## **OHFA HOME Application - Attachment B**

### **Certification of Compliance with Other Federal Requirements**

Affiant: \_\_\_\_\_

Applicant: \_\_\_\_\_

*(Insert exact legal name of the organization)*

Affiant, as the duly authorized representative of the Applicant, does hereby on oath affirm the following:

1. Applicant understands and will comply with the requirements of Title VI of the Civil Rights Act of 1964, As Amended (42 U.S.C. 2000d et. seq.); The Fair Housing Act (42 U.S.C. 3601-3620); Equal Opportunity in Housing (Executive Order 11063, as amended by Executive Order 12259; and the Age Discrimination Act of 1975, As Amended (42 U.S.C. 6101).
2. Applicant understands and will comply with the HOME Program requirements for Affirmative Marketing on any Project with five or more HOME-assisted units. Applicant certifies that it has an Affirmative Marketing Plan and/or written Affirmative Marketing procedures in place to assure compliance with the all of the requirements of 24 CFR 92.351.
3. Applicant understands and will comply with the requirements of the Americans with Disabilities Act (42 U.S.C. 12131; 47 U.S.C. 155,201,218, and 225); the Fair Housing Act (42 U.S.C. 3601-19); and Section 504 of the Rehabilitation Act of 1973. Applicant certifies that it has a Fair Housing Plan in place to assure compliance with all of the requirements of the Fair Housing Act.
4. Applicant understands and will comply with the requirements of Equal Employment Opportunity (Executive Order 11246, as Amended); Section 3 of the Housing and Urban Development Act of 1968; and Minority/Women's Business Enterprise (Executive Orders 11625, 12432 and 12138). Applicant certifies that it has a Minority/Women's Business Enterprise Plan in place to assure compliance with all of the requirements of 24 CFR 92.351(b) and the aforementioned Executive Orders. Applicant further certifies that it has a written plan in place to address compliance with Section 3 of the Housing and Urban Development Act of 1968.
5. Applicant understands and will comply with the requirements of the Davis-Bacon Act and Related Acts (40 U.S.C. 276(A)-7); the Contract Work Hours and Safety Standards Act, as Amended (40 U.S.C. 327-333); the Copeland (Anti-Kickback) Act (40 U.S.C. 276c); and the Fair Labor Standards Act of 1938, as Amended (29 U.S.C. 201, et. seq.).
6. Applicant understands and will comply with the contracting and procurement requirements of the HOME Program.
7. Applicant affirms that no person who is an employee, agent, consultant, or officer of the Applicant who could exercise any functions or responsibilities with respect to any activity assisted with HOME funds, or who would be in a position to participate in a decision-making process or gain inside information with regard to any HOME-assisted activity, will obtain a financial interest or benefit from any HOME-assisted activity, or have an interest in any contract, subcontract or agreement with respect thereto, or the proceeds thereof, either for themselves or those with whom they have family or business ties, during their tenure or for one year thereafter.
8. Applicant understands and will comply with the requirements of the Environmental Review process for the HOME Program, including the requirements of 24 CFR Part 58 and CPD Notice 01-11.

9. Applicant understands and will comply with Section 202 of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4106).
10. For any new construction of rental housing units, the Applicant will provide housing that is suitable from the standpoint of facilitating and furthering full compliance with the applicable provisions of Title VI of the Civil Rights Act of 1964, the Fair Housing Act and Executive Order 11063, and HUD regulations issued pursuant thereto, as well as ensuring that the proposed sites for new construction meet the requirements in 24 CFR 983.6(b).
11. Applicant will ensure that all units in a Project assisted with HOME funds comply with 24 CFR Part 35 regarding the lead-based paint requirements for HUD-assisted housing.
12. Applicant understands and will comply with the provisions of the Uniform Relocation Act on all HOME Projects involving rehabilitation, conversion or demolition.

I certify that the above statements are true and correct to the best of my knowledge and belief. I understand that any misstatement or falsification of information shall be grounds for cancellation of the contract and recapture of the HOME award.

**Authorized Representative**

**Date**

\_\_\_\_\_

\_\_\_\_\_

**Typed Name and Title:** \_\_\_\_\_

State of Oklahoma

County of \_\_\_\_\_

Attest:

Subscribed and sworn to before me \_\_\_\_\_, \_\_\_\_\_.

My commission expires \_\_\_\_\_, \_\_\_\_\_.

Notary Public

**OHFA HOME Application - Attachment C**

**Certification of Financial Management**

Affiant: \_\_\_\_\_

Applicant: \_\_\_\_\_

*(Insert exact legal name of the organization)*

Affiant, as the duly authorized representative of the Applicant, on oath affirms the following:

1. Applicant has written policies and procedures in place to provide for the following:
  - A. Tracking expended and unexpended HOME funds
  - B. Tracking and allocation of administrative costs, if applicable
  - C. Tracking of Program Income or CHDO proceeds, if applicable
  - D. Properly maintaining source documentation of expenditures
  - E. Tracking of match liability and credit
2. Applicant has written policies and procedures in place to ensure that all expenditures are eligible, reasonable, and properly documented.
3. Applicant has written policies and procedures in place to ensure proper control of records and documents.
4. Applicant has written policies and procedures in place and adequate staff to ensure separation of duties.
5. Applicant has adequate internal controls in place to ensure proper maintenance and disbursement of the HOME funds.
6. Applicant certifies that it will comply with those parts of the OMB Uniform Guidance, 2 CFR Part 200 (the "Super Circular") that are applicable based on the type of Applicant and the type of Activity. (CHDOs and For-Profit Developers are subject only to the cost reasonableness standards as set forth in 2 CFR Parts 200.404 and 200.405.)

I certify that the above statements are true and correct to the best of my knowledge and belief. I understand that any misstatement or falsification of information shall be grounds for cancellation of the contract and recapture of the HOME award.

**Authorized Representative**                      **Date**  
\_\_\_\_\_

**Typed Name and Title:** \_\_\_\_\_

State of Oklahoma  
County of \_\_\_\_\_

Attest:  
Subscribed and sworn to before me \_\_\_\_\_, \_\_\_\_\_.

My commission expires \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
Notary Public





## SUBMISSION CHECKLIST

The following checklist is designed to serve as a guide to Applicants to assist them in compiling their Applications. The list is only a guide and may not necessarily be comprehensive. Applicants should carefully review all submission requirements within the Application to ensure it is complete. Refer also to the HOME Application Matrix for guidance on page 41 of this Application Packet. Submit the checklist with the Application. If a factor or criteria is not applicable, so indicate with N/A, but do not delete the tab for said factor or criteria. **Certain criteria may not be included in this submission checklist if no documentation is required.**

### **One Original Application.**

Check box to indicate completion.

#### Threshold Factors

	<u>TAB #</u>
<input type="checkbox"/> Application Information Form and Attachments A, B and C	<u>1</u>
<input type="checkbox"/> HOME Application Certification, HUD Forms 2880 and 424	<u>2</u>
<input type="checkbox"/> Affirmative Fair Housing Marketing Plan	<u>3</u>
<input type="checkbox"/> Audit	<u>4</u>
<input type="checkbox"/> Match	<u>5</u>
<input type="checkbox"/> Market Analysis	<u>6</u>
<input type="checkbox"/> Description	<u>7</u>
<input type="checkbox"/> Development Commitments	<u>8</u>
<input type="checkbox"/> Financing, Underwriting & Subsidy Layering	<u>9</u>
<input type="checkbox"/> Organizational Structure and Experience	<u>10</u>
<input type="checkbox"/> Capital Needs Assessment	<u>11</u>
<input type="checkbox"/> CHDO Eligibility Criteria	<u>12</u>
<input type="checkbox"/> CHDO Operating	<u>13</u>

#### Evaluation Criteria

<input type="checkbox"/> Leverage	<u>14</u>
<input type="checkbox"/> Readiness to Proceed	<u>15</u>
<input type="checkbox"/> Energy Efficient Building Materials	<u>16</u>
<input type="checkbox"/> HOME Program Training	<u>17</u>
<input type="checkbox"/> Targeted Special Needs Populations	<u>18</u>

**Oklahoma Housing Finance Agency  
HOME Application Matrix**

**2018**

	TBRA	Homebuyer Activities	Rental Activities	Homebuyer Assistance	CHDO Pre-Development Loans	CHDO Operating
<b>Threshold Factors</b>						
1. Application Information Form & Attachments	Yes	Yes	Yes	Yes	Yes	Yes
2. HOME Application Certification	Yes	Yes	Yes	Yes	Yes	Yes
3. HUD Form 2880	Yes	Yes	Yes	Yes	Yes	Yes
4. HUD Form 424	Yes	Yes	Yes	Yes	Yes	No
5. Affirmative Fair Housing Marketing Plan	Yes	Yes	Yes	Yes	Yes	Yes
6. Audit	Yes	Yes	Yes	Yes	Yes	Yes
7. Match	Yes	Yes	Yes	Yes	Yes	No
8. Monitoring	Yes	Yes	Yes	Yes	Yes	Yes
9. Market Analysis	No	Yes	Yes	Yes	No	No
10. Description	Yes	Yes	Yes	Yes	Yes	No
11. Development Commitments	No	Yes	Yes	No	No	No
12. Financing	Yes	Yes	Yes	Yes	Yes	No
13. Org. Structure, Capacity and Experience	Yes	Yes	Yes	Yes	Yes	No
14. Capital Needs Assessment (Rehab only)	No	No	Yes	No	No	No
15. CHDO Eligibility Criteria Elements	No	Only if CHDO	Only if CHDO	No	Yes	Yes
16. CHDO Operating Assistance	No	No	No	No	No	Yes
<b>Evaluation Criteria</b>						
1. Leverage	NA	5	5	NA	NA	NA
2. HOME Investment per Unit	NA	10	10	NA	NA	NA
3. Readiness to Proceed	NA	10	10	NA	NA	NA
4. Energy Efficient Building Materials	NA	7	7	NA	NA	NA
5. HOME Program Training	10	10	10	NA	NA	NA
6. Tenant Special Needs Populations	NA	NA	5	NA	NA	NA
7. Statewide Housing Needs Assessment	NA	NA	5	NA	NA	NA