



**OKLAHOMA HOUSING FINANCE AGENCY 2024 HOME
Investment Partnerships Program (HOME)
Application Packet**

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

Table of Contents

Contents

Introduction	4
HOME Program Description	4
HOME Eligible Entities	4
State Recipients:.....	4
CHDOs:.....	4
Sub-recipients.....	5
Nonprofit developers:.....	5
For-profit developers:.....	5
HOME Eligible Activities	5
1. Homebuyer.....	5
2. Rental	6
3. Tenant-Based Rental Assistance (TBRA).....	6
4. CHDO Pre-development Loans	7
5. CHDO Operating Assistance	7
6. Homeowner Rehabilitation	7
HOME Funding – Prohibited Activities as set forth in 24 CFR 92.214	7
Mode of HOME Investment	8
HOME Program Funds Allocation	8
1. Administrative Funds	9
2. CHDO Set-Aside.....	9
3. Rental/Homeownership.....	9
4. Down-Payment Assistance.....	9
5. CHDO Operating Assistance	9
Award Amounts	9
1. Homebuyer and Rental.....	9
2. CHDO Pre-Development Loans.....	10
3. CHDO Operating	10
4. Homeowner Rehabilitation	10
Federal Program Regulations, Activity Rules, Model Program Guidance, Federal Notices	10
Application Process	11
Application: Board Consideration	12
Application Format	12
Application Submission	141413
Threshold Factors	14
Program and Financial Monitoring	14
1. Application Information Form and Attachments A, B and C.....	15
2. HOME Application Certification	15
3. Applicant/Recipient Disclosure/Update Report (HUD-2880).....	161615
4. Application for Federal Assistance (HUD-424).....	16
5. Affirmative Fair Housing Marketing Plan	16
6. Audit	16
7. Match	16
8. Market Analysis	18
9. Description	19
10. Property Management	222221
11. Financing, Underwriting and Subsidy Layering.....	222221
12. Organizational Structure, Capacity and Experience	242423
13. HUD WISER Environmental Training	25
14. HOME/ Fair Housing Training	25
15. Capital Needs Assessment.....	262625
16. Readiness to Proceed.....	272726

Threshold Requirements Specific to CHDOs:	<u>282827</u>
17. CHDO Certification	<u>282827</u>
18. CHDO Operating Assistance Only	<u>282827</u>
Threshold Requirements Specific to Non Profits only (not CHDOs):	<u>282827</u>
19. Nonprofit.....	<u>282827</u>
Evaluation Criteria	28
1. Leverage – 5 Points.....	<u>292928</u>
2. Energy Efficient/Green Building Certification – 18 Points.....	30
3. Tenant Special Needs Populations – 5 Points (Rental Only)	<u>313130</u>
4. Storm Shelter – 5 Points.....	<u>333332</u>
5. Visitability – 5 points	<u>333332</u>
6. HOME Investment per Unit – 10 Points	<u>343433</u>
7. Tiebreakers.....	<u>343433</u>
OHFA HOME Application - Attachment A	<u>393938</u>
OHFA HOME Application - Attachment B	<u>424240</u>
OHFA HOME Application - Attachment C	<u>444442</u>
OHFA HOME Application - Attachment D	<u>454543</u>
OHFA HOME Application - Attachment E	<u>505044</u>
OHFA HOME Application – Attachment F	<u>535347</u>
OHFA HOME Application - Attachment G	<u>575751</u>
OHFA HOME Application - Attachment H	<u>595953</u>
OHFA HOME Application - Attachment I	<u>616155</u>
OHFA HOME Application Certification	<u>656559</u>

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 2024 HOME Program Processes, Procedures and Topical Guidance, a separate document available on OHFA's website, 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 2024 Action Plan Update to the ~~2019-2023~~2024-2028 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 ~~2023-2024~~ Action Plan can be obtained by contacting ODOC or by accessing it on their website, www.okcommerce.gov.

HOME Eligible Entities

State Recipients: Units of general local government, including cities, towns, counties and Indian tribes.

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.

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.

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.

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 2024, 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. Housing Counseling is a requirement for any and all homebuyer activities. Effective August 1, 2021 housing counseling must be provided by a HUD approved certified housing counselor. If the Awardee is not a HUD approved certified housing counselor, Awardee may contract with another agency that is a HUD approved certified housing counselor. 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, must 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 2024 Program Year funds. Neither OHFA nor HUD has any exception authority, and therefore neither agency can grant a waiver of this requirement.

For Nonprofit Applicants proposing to construct HOME-assisted housing units for sale, after a unit is sold, any proceeds deriving from the sale of the unit(s) shall be treated as program income and paid back to OHFA.

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 must note that HOME Rental units must 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 2024 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 2024, 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 29th, 2024** to be considered at the September Board of Trustees Meeting. Funding for Rental Activities in Conjunction with AHTCs will be from the Rental/Homeownership Set-Aside.

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 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. The HOME Application should reference the Tax Credit Application.

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. CHDO Operating expenses are for the operation of the CHDO and are not project specific.

For Program Year 2024, CHDO Operating Assistance will be awarded at the same time as an award of CHDO Set-Aside funds. Any award for CHDO Operating Assistance will be limited to a maximum of \$50,000. **(The maximum of \$50,000 is for all CHDO Set-Aside awards in Program Year 2024, 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 2024 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.

6. Homeowner Rehabilitation

HOME funds may be used by applicants to assist existing homeowners with the repair, rehabilitation, or reconstruction of owner-occupied units. Whenever HOME funds are used for rehabilitation activities, the work must be performed according to OHFA’s written rehabilitation standards and the unit must be brought up to the applicable state or local code. This means HOME funds may **not** be used to undertake some forms of special purpose homeowner repair programs, such as: weatherization programs, emergency repairs programs; or handicapped accessibility programs as single activities.

To be eligible for HOME funds, the homeowner **must** be low-income and occupy the property as a principal residence. Additionally, the value of the HOME-assisted property after rehabilitation **must** not exceed 95 percent of the median purchase price for the area. For more information on Homeowner Rehabilitation, see 24 CFR 92.254(b)(1) and (2).

HOME Funding – Prohibited Activities as set forth in 24 CFR 92.214

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 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 CHDOs receiving CHDO Pre-Development Loans.

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 2024- [is unavailable at this time. However, it is anticipated to be similar to the allocation for Program Year 2023, which was approximately \\$9.7 million. ,735,854.](#)

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. OHFA may share a portion of the administrative funds with Homeowner Rehabilitation awardees.

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 (40%) 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 the January 2024 Board of Trustees meeting, it will then be determined at OHFA’s discretion whether such funds should 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).

6. Homeowner Rehabilitation

No more than ten percent (10%) of the annual allocation will be available for Homeowner Rehabilitation. If any funds remain in this set-aside after the January 2024 Board of Trustees meeting, it will then be determined at OHFA’s discretion whether such funds should be transferred to the Rental/Homeownership Set-Aside.

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 \$750,000. 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.

4. Homeowner Rehabilitation

The maximum award amount for each application is \$300,000, excluding any administrative funds awarded. OHFA will allow up to five (5%) percent of the maximum award amount for administrative costs.

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
- HOME Program website: www.hud.gov/offices/cpd/affordablehousing/programs/home
- OHFA website: www.ohfa.org
- HUD Resources: HUD Exchange (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.

darrell.beavers@ohfa.org	Housing Development Director	405.419.8261
danette.carr@ohfa.org	HD Allocation Supervisor	405.419.8136
corey.bornemann@ohfa.org	HD Allocation Supervisor	405.419.8134
alicia.thomas@ohfa.org	Housing Allocation Analyst	405.419.8137
timothy.hicks@ohfa.org	Housing Allocation Analyst	405.419.8269
eliezer.vargas@ohfa.org	Housing Allocation Analyst	405.419.8201
emily.myers@ohfa.org	Housing Allocation Analyst	405.419.8135
joshua.grizzell@ohfa.org	Housing Allocation Analyst	405.419.8231
chevelle.galbreath@ohfa.org	Grant Accounting Supervisor	405.419.8130
danielle.billups@ohfa.org	Grant Accountant	405.419.8214
syleste.johnson@ohfa.org	Compliance Coordinator	405.419.8280

- Environmental Review questions should be directed to ~~—~~Alicia Thomas, Timothy Hicks, Eliezer Vargas, Joshua Grizzell, or Emily Myers. If awarded funds, the Environmental Review packet must be submitted through Dropbox. Please request a link from Alicia Thomas, Timothy Hicks, or [Eliezer Vargas, Joshua Grizzell, or Emily Myers.](#)

Application Process

Applicants are limited to submitting one Application per Application deadline for consideration at the Board of Trustees meetings held in March, July, and September, ~~and November~~. However, Applicants may submit multiple Applications to be considered beginning with at ~~the November~~January 2024 Board of Trustees meeting. ~~—~~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 2024 on April 3, 2024⁴³, for all activities.

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.

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.

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 2024 HOME Program funds will be considered is the July 2024 Board meeting.

Deadline for consideration

Board Meeting Date

April (TBD)27, 20243.....July (TBD)26, 20243

June (TBD)29, 20243.....September (TBD)27, 20243

*(Applicants for HOME Program funds in conjunction with AHTCs must submit their applications by this date.)

September (TBD)15, 20243.....November (TBD)15, 20243

November (TBD)17, 20243.....January, 20254 (Exact date not set at this time)

January (TBD)26, 20254.....March, 20254 (Exact date not set at this time)

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 63rd Street, Oklahoma City, OK, 73116, in the Will Rogers Board Room East and West 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 2024 and the 2024 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.)

OHFA's Board of Trustees makes the final decisions regarding awards of HOME Program funds. Therefore, appeals of the funding recommendations of OHFA Staff must be made at the Board of Trustees meeting at which the applications are considered. Appeals cannot introduce new documentation that was not included with the original application for funds.

Application Format

- **All Applications must be uploaded to OHFA's Dropbox system, OHFA will no longer**

accept hardcopies of applications.

- **Electronic Application Information**
- **OHFA is not responsible for any Internet, computer, and uploading, etc. type of issues. Applicants are advised to upload electronic Application files before the deadline. Your Dropbox Application link will expire on the due date at 3:00 p.m. Central time; therefore, an Application cannot be submitted after the deadline.**
- Step 1: Request a Dropbox folder for the Application to be submitted by emailing any of the OHFA Allocation Analysts. The assigned folder name will be the “Name of Applicant-Activity-City” (Activity means CHDO Operating/Homebuyer/Rental etc.). Provide this information in your request.
- Step 2: The Analyst will “reply to all” in the email folder request by sending a link to the Dropbox folder. The link will be specific to that folder/Application. You can share the link with others. Please exercise caution when sharing the folder link, do not share with anyone you do not want access to the folder.
- Step 3: Create one PDF document with bookmarks for each tab, even those that are N/A. For each tab, including those that are N/A, create a title page listing the same name as the bookmark name. The PDF should be named the same as the initial folder request, see Step 1 above.
- **Please use the tabs listed on the submission checklist as a guide for listing bookmark titles and title pages.**
- **TIP: For more information about creating bookmarks see <https://helpx.adobe.com/acrobat/using/page-thumbnails-bookmarks-pdfs.html>.**
- Step 4: Review PDF file for clarity and verify bookmarks work properly. Verify readability after you scan/prepare a document. If a document is too small, or in any other way illegible, then Staff will not be able to evaluate information or count as submitted. This may cause you to Fail Threshold or not receive points. **TIP: When possible, convert documents directly to PDF, then insert signature pages into the PDF.**
- Step 5: Upload PDF Application file. **Once a document is submitted you cannot edit or retrieve it.** If you need to submit a revised Application, then put Revised in the title. **OHFA’s Dropbox system is only for submitting Applications, not a method for Application preparation.**
- Step 6: After submission, Applicants receive an email acknowledging successful upload.
- Step 7: During the review process, Staff will rename folder with file number

Do not change content of Application attachment forms that are marked as “DO NOT MODIFY THIS FORM.”

Application Submission

All information to be considered with an Application must be received by the deadline.

IT IS THE RESPONSIBILITY OF THE APPLICANT TO VERIFY TIMELY AND COMPLETE 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 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 findings 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.** 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. 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 Requirements:

Applicants must submit a fully completed Application Information Form with Attachments A, B and C. The forms for these can be found on pages 37-40.

Applicants must include a signed and notarized Attachment A with their Applications, No change to the wording of the form is permitted.

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 Requirements:

A completed, signed and notarized OHFA HOME Application Certification. The certification can be found on page 46 of this Application Packet.

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

Documentation Requirements:

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

4. Application for Federal Assistance (HUD-424)

Documentation Requirements:

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 Requirements:

Applicant must submit a copy of the Applicant's Affirmative Fair Housing Marketing Plan. Applicants should use either HUD Form 935.2A (multi-family), HUD Form 935.2B (single-family), or the OHFA form for Single Family Housing for DPA. For reference, OHFA advises applicants to refer to OHFA's website to review the Chapter 23 of the Implementation Manual to ensure that the appropriate Affirmative Fair Housing Marketing Plan form is used.

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, 2022**, 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, 2022" 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.

CFR Part 92.220 provides a complete list of eligible forms of match. Potential Applicants are strongly encouraged to thoroughly review the list provided.

No form of equity contribution qualifies as match. Owners may not use their own funds as match, even if the funds are not repayable. No amount of match can be provided in the form of owner equity or investment in a project

24 CFR Part 92.221 states 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.

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 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 discounted land as a source of match, a third-party, independent appraisal must be provided.
- F. 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.

- G. 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, CHDO Operating Assistance and Homeowner Rehabilitation.

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.

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.**

Documentation Requirements for HOME activities requiring a market study:

- A. All information included with the Market Study must be no more than eighteen (18) 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.
- 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).

For developments with five (5) or fewer units, the market study will be limited to the following requirements:

- A. All information included with the Market Study must be no more than eighteen (18) months old;
- B. A map and a description of the proposed site. Physical features of the property, streets and access information, availability of utilities, and zoning data.
- C. An identification of the number of households in the market area that are income eligible for the type of housing proposed (i.e. rental, home buyer).
- D. 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);
- E. The expected time of market absorption of the proposed housing (for rental only);
- F. Rent rolls for existing tenants (Rental Acquisition/Rehab only).

9. Description

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 modified in the 2013 revision to the 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 16-15. 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 **2024 HOME Program Processes, Procedures and Topical Guidance**, which is a separate document available on OHFA's website, 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, 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 2024 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.

The additional information below is required for the specific activities:

Homeowner Rehabilitation:

- A. Applicant must describe what standards will be used to determine if a home is to be reconstructed or rehabilitated. OHFA generally recommends reconstruction when the cost to rehabilitate exceeds 75% of the after-rehabilitation value, and a suitable dwelling can be constructed in compliance with all requirements of the HOME Program.
- B. In Section 92.254(a)(2)(iii) ~~of the Final Rule, of the Final Rule published on July 24, 2013,~~ HUD established new homeownership value limits for HOME Participating Jurisdictions (PJs). The ~~new~~ HOME homeownership value limits for existing HOME units is 95 percent of the median purchase price for the area based on Federal FHA single family mortgage program data for existing housing and other appropriate data that are available nationwide for sale of existing housing in standard condition. Nationwide, HUD has established a minimum limit, or floor, based on 95 percent of the state-wide nonmetropolitan area median purchase price using this data. HUD has used the greater of these two figures as their HOME homeownership value limits for existing housing in each area. For more information, please refer to <https://www.hudexchange.info/resource/2312/home-maximum-purchase-price-after-rehab-value/>.

Homebuyer (All Homebuyer activities, not just Down-Payment Assistance):

- ~~I.C.~~ Explain the process for implementing the required Housing Counseling classes and who will provide. The classes must be provided by a HUD approved agency and a person who has been certified as a Housing Counselor through HUD. If contracting with another provider, please provide a letter from the agency agreeing to provide the service. ~~Homebuyer Education alone will no longer satisfy this requirement effective August 1, 2021.~~ Both pre and post purchase counseling are encouraged.
- ~~J.D.~~ Statement that the requirements in the 2024 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.
- ~~C.E.~~ 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, 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.
- ~~D.F.~~ A draft or template of the note and mortgage to be entered into with the individual homebuyer(s).
- ~~E.G.~~ 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).
- ~~F.H.~~ 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:

- ~~G.I.~~ 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.
- ~~H.J.~~ A detailed description of the plan for repayment of the loan funds.
- ~~I.K.~~ Applicant must have completed the Match section in Threshold.
- ~~J.L.~~ 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. Property Management (Only Applicable to Applications for rental activities.)

Documentation Requirements:

If self-managing, the Applicant must provide a statement to that effect

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. If using CHDO

Proceeds, the Applicant must include the most up-to-date log stating how much in proceeds the CHDO currently has.

- 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. For DPA Applications, the soft costs percentage will be applied pro rata based on the amount of assistance provided to each client.
 - 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. OHFA inspection fee's in the amount of \$8,000. OHFA currently provides \$2,000 Match for the inspection fees which constitutes 25% of the fee charged.
 - k. Total sources of funds must equal total uses of funds.
 - l. Square footage of all units must be provided.
 - m. 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.** All Applicants are permitted to 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:

Items K, L, and M need only be documented if the Applicant is partnering with another entity to undertake the activity.

- 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.
- K. 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.
- L. 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.
- M. Copy of draft agreements for all commitments. Terms must be specifically delineated.

13. HUD WISER Environmental Training

Documentation Requirements:

HOME applicants must complete the HUD WISER Training Modules on the HUD Exchange website that cover the Environmental material. You must complete all 14 quizzes with required 80% passing grade, show certificates of the passed quizzes, and the HUD transcript showing passing grades on all quizzes.

14. HOME/ Fair Housing Training

Applicants must complete HOME/Fair Housing training. A class or series must be a total of four (4) hours in length to qualify. 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. The training class(es) will be good for 2 years prior to the date of application. The class(es) or webinar(s) content must be relating to HOME or Fair Housing.

Documentation Requirements:

The Applicant must provide a certificate or other proof of attendance documenting at least 4 hours. **Each class will be counted only once, regardless of the number of employees that attended or if same classes were attended multiple times.**

15. 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.

OHFA will not accept Capital Needs Assessments that are performed by the architect, or engineer who is involved with the rehabilitation of the proposed property. OHFA believes that if an architectural firm who performs a Capital Needs Assessment on a property for which they are involved in the rehabilitation constitutes an Identity of Interest. For example: the Architect that performs the Capital Needs Assessment could overstate the conditions of the property in order to inflate the rehabilitation scope, because they will receive further compensation in the event that the property were to be awarded. By overstating the conditions of the property, the property itself could then qualify for an unnecessary excess amount of award. One of OHFA's priorities is cost containment and the limitation of any excessive award.

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 or engineer) 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 or engineer. 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.

16. Readiness to Proceed

(Not Applicable to DPA, 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 all properties are not identified within the six (6) month time frame, due to the HOME Program commitment deadlines. (Not applicable to Homeowner Rehabilitation)
- 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.
- 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. **(Not applicable to Homeowner Rehabilitation)**

Additional Documentation Requirements Homeowner Rehabilitation Activities:

- E. Applicants for Homeowner Rehabilitation funds must provide a detailed narrative of how HOME Program recipients were selected or will be selected. Applicants must also include a copy of the recipient selection system used. Pre-selection of recipients is not required.
- F. Document how the proof of eligible ownership will be established for the Homeowners.
- G. A Homeowner Conflict Resolution Plan containing **all** of the following:
 - The initial contact person or persons responsible for the resolution of disputes.
 - The exact procedures taken to resolve the conflict.
 - The responsible person to take the measures required for resolution
 - The funding available to provide for the resolution.

D.

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.

Threshold Requirements Specific to CHDOs:

17. CHDO Certification

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.

Documentation Requirement:

Attachment DE CHDO Checklist – If an Applicant is applying as a CHDO for a CHDO activity, they must complete Attachment [DE](#) and provide all documentation as it relates to each specific topic for their Organization, and put a checkmark next to each item indicating they included it within their application. Please include the completed Attachment [DE](#) and all relevant documentation in Tab 12.

18. 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.

Threshold Requirements Specific to Non Profits only (not CHDOs):

19. Nonprofit

This factor only applies to Nonprofits not applying as a CHDO.

Documentation Requirements:

- A copy of Nonprofit certification letter from the IRS verifying the Nonprofit is a qualified Nonprofit organization as described in paragraph (3) or (4) of section 501(c) and is exempt from tax under section 501(a). The Nonprofit must have already obtained this certification; letters regarding pending certifications are not acceptable.
- A copy of organizational documents and any amendments. Documents must include as one of the purposes to provide decent housing affordable to Low Income persons.

Evaluation Criteria

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

Upon submission of the 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. Applicants cannot fix their scores.

Only TBRA, Homebuyer, Homeowner Rehabilitation, 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.

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 25% of the HOME funds requested	1 point
At least 26% up to 50% of the HOME funds requested	2 points
At least 51% up to 75% of the HOME funds requested	3 points
At least 76% up to 100% of the HOME funds requested	4 points
101% or more of the HOME funds requested	5 points

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

2. Energy Efficient/Green Building Certification – 18 Points

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

Documentation Requirements only for Rental Activities in Conjunction with AHTCs:

Attachment ED–Home Energy Efficiency Rating Certification –Applicants must commit to receive a **Home Energy Efficiency Rating System (HERS)** Score within the specific range chosen on the attachment, as evidenced by a report from a Certified RESNET Home Energy Rater who

conducted an inspection of the property post-construction/rehabilitation. This Certification must be signed by the Applicant.

Documentation Requirements for all other HOME Applicants:

Attachment FE Energy Efficiency/Green Building Certification – specifically listing the energy efficient/green building items for which points are being claimed. This Certification must be signed by the Applicant. HOME Compliance Staff will monitor for these items on the initial compliance monitoring visit. Please have this list available at the initial HOME compliance monitoring, as it may be requested by staff. OHFA’s Construction Inspector will also check for the promised amenities.

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.

3. 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 and the tenant must meet the definition of the population type to be served to qualify:

- Homeless
- Persons with mental or physical disabilities
- Military veterans
- Youth aging out of foster care- persons between 18-24 years of age.
- Formerly Incarcerated Individuals Transitioning Into Society

Documentation Requirements:

Attachment G Tenant Special Needs Certification - This Certification must be signed by the Applicant certifying 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:

Means (1) 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 (2) displaced as a result of fleeing violence in the home, and has a temporary residence that is a supervised public or private shelter, OR (3) certified by an agency involved in regularly determining Homeless status. OR(4)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, which must be between 18-24

Military Veteran:

A Military Veteran is defined as 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.

Formerly Incarcerated Individuals Transitioning Into Society

Proof of documentation from Department of Corrections

4. Storm Shelter – 5 Points

Storm shelter or Safe room must be constructed in accordance with the most recent State of Oklahoma Uniform Building Code Commission minimum State requirement for storm shelters, which currently requires construction according to ICC/NSSA 500 Standard, FEMA 320 Guideline, FEMA 361 Guideline or other equivalent approved engineered system. Must accommodate all possible residents based on number of bedrooms, one (1) person per bedroom. Residents must have access.

To review a copy of the OUBCC Storm Shelter Fact Sheet, [Click Here](#)

To review the FEMA 320 Standard, [Click Here](#)

Copies of the ICC/NSSA 500 Standard can be ordered on the International Code Council (ICC) website, www.iccsafe.org or through your local book store.

Applicant will complete Attachment [HG](#) to certify that they are making a commitment to add a storm shelter to the project.

Documentation Requirements:

Attachment H Amenities Certification – This Certification must be signed by the Applicant. HOME Compliance Staff will monitor for this item on the initial compliance monitoring visit. Please have this certification available at the initial HOME compliance monitoring, as it may be requested by staff. OHFA’s Construction Inspector will also check for the promised amenities. 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.

5. Visitability – 5 points

Applicants must commit to **providing all** three items **in 100% of the HOME assisted units** in order to receive points by completing Attachment [HG](#). It is up to the applicant to follow all Section 504 requirements if applicable to the specific project. Visitability is the design approach for new housing such that anyone who uses a wheelchair or other mobility device should be able to visit.

Accepted items:

1. Door openings must be at a minimum 32” to accommodate a wheelchair
2. One bathroom on the main floor of the property that is accessible by wheelchair, this does not apply to the shower.

3. One zero-step entry located on at least one accessible entrance of the unit. If there is not one zero-step entry located on at least one accessible entrance to the unit, a ramp must be provided.

Documentation Requirements:

Attachment H Amenities Certification – This Certification must be signed by the Applicant. HOME Compliance Staff will monitor for this item on the initial compliance monitoring visit. Please have this certification available at the initial HOME compliance monitoring, as it may be requested by staff. OHFA’s Construction Inspector will also check for the promised amenities. 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.

6. 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 2024 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

7. 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. The 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).

OHFA HOME Applicant Information Form

Applicant Name: _____

Mailing Address: _____

City: _____ **County:** _____

State _____ **Zip Code:** _____

Phone #: _____ **E-mail address:** _____

Federal Employer Identification Number: _____

UEIDUNS Number: _____

Applicant's Official Authorized Signatory: _____

Name of primary contact person: _____

Mailing Address of primary contact person: _____

City: _____ **State and Zip Code:** _____

Phone #: _____

E-mail address: _____

The box below 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.

<p>Additional Contact: _____</p> <p>Mailing Address: _____</p> <p>City: _____ State: _____ Zip Code: _____</p> <p>Phone #: _____</p> <p>E-mail address: _____</p>
--

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 _____

Does applicant expect the project to generate CHDO Proceeds? Yes ____ No ____

If yes, will applicant apply to retain CHDO Proceeds? Yes ____ No ____

If so, Attachment I (CHDO Proceeds Reuse Agreement) must be completed.

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

HOME Program Funds	_____
CHDO Operating Assistance in conjunction with a CHDO Activity (If applicable)	_____
Total HOME Funds Requested:	_____
Total Match (25% of HOME Contract, excluding CHDO Operating Assistance)	_____

OHFA HOME Application Certification

The Applicant hereby certifies that all of the information contained in this Application for funding through the Home Investment Partnership Program (HOME) is true and accurate to the best of my knowledge, and that all documentation supporting the information in this Application is on file in the Applicants office, available for review by Oklahoma Housing Finance Agency (OHFA) Staff during normal business hours.

Additionally, the Applicant understands that failure to provide any of the documentation necessary to support the information in this Application may result in the return of all HOME Program funds, both expended and unexpended, in accordance with the Program Sanctions under the codified rules of OHFA, contained in the Oklahoma Administrative Code, Chapter 55.

Additionally, the Applicant understands that in the event a HOME funding award is made, the content of the Application shall be incorporated as part of the contract and, as such, will be used to monitor performance. Activities, commitments, and representations offered in the Application that are not subsequently made a part of the Project as funded, shall be considered a material contract failure, and may result in a repayment of all HOME funds and/or suspension from Program participation.

Applicant has read the 2024 HOME Program Application Packet, as well as the 2024 HOME Program Processes, Procedures and Topical Guidance, and will comply with the rules and requirements of the 2024 HOME Program.

Name and Title (Type or Print) Date

(SEAL)

Signature

State of _____

County of _____

Attest:

Subscribed and sworn to before me _____, _____:

My commission expires _____, _____.

Notary Public

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 PAGE TO FOLLOW. DO NOT MODIFY THIS FORM.

Signature _____

Printed name _____

Title _____

Date _____

State of _____

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.
- 13. Applicant understands and will comply with the Violence Against Women Act of 2013 (24 CFR 92.359). VAWA provides protections to applicants or tenants of HOME-units who are survivors of: domestic violence, dating violence, sexual assault, or stalking. This applies to HOME rental units and HOME TBRA where a HOME commitment was made after December 15, 2016.

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 _____

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. (CHDO's 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 _____

County of _____

Attest:

Subscribed and sworn to before me _____, _____.

My commission expires _____, _____.

Notary Public

OHFA HOME Application – Attachment DF

CHDO Checklist

The information contained in this checklist refers to the definition of Community Housing Development Organization (CHDO) in Subpart A, Section 92.2 of the HOME Final Rule. This checklist will be used as a tool to determine an organization's status as a CHDO before being funded from the CHDO Set-Aside.

Directions: Please provide the documentation below as it relates to each specific topic for your Organization, and put a checkmark next to each item indicating you included it within your application. Please include this checklist and all relevant documentation in Tab 12.

I. LEGAL STATUS

A. The nonprofit organization is organized under State or local laws, as evidenced by:

_____ Charter, OR
_____ Articles of Incorporation

B. No part of its net earnings inure to the benefit of any member, founder, contributor, or individual, as evidenced by:

_____ Charter, OR
_____ Articles of Incorporation, OR
_____ A 501(c)(3) or (4) ruling from the IRS.

C. Has a tax exemption ruling from the Internal Revenue Service (IRS) under Section 501(c) of the Internal Revenue Code of 1986, as evidenced by:

_____ A 501(c)(3) or (4) Certificate from the IRS.

D. Has among its purposes the provision of decent housing that is affordable to low and moderate-income people, as evidenced by a statement in the organization's:

_____ Charter, OR
_____ Articles of Incorporation, OR
_____ By-Laws, OR
_____ Resolutions

II. CAPACITY

A. Conforms to the financial accountability standards of 2 CFR 200.302 and 200.303 [24 CFR 92.2 CHDO definition paragraph (6)], as evidenced by:

A notarized statement by the president or chief financial officer of the organization;

A certification from a Certified Public Accountant

B. Has a demonstrated capacity for carrying out activities assisted with HOME funds, as evidenced by:

Resumes and/or statements that describe the experience of key staff members who have successfully completed projects similar to those to be assisted with HOME funds, OR

Contract(s) with consulting firms or individuals who have housing experience similar to projects to be assisted with HOME funds to train appropriate key staff of the organization.

C. Has a history of serving the community where housing to be assisted with HOME funds will be used, as evidenced by:

Statement that documents at least one year of experience in serving the community, OR

For newly created organizations formed by local churches, service, or community organizations, a statement that documents that its parent organization has at least one year of experience in serving the community.

NOTE: The CHDO or its parent organization must be able to show one year of serving the community from the date the participating jurisdiction provides HOME funds to the organization. In the statement, the organization must describe its history (or its parent organization's history) of serving the community by describing activities which it provided (or its parent organization provided), such as developing new housing, rehabilitating existing stock, and managing housing stock, or delivering non-housing services that have had lasting benefits for the community, such as counseling, food relief, or childcare facilities. The statement must be signed by the president of the organization or by a HUD-approved representative.

III. ORGANIZATIONAL STRUCTURE

A. Maintains at least one-third of its governing board's membership for residents of low income neighborhoods, other low-income community residents, or elected representatives of low-income neighborhood organizations, as evidenced by the organization's:

By-Laws, OR

Charter, OR

Articles of Incorporation

Under the HOME Program, for urban areas, the term "community" is defined as one or several neighborhoods, a city, county, or metropolitan area. For rural areas, "community" is defined as one or several neighborhoods, a town, village, county, or multi-county area (but not the whole state).

B. Provides a formal process for low-income, program beneficiaries to advise the organization in all of its decisions regarding the design, siting, development, and management of all HOME-assisted affordable housing projects, as evidenced by:

Charter, OR

Articles of Incorporation, OR

By-Laws, OR

Resolutions, OR

A written statement of operating procedures approved by the governing body.

C. A CHDO may be chartered by a State or local government, however, the State or local government may not appoint: (1) more than one-third of the membership of the organization's governing body; (2) the board members appointed by the State or local government may not, in turn, appoint the remaining two-thirds of the board members; and (3) no more than one-third of the governing board members are public officials, as evidenced by the organization's:

By-Laws, OR

Charter, OR

Articles of Incorporation

D. If the CHDO is sponsored or created by a for-profit entity, the for-profit entity may not appoint more than one-third of the membership of the CHDO's governing body and the board members appointed by the for-profit entity may not, in turn, appoint the remaining two-thirds of the board members, as evidenced by the CHDO's:

By-Laws, OR

Charter, OR

Articles of Incorporation

IV. RELATIONSHIP WITH FOR-PROFIT ENTITIES

A. CHDO is not controlled, nor receives directions from individuals or entities seeking profit from the organization, as evidenced by:

The organization's By-Laws, OR

Charter, OR

Articles of Incorporation, OR

A Memorandum of Understanding (MOU).

B. A CHDO may be sponsored or created by a for-profit entity, however:
(1) The for-profit entity's primary purpose does not include the development or management of housing, as evidenced by:

The for-profit organization's By-Laws
Charter, OR
Articles of Incorporation, OR

AND;

(2) The CHDO is free to contract for goods and services from vendor(s) of its own choosing, as evidenced by the CHDO's:

By-Laws, OR
Charter, OR
Articles of Incorporation

OHFA HOME Application - Attachment ED

Home Energy Efficiency Rating Certification – 18 points

Development Name: _____

The Undersigned hereby certifies:

- That once construction/rehabilitation of the Development is complete, it will receive a HERS Score at or below the election they make below, as evidenced by a report from a Certified RESNET Home Energy Rater who conducted an inspection of the property post-construction/rehabilitation.
- If the HERS Score in the report submitted at Final Application is higher than the range committed to at the time of the initial Application, the Owner/Developer and any Principals thereof will not be eligible to submit an AHTC Application for one full year.

Applicants may choose only one (1) of the following:

- HERS Score of less than or equal to 80 – 18 points
- HERS Score of 81-85 – 14 points
- HERS Score of 86-90 – 9 points
- HERS Score of 91-95 – 5 points

Authorized Representative:

Date:

Typed Name and Title: _____

State of _____

County of _____

Attest:

Subscribed and sworn to before me _____, _____.

My commission expires _____, _____.

Notary Public

DO NOT MODIFY THIS FORM

OHFA HOME Application - Attachment FE

Energy Efficiency/Green Building Certification – 18 points

Development Name: _____

The Undersigned hereby certifies:

That the energy efficient/green building items marked below will be included in the plans and specifications for one hundred percent (100%) of units in the Development and that they have been included in the budget.

That the energy efficient/green building items marked below exceed the minimum requirements of the applicable building codes.

Substitutions will be permitted after a Development has been Awarded Credits. The total points after the substitution must equal the total points at the time of the award.

These two items must be provided

- Carbon Monoxide detector in each unit with a fuel-burning heater or appliance, a fireplace, or an attached garage
- Smoke detector in each unit

Check all that apply:

- Shower heads with a maximum of 2.5 gallons per minute flow rate (1 point)
- The use of better than R-2 insulation on exposed hot water pipes (1 point)
- Installation of Energy Star qualified appliances (1 point)
- Energy Star qualified windows with Low E glass (3 points)
- Energy Star qualified HVAC (3 points)
- Energy Star qualified Efficiency Water Heaters (2 points)
- LED lighting in units or parking lot (2 points)
- Drought tolerant exterior plantings and grass to limit need for watering (2 points)
- Use of Low or no VOC paint throughout the Development for compliance period (1 point)
- Programmable thermostats (1 point)
- Foaming gaps at windows, doors, eave lines, electrical outlets, switches (2 point)
- Mold guard drywall, at least in bathrooms, kitchen, and laundry rooms. (3 Points)

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 (2 points)

OR

Spray foam insulation exceeding code requirements (5 points)

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.** (2 points)

OR

Insulation: R-3 or better insulation installed around the exterior foundation of every Building (2 points)

Authorized Representative:

Date:

Typed Name and Title: _____

State of _____

County of _____

Attest:

Subscribed and sworn to before me _____, _____.

My commission expires _____, _____.

Notary Public

DO NOT MODIFY THIS FORM.

OHFA HOME Application Certification

The Applicant hereby certifies that all of the information contained in this Application for funding through the Home Investment Partnership Program (HOME) is true and accurate to the best of my knowledge, and that all documentation supporting the information in this Application is on file in the Applicants office, available for review by Oklahoma Housing Finance Agency (OHFA) Staff during normal business hours.

Additionally, the Applicant understands that failure to provide any of the documentation necessary to support the information in this Application may result in the return of all HOME Program funds, both expended and unexpended, in accordance with the Program Sanctions under the codified rules of OHFA, contained in the Oklahoma Administrative Code, Chapter 55.

Additionally, the Applicant understands that in the event a HOME funding award is made, the content of the Application shall be incorporated as part of the contract and, as such, will be used to monitor performance. Activities, commitments, and representations offered in the Application that are not subsequently made a part of the Project as funded, shall be considered a material contract failure, and may result in a repayment of all HOME funds and/or suspension from Program participation.

Applicant has read the 2024 HOME Program Application Packet, as well as the 2024 HOME Program Processes, Procedures and Topical Guidance, and will comply with the rules and requirements of the 2024 HOME Program.

Name and Title (Type or Print) _____ Date _____

Signature _____ (SEAL)

State of _____
County of _____

Attest:
Subscribed and sworn to before me _____, _____.

My commission expires _____, _____.

Notary Public

OHFA HOME Application – Attachment F

CHDO Checklist

~~The information contained in this checklist refers to the definition of Community Housing Development Organization (CHDO) in Subpart A, Section 92.2 of the HOME Final Rule. This checklist will be used as a tool to determine an organization's status as a CHDO before being funded from the CHDO Set Aside.~~

Directions: ~~Please provide the documentation below as it relates to each specific topic for your Organization, and put a checkmark next to each item indicating you included it within your application. Please include this checklist and all relevant documentation in Tab 12.~~

I. LEGAL STATUS

~~A. The nonprofit organization is organized under State or local laws, as evidenced by:~~

~~===== Charter, OR~~

~~===== Articles of Incorporation~~

~~B.A. No part of its net earnings inure to the benefit of any member, founder, contributor, or individual, as evidenced by:~~

~~===== Charter, OR~~

~~===== Articles of Incorporation, OR~~

~~===== A 501(c)(3) or (4) ruling from the IRS.~~

~~C.A. Has a tax exemption ruling from the Internal Revenue Service (IRS) under Section 501(c) of the Internal Revenue Code of 1986, as evidenced by:~~

~~===== A 501(c)(3) or (4) Certificate from the IRS.~~

~~D.A. _____ H~~

~~as among its purposes the provision of decent housing that is affordable to low and moderate-income people, as evidenced by a statement in the organization's:~~

~~===== Charter, OR~~

~~===== Articles of Incorporation, OR~~

~~===== By Laws, OR~~

~~===== Resolutions~~

H.I. CAPACITY

~~A. Conforms to the financial accountability standards of 2 CFR 200.302 and 200.303 [24 CFR~~

~~92.2 CHDO definition paragraph (6)], as evidenced by:~~

~~_____ A notarized statement by the president or chief financial officer of the organization;~~

~~_____ A certification from a Certified Public Accountant~~

~~B.A. Has a demonstrated capacity for carrying out activities assisted with HOME funds, as evidenced by:~~

~~_____ Resumes and/or statements that describe the experience of key staff members who have successfully completed projects similar to those to be assisted with HOME funds, OR~~

~~_____ Contract(s) with consulting firms or individuals who have housing experience similar to projects to be assisted with HOME funds to train appropriate key staff of the organization.~~

~~C.A. _____ H as a history of serving the community where housing to be assisted with HOME funds will be used, as evidenced by:~~

~~_____ Statement that documents at least one year of experience in serving the community, OR~~

~~_____ For newly created organizations formed by local churches, service, or community organizations, a statement that documents that its parent organization has at least one year of experience in serving the community.~~

~~NOTE: The CHDO or its parent organization must be able to show one year of serving the community from the date the participating jurisdiction provides HOME funds to the organization. In the statement, the organization must describe its history (or its parent organization's history) of serving the community by describing activities which it provided (or its parent organization provided), such as developing new housing, rehabilitating existing stock, and managing housing stock, or delivering non-housing services that have had lasting benefits for the community, such as counseling, food relief, or childcare facilities. The statement must be signed by the president of the organization or by a HUD-approved representative.~~

~~III.I. ORGANIZATIONAL STRUCTURE~~

~~A. Maintains at least one third of its governing board's membership for residents of low income neighborhoods, other low income community residents, or elected representatives of low income neighborhood organizations, as evidenced by the organization's:~~

~~_____ By Laws, OR~~

~~_____ Charter, OR~~

~~_____ Articles of Incorporation~~

~~Under the HOME Program, for urban areas, the term "community" is defined as one or several neighborhoods, a city, county, or metropolitan area. For rural areas, "community" is defined as one or several neighborhoods, a town, village, county, or multi-county area (but not the whole state).~~

~~B.A. Provides a formal process for low-income, program beneficiaries to advise the organization in all of its decisions regarding the design, siting, development, and management of all HOME-assisted affordable housing projects, as evidenced by:~~

~~===== Charter, OR~~

~~===== Articles of Incorporation, OR~~

~~===== By Laws, OR~~

~~===== Resolutions, OR~~

~~===== A written statement of operating procedures approved by the governing body.~~

~~C.A. A CHDO may be chartered by a State or local government, however, the State or local government may not appoint: (1) more than one third of the membership of the organization's governing body; (2) the board members appointed by the State or local government may not, in turn, appoint the remaining two thirds of the board members; and (3) no more than one third of the governing board members are public officials, as evidenced by the organization's:~~

~~===== By Laws, OR~~

~~===== Charter, OR~~

~~===== Articles of Incorporation~~

~~D.A. If the CHDO is sponsored or created by a for-profit entity, the for-profit entity may not appoint more than one third of the membership of the CHDO's governing body and the board members appointed by the for-profit entity may not, in turn, appoint the remaining two thirds of the board members, as evidenced by the CHDO's:~~

~~===== By Laws, OR~~

~~===== Charter, OR~~

~~===== Articles of Incorporation~~

~~IV.I. RELATIONSHIP WITH FOR-PROFIT ENTITIES~~

~~A. CHDO is not controlled, nor receives directions from individuals or entities seeking profit from the organization, as evidenced by:~~

~~===== The organization's By Laws, OR~~

~~===== Charter, OR~~

~~===== Articles of Incorporation, OR~~

~~===== A Memorandum of Understanding (MOU).~~

~~B.A. A CHDO may be sponsored or created by a for-profit entity, however:~~

~~(1) The for-profit entity's primary purpose does not include the development or management of housing, as evidenced by:~~

~~_____ **The for-profit organization's By-Laws**~~

~~_____ **Charter, OR**~~

~~_____ **Articles of Incorporation, OR**~~

~~**AND;**~~

~~(2)(1) The CHDO is free to contract for goods and services from vendor(s) of its own choosing, as evidenced by the CHDO's:~~

~~_____ **By-Laws, OR**~~

~~_____ **Charter, OR**~~

~~_____ **Articles of Incorporation**~~

OHFA HOME Application - Attachment G

Tenant Special Needs Populations Certification – 105 Points

Development Name: _____

The Undersigned Certifies:

- 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.
- The Special Needs Population meets the definition in the application
- Special Needs Populations cannot be concentrated in a single bedroom size or single building if there are multiple bedroom sizes and/or multiple buildings.

- Homeless
- Persons with mental or physical disabilities
- Military veterans
- Youth aging out of foster care- must be 18-24
- Formerly incarcerated individuals transitioning into society

SIGNATURE PAGE TO FOLLOW. DO NOT MODIFY THIS FORM

hereby certify that by receiving points for the items mentioned on the previous page, I am committing to add these amenities to the project.

Name and Title (Type or Print)

Date

Signature

(SEAL)

State of _____

County of _____

Attest:

Subscribed and sworn to before me _____, _____.

My commission expires _____, _____.

OHFA HOME Application - Attachment H

Amenities Certification – 10 Points

Storm Shelter – 5 points

For developments of less than five (5) units, the storm shelter does not have to be accessible

- Storm shelter or Safe room that meets or exceeds FEMA guidelines and the ICC/NSSA standards (ICC-500). Storm shelters/Safe room must accommodate all possible residents based on number of bedrooms one and a half (1.5) people per bedroom. (please find helpful information regarding storm shelters within the links below)
 - To review a copy of the OUBCC Storm Shelter Fact Sheet, [Click Here](#)
 - To review the FEMA 320 Standard, [Click Here](#)
 - Copies of the ICC/NSSA 500 Standard can be ordered on the International Code Council (ICC) website, www.iccsafe.org or through your local book store.

Visitability – 5 points

Applicants must commit to all three items in order to receive points by completing attachment [HG](#). It is up to the applicant to follow all Section 504 requirements if applicable to the specific project.

Accepted items:

- Door openings must be at a minimum 32” wide to accommodate a wheelchair
- One bathroom on the main floor of the property that is accessible by wheelchair., this does not apply to the shower.
- One zero-step entry located on at least one accessible entrance to the unit. If there is not one zero-step entry located on at least one accessible entrance to the unit, a ramp must be provided.

SIGNATURE PAGE TO FOLLOW. DO NOT MODIFY THIS FORM.

I hereby certify that by receiving points for the items mentioned on the previous page, I am committing to add these amenities to the project.

Name and Title (Type or Print)

Date

Signature

(SEAL)

State of _____

County of _____

Attest:

Subscribed and sworn to before me _____, _____.

My commission expires _____, _____.

Notary Public

DO NOT MODIFY THIS FORM.

OHFA HOME Application - Attachment I

CHDO Proceeds Reuse Agreement

This CHDO Proceeds Reuse Agreement (the "Agreement") is entered into between _____ (hereinafter referred to as the "CHDO") and Oklahoma Housing Finance Agency ("OHFA") for the specific use of CHDO Proceeds generated, from the use of HOME funds from Home Investment Partnerships Program (HOME) Written Agreements.

RECITALS

WHEREAS, OHFA is the Participating Jurisdiction for the State of Oklahoma under the HOME Investment Partnerships Program ("HOME"), as set forth in rules provided by the Department of Housing and Urban Development ("HUD"); and

WHEREAS, OHFA has approved awards of HOME funds to the CHDO and entered into HOME Program Written Agreements with the CHDO; and

WHEREAS, the CHDO desires and will be eligible to retain all proceeds generated from the use of HOME funds awarded from contract # _____ and use CHDO proceeds from the activity covered by the Written Agreement; and

WHEREAS, the parties are desirous of establishing and agreeing upon the duties and obligations of the CHDO regarding the retention and future use of these CHDO Proceeds in accordance with Federal laws and regulations and the rules of OHFA; and

WHEREAS, the CHDO agrees to sign a CHDO Proceeds Reuse Amendment upon generating and expending funds so to provide OHFA with use of such; and

WHEREAS, the CHDO agrees the first re-use of such proceeds will be used for HOME-eligible or other low-income housing activities.

NOW THEREFORE, in consideration of the foregoing, the parties hereto, intending to be legally bound, agree as follows:

WITNESSTH

1. Purpose of Agreement. The purpose of this Agreement is to set forth the understanding of the parties as to the sources and permitted uses of CHDO Proceeds and provide for the administration of said CHDO Proceeds.

2. Representations of CHDO. CHDO represents and warrants to OHFA that CHDO has the experience, staff, advisors, and resources to properly administer and control the use of CHDO proceeds and that CHDO will promptly notify OHFA of any change in circumstances which could render CHDO incapable of performance of CHDO's duties and responsibilities

hereunder. CHDO understands and agrees that CHDO shall be bound by the terms and conditions and representations stated herein, and all the requirements for CHDO Proceeds reuse as set forth in 24 CFR Part 92.

3. Sources of CHDO Proceeds. The CHDO hereby represents that the CHDO Proceeds have been generated solely by CHDO HOME Program Activities.

4. Uses of CHDO Proceeds. CHDO understands and agrees that any and all CHDO proceeds which CHDO is authorized to retain must be used for HOME-eligible or other housing activities to benefit low-income families, as required by 24 CFR 92.300(a)(2). CHDO understands and agrees that in the event CHDO fails to use CHDO Proceeds in the manner prescribed herein, or in Program violations detailed in OHFA Chapter 330:55-7-2 HOME Rules (Rules) and in accordance with sound financial management practices, as OHFA may determine in its sole discretion, all unencumbered CHDO Proceeds and any future cash receipts generated from the use of CHDO Proceeds shall be returned to OHFA upon demand by OHFA or other such Corrective and remedial actions as detailed in OHFA Chapter 330:55-7-3 HOME Rules (Rules).

5. Responsibilities of CHDO. In addition to any responsibilities set forth in the applicable federal regulations applicable to the HOME Program, OHFA's Chapter 330:55-7-4 HOME Rules (the "Rules") and elsewhere in this Agreement, including but not limited to the responsibilities set forth under paragraph 6 of this Agreement, CHDO shall be responsible for the following:

CHDO Proceeds Tracking Log: CHDO will maintain a thorough and detailed log of all CHDO Proceeds. All CHDO Proceeds must be properly documented and tracked in their own separate account. These records must be always available for review by OHFA or HUD Staff.

6. Administration of CHDO Proceeds. CHDO understands and agrees that CHDO will administer the CHDO Proceeds as follows:

The CHDO shall establish and maintain the following records:

- a. CHDO Proceeds tracking log.
- b. CHDO Proceeds expenditure reports.
- c. Individual project records for any HOME assisted units.
- d. Such other records as may be reasonably necessary to account for CHDO Proceeds.
- e. All reporting and documentation will be maintained for a period of five (5) years after the last CHDO proceeds are reused.

7. Term of Agreement. This Agreement shall commence upon its execution by both parties and shall remain effective until CHDO Proceeds derived from the HOME Written Agreement is first re-used as required.

8. General Provisions.

8.1. Binding Effect. The terms and conditions of this Agreement shall extend and inure to the benefit of and be binding upon the respective successors, heirs, and assigns of the parties hereto.

8.2. Assignment. This Agreement may not be assigned by CHDO without the prior written consent of OHFA. Any such assignment made without the written consent of OHFA shall be void and result in the termination of this Agreement.

8.3. Entire Agreement. This Agreement constitutes the entire agreement between the parties and supersedes all prior agreements and understandings between the parties relating to the matters set forth herein.

8.4. Amendments. All amendments to the Agreement must be in writing and approved by both parties to this Agreement.

8.5. Construction. This Agreement shall be construed, enforced, and governed in accordance with the laws of the State of Oklahoma and any federal statutes and regulations applicable to the funding provided hereunder.

8.6. Notice. All notices, requests, and demands shall be to the following persons:

OHFA: Oklahoma Housing Finance Agency
Attn: Housing Development / Compliance
Post Office Box 26720
Oklahoma City, OK 73126-0720

CHDO: _____
Attn: _____

Any notice will be deemed to have been given on the date such notice is personally delivered. The party issuing such notice may use any service that provides a means to track and verify such delivery.

Either party may designate upon written notice to the other party another person or address for the receipt of notices under this agreement.

8.7. Captions; recitals. The captions and headings used in this Agreement are intended for convenience only and shall not be used for purposes of construction or interpretation. All recitals are incorporated and made a part of this Agreement.

8.8. Monitoring. CHDO agrees and recognizes that such activities undertaken as part of this Reuse Agreement shall be subject to OHFA monitoring requirements. CHDO recognizes that OHFA will take such remedial action as necessary to ensure compliance

with HUD HOME regulations and this Reuse Agreement and the Reuse Amendment. If in the event the CHDO is found to be in violation of any HOME regulations concerning CHDO proceeds or a signed agreement concerning such and no remedial action can be taken, OHFA may determine in its sole discretion, all unencumbered CHDO Proceeds, and any future cash receipts generated from the use of CHDO Proceeds shall be returned to OHFA upon demand by OHFA.

IN WITNESS WHEREOF, the authorized representatives of CHDO and OHFA have executed this Agreement to be effect as of the date executed by OHFA below.

CHDO

By: _____,
, Executive Director

Date

Oklahoma Housing Finance Agency

By: _____
Darrell Beavers, Housing Development Director

Date

OHFA HOME Application Certification

The Applicant hereby certifies that all of the information contained in this Application for funding through the Home Investment Partnership Program (HOME) is true and accurate to the best of my knowledge, and that all documentation supporting the information in this Application is on file in the Applicants office, available for review by Oklahoma Housing Finance Agency (OHFA) Staff during normal business hours.

Additionally, the Applicant understands that failure to provide any of the documentation necessary to support the information in this Application may result in the return of all HOME Program funds, both expended and unexpended, in accordance with the Program Sanctions under the codified rules of OHFA, contained in the Oklahoma Administrative Code, Chapter 55.

Additionally, the Applicant understands that in the event a HOME funding award is made, the content of the Application shall be incorporated as part of the contract and, as such, will be used to monitor performance. Activities, commitments, and representations offered in the Application that are not subsequently made a part of the Project as funded, shall be considered a material contract failure, and may result in a repayment of all HOME funds and/or suspension from Program participation.

Applicant has read the 2024 HOME Program Application Packet, as well as the 2024 HOME Program Processes, Procedures and Topical Guidance, and will comply with the rules and requirements of the 2024 HOME Program.

Name and Title (Type or Print) _____ Date _____

Signature _____ (SEAL)

State of _____
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 61 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>1</u>
<input type="checkbox"/> Affirmative Fair Housing Marketing Plan	<u>2</u>
<input type="checkbox"/> Audit	<u>3</u>
<input type="checkbox"/> Match	<u>4</u>
<input type="checkbox"/> Market Analysis	<u>5</u>
<input type="checkbox"/> Description	<u>6</u>
<input type="checkbox"/> Property Management	<u>7</u>
<input type="checkbox"/> Financing, Underwriting & Subsidy Layering	<u>8</u>
<input type="checkbox"/> Organizational Structure and Experience	<u>9</u>
<input type="checkbox"/> HUD WISER Environmental Training	<u>10</u>
<input type="checkbox"/> HOME/Fair Housing Training	<u>11</u>
<input type="checkbox"/> Capital Needs Assessment	<u>12</u>
<input type="checkbox"/> Readiness to Proceed	<u>13</u>
<input type="checkbox"/> CHDO Eligibility Criteria	<u>14</u>
<input type="checkbox"/> CHDO Operating	<u>15</u>
<input type="checkbox"/> Nonprofit	<u>16</u>

Evaluation Criteria

<input type="checkbox"/> Leverage	<u>17</u>
<input type="checkbox"/> Energy Efficient/Green Building Certification	<u>18</u>
<input type="checkbox"/> Targeted Special Needs Populations	<u>19</u>
<input type="checkbox"/> HOME Investment per Unit	<u>20</u>
<input type="checkbox"/> Storm Shelter	<u>21</u>
<input type="checkbox"/> Visitability	<u>22</u>
<input type="checkbox"/> Tiebreakers	<u>23</u>

Oklahoma Housing Finance Agency HOME Application Matrix

2023

Threshold Factors

1. Application Information Form & Attachments
2. HOME Application Certification
3. HUD Form 2880
4. HUD Form 424
5. Affirmative Fair Housing Marketing Plan
6. Audit
7. Match
8. Market Analysis
9. Description
10. Development Commitments
11. Financing
12. Org. Structure, Capacity and Experience
13. HUD WISER Environmental Training
14. HOME/Fair Housing Training
15. Capital Needs Assessment (Rehab only)
16. Readiness to Proceed
17. CHDO Eligibility Criteria Elements
18. CHDO Operating Assistance
19. Nonprofit

TBRA	Homeowner Rehab	Homebuyer Activities	Rental Activities	Homebuyer Assistance	CHDO Pre-Development Loans	CHDO Operating
Yes	Yes	Yes	Yes	Yes	Yes	Yes
Yes	Yes	Yes	Yes	Yes	Yes	Yes
Yes	Yes	Yes	Yes	Yes	Yes	Yes
Yes	Yes	Yes	Yes	Yes	Yes	No
Yes	Yes	Yes	Yes	Yes	Yes	Yes
Yes	Yes	Yes	Yes	Yes	Yes	Yes
Yes	Yes	Yes	Yes	Yes	Yes	No
No	No	Yes	Yes	Yes	No	No
Yes	Yes	Yes	Yes	Yes	Yes	No
No	No	Yes	Yes	No	No	No
Yes	Yes	Yes	Yes	Yes	Yes	No
Yes	Yes	Yes	Yes	Yes	Yes	No
Yes	???	Yes	Yes	Yes	Yes	No
Yes	Yes	Yes	Yes	Yes	Yes	No
No	No	No	Yes	No	No	No
NA	No	Yes	Yes	NA	NA	NA
No	No	Only if CHDO	Only if CHDO	No	Yes	Yes
No	No	No	No	No	No	Yes
Only if Nonprofit	Only if Nonprofit	Only if Nonprofit	Only if Nonprofit	Only if Nonprofit	NA	NA

Evaluation Criteria

1. Leverage
2. Energy Efficiency/Green Building Certification
3. Tenant Special Needs Populations
4. HOME Investment per Unit
5. Storm Shelter
6. Visitability

NA	N/A	5	5	NA	NA	NA
NA	18	18	18	NA	NA	NA
NA	N/A	NA	5	NA	NA	NA
NA	10	10	10	NA	NA	NA
NA	5	5	5	NA	NA	NA
NA	5	5	5	NA	NA	NA

OHFA HOME Application - Appendix A

HOME Program Processes, Procedures and Topical Guidance

Contents

Affirmative Marketing.....	696963
CHDO Proceeds Reuse Plans	696963
Compliance Monitoring.....	707064
Conflict of Interest.....	717165
Construction Standards.....	727266
Debarred, Suspended or Ineligible Participants.....	737366
Developer Fees	737366
Eligible Costs.....	737367
Environmental Review	747468
Equal Opportunity	757569
Fair Housing and Equal Opportunity	767670
Federal Requirements	777770
Handicapped Accessibility	787872
Violence Against Women Act.....	787872
HOME Per Unit Subsidy Limits	787872
Homebuyer	797972
Income Determination	797973
Income Restrictions	808073
Integrated Disbursement Information System (IDIS).....	808074
Labor Requirements.....	808074
Language Access	818175
Lead Based Paint	818175
Minority Outreach	818175
Outcome Performance Measurement.....	828276
Period of Affordability.....	838376
Procurement.....	838377
Program Income.....	838377
Project Completion	848477
Relocation.....	848478
Resale and Recapture.....	848478
Site and Neighborhood Standards.....	868679
Student Housing.....	878781
Student Rule – Definition of Low Income Families	878781
Subsidy Layering.....	878781
Subsidy Limits	878781
Underwriting Standards - Rental	888882
Uniform Physical Condition Standards (UPCS).....	888882
Written Agreements between HOME Awardees and Homebuyers.....	888882
Written Agreements between OHFA and HOME Awardees.....	898982
Written Agreement Modifications	898983
Written Agreement Performance	898983
Written Agreement Performance Measurement.....	898983

Affirmative Marketing

Applicant must adopt an Affirmative Marketing Plan for all Projects with five or more HOME-assisted units, and all Programs regardless of the number of units, such as down-payment assistance and tenant-based rental assistance programs.

The Plan must include:

- methods for informing the public, owners and potential tenants about fair housing laws and the policies of the local program;
- a description of what grantees and/or the program administrator will do to affirmatively market housing assisted with HOME funds;
- a description of what grantees and/or the program administrator will do to inform persons not likely to apply for housing without special outreach;
- maintenance of records to document actions taken to affirmatively market HOME-assisted units and to assess marketing effectiveness; and
- a description of how efforts will be assessed and what corrective actions will be taken when requirements are not met.

Program and activity implementation manuals shall be provided to contractors and shall contain information regarding Affirmative Marketing Requirements and Procedures. In order to achieve compliance with requirements at 24 CFR Part 92.351, Written Agreements shall be executed between OHFA and all HOME Program Awardees. **During programmatic monitoring activities, OHFA shall review affirmative marketing activities and, should the level of compliance with the requirements be determined unsatisfactory, shall provide Awardees with the necessary guidance to achieve regulatory standards.**

CHDO Proceeds Reuse Plans

CHDOs as owners, developers and/or sponsors of HOME-assisted affordable housing Projects must describe the potential to generate CHDO proceeds and whether the CHDO Proceeds will be retained by the CHDO or returned to OHFA. If retained, CHDO proceeds must be used for HOME-eligible or other low-income housing activities. The CHDO Proceeds Reuse AMENDMENT must be approved and executed by OHFA.

1. CHDO Proceeds Reuse AGREEMENT / If an application is being submitted as a CHDO, Attachment I (CHDO Re-use Agreement), of the HOME application must be completed. If the application is funded, the Housing Development Director will execute the Agreement and a copy will be sent to the Awardee.
2. CHDO Proceeds Reuse AMENDMENT / this must be signed after proceeds are generated and expended. Include the specific reuse and dollar amount retained. This Amendment must be accompanied by information deemed relevant to prove use was for HOME eligible or other housing activities to benefit low-income.

Retaining CHDO Proceeds

OHFA allows a CHDO to retain CHDO proceeds. After the proceeds have been generated, the Awardee will be required to submit to OHFA a CHDO Proceeds Reuse AMENDMENT detailing the dollar amount expended and specific re-use. The Awardee will be required to submit to OHFA a Settlement Statement, CHDO proceeds log (stating contract #'s) and any other information deemed relevant to prove the use was for HOME eligible or other housing activities to benefit low-income families. OHFA must approve prior to use verbally or in writing. Please contact staff for a sample of the CHDO reuse AMENDMENT. **If an Awardee fails to submit information, the CHDO Proceeds may be requested to be returned to**

OHFA. In no event shall CHDO proceeds be allowed to be banked (not used) for more than 24 months.

Once the CHDO Awardee wishes to retain Proceeds, said awardee must provide information that contains the following:

- A. The circumstances under which the proposed development could produce CHDO proceeds.
- B. The process or processes by which CHDO proceeds will be tracked.
- C. If proceeds produced by the proposed project may be combined with other financing to fund additional affordable housing activities.
- D. The role the CHDO Board will fulfill regarding the reinvestment of proceeds.
- E. No more than twenty percent (20%) can be reused for administrative costs.

The information above will, be used by OHFA to determine the CHDO's capacity to manage proceeds, provide proper oversight, and make prudent, self-sustaining reinvestments. Retention of CHDO proceeds is at OHFA's discretion and will be based on the awardee's capacity in managing proceeds. At any time, OHFA reserves the right to request additional documentation confirming the first re-use of CHDO Proceeds.

Compliance Monitoring

These compliance-monitoring procedures apply to all HOME contracts.

- A. OHFA will verify that the Awardee of a low-income housing Project is maintaining records for each qualified low-income HOME unit. These records must show, for each year in the Period of Affordability, the information required by the record-keeping provisions contained in the HOME Regulations, incorporated herein by reference.
- B. OHFA will verify that the records documenting compliance with the HOME Regulations for each year as described in Paragraph A above are retained for the entire affordability period.
- C. OHFA will conduct construction inspections in order to ensure that HOME funds are not being drawn down for work that has not been completed, work that has not been done according to the specifications of the Written Agreement, or costs that are ineligible for HOME funding.
- D. OHFA will inspect one hundred percent (100%) of the HOME Written Agreements as prescribed by HUD regulations and will inspect the low-income certification, the documentation the Awardee has received to support that certification, and the rent records for Rental Projects.
- E. For Rental Projects, OHFA will perform on-site inspections at the time of property completion and, at a minimum, every three years thereafter, in order to determine compliance with construction standards and physical condition standards. All HOME-assisted Rental housing must meet the Uniform Physical Condition Standards, or UPCS. HOME Compliance monitors will not conduct a REAC inspection but will monitor for any violations.
- F. The Awardee must allow OHFA to perform an on-site inspection of any low-income unit and/or building in the Project through the end of the Period of Affordability. This inspection may be separate or in conjunction with any review of tenant files and will include habitability requirements.
- G. During programmatic monitoring activities, OHFA shall review Program Awardees' affirmative marketing, minority outreach, and fair housing activities to ascertain compliance with standards established by HUD's Fair Housing Office.
- H. OHFA will promptly notify the Awardee in writing if OHFA is not permitted to inspect and review as described in Paragraphs C, D, E, F and G, or otherwise discovers that the Project does not comply with the HOME Regulations. In such event, the Awardee will be allowed a correction

period to supply missing documentation or to correct noncompliance. This correction period begins on the date of the letter.

- I. OHFA will notify HUD of an Awardee's noncompliance or failure to certify no later than forty-five 45 days after the end of the time allowed for correction and no earlier than the end of the correction period.
- J. Compliance with requirements of the HOME Regulations is the responsibility of the Awardee and the owner of the building for which HOME funds are loaned or granted. OHFA's obligation to monitor for compliance with the requirements of the HOME Regulations does not make OHFA or the State of Oklahoma liable to any owner or to any shareholder, officer, director, partner, member or manager of any owner or of any entity comprising any owner for an owner's non-compliance therewith.
- K. The Awardee must establish and maintain a Use of Funds Log, which clearly identifies the amount of funds used in each development.
- L. The Awardee must establish and maintain a Program Income Tracking Log or CHDO Proceeds Tracking Log, if applicable, which clearly identifies the amount of Program Income or CHDO Proceeds received and, if approved by OHFA, expended.
- M. The Awardee must establish and maintain a Match Tracking Log that will account for expenditures of match contributions used in the Project.
- N. Activity Completion Reports must be submitted within sixty (60) days of the final activity draw.
- O. Closeout documentation must be submitted no later than sixty (60) days after the end of the Written Agreement period or completion of the Project.
- P. The Awardee must maintain a narrative record of uses of any CHDO Operating awards.
- Q. The Minority Business Enterprises Report is due on or before October 10th of each year for the period from October 1 through September 30.
- R. The Annual Performance Report is due on or before May 15th of each year for the period of April 1 through March 31.
- S. The Rental Activity Annual Report, if applicable, is due on or before February 28th of each year, for the prior calendar year.
- T. The Awardee must provide other progress, performance, and financial reports as required, or as requested by OHFA.
- U. OHFA will use the reports provided by the Awardee to annually examine the financial condition of all HOME Rental Projects during the Period of Affordability and take actions to correct any problems that are discovered. Some Rental Projects with only a few HOME-assisted units may be exempt from this provision. OHFA will provide technical assistance to any Awardee, regardless of the number of HOME-assisted units in the Project, in order to help maintain the financial viability of a HOME Rental Project.

Personally Identifiable Information (PII)

Personally Identifiable Information (PII) means information that can be used to distinguish or trace an individual's identity, either alone or when combined with other personal or identifying information that is linked or linkable to a specific individual. Some information that is considered to be PII is available in public sources such as telephone books, public websites, and university listings. This type of information is considered to be Public PII and includes, for example, first and last name, address, work telephone number, email address, home telephone number, and general educational credentials. The definition of PII is not anchored to any single category of information or technology. Rather, it requires a case-by-case assessment of the specific risk that an individual can be identified. Non-PII can become PII whenever additional information is made publicly available, in any medium and from any source, that, when combined with other available information, could be used to identify an individual. Oklahoma Housing Finance Agency will take reasonable measures to safeguard protected personally identifiable information

(PII) and other information that HUD or a pass-through entity designates as sensitive, consistent with applicable Federal, state, local, and tribal laws regarding privacy and confidentiality. 24 CFR 92.505

Conflict of Interest

In the procurement of property and services, the conflict-of-interest provisions in 2 CFR Part 200 apply. In all cases not governed by 2 CFR Part 200, the conflict-of-interest provisions of the HOME Rule apply.

The conflict-of-interest provisions of the HOME Program are stricter than those of other federal programs. The HOME conflict of interest provisions apply to any person who is an employee, agent, consultant, officer, elected official or appointed official of OHFA, a CHDO, a State recipient or sub-recipient receiving HOME funds. No person listed above who exercises or has exercised any functions or responsibilities with respect to activities assisted with HOME funds, or who is in a position to participate in a decision-making process or gain inside information with regard to these activities, may obtain a financial interest or benefit from a HOME-assisted activity, or have an interest in any contract, subcontract or agreement with respect thereto, or the proceeds there under, either for themselves or those with whom they have family or business ties, during their tenure or for one year thereafter.

No owner, developer or sponsor of a development assisted with HOME funds (or officer, employee, agent or consultant of the owner, developer or sponsor) whether private, for profit or non-profit (including a CHDO when acting as an owner, developer or sponsor) may occupy a HOME-assisted affordable housing unit. This provision does not apply to an owner-occupant of single-family housing or to an employee or agent of the owner or developer of a rental housing project who occupies a HOME-assisted unit as the project manager or maintenance worker.

When a CHDO is acting in the capacity of a HOME subrecipient, it may not also receive HOME funds to develop, sponsor or own housing funded through the subrecipient activity the CHDO administers. This could possibly be viewed a conflict of interest as it could appear the CHDO is directing its subrecipient funding to housing it develops.

Construction Standards

In accordance with 24 CFR 92.251, housing that is assisted with HOME funds, at a minimum, must meet local property standards, as well as OHFA's Written Rehabilitation Standards or Written New Construction Standards, whichever applicable.

All HOME-assisted units, regardless of the amount of HOME funds invested per unit, must meet all State and local code requirements. HOME-assisted units must also meet the most recent version of the International Residential Code.. Awardees should be aware that the most recent version of the International Residential Code., is now required by the State of Oklahoma for all newly constructed housing.

OHFA will conduct progress and final inspections of construction to ensure that work is done in accordance with these standards. HOME funds disbursements will be consistent with the amount of work performed to OHFA's satisfaction. Final payment will not occur until the construction of the project is satisfactorily completed. Construction inspections are necessary before OHFA can disburse funds for any draws. OHFA has contracted with a third-party construction inspection firm to undertake these inspections.

Discretionary housing improvements beyond those required to meet property standards may include modest amenities and aesthetic features, but not luxury improvements. Any questions regarding what amenities or features would be considered luxury improvements should be directed to OHFA Staff. If

necessary, OHFA will consult with the local HUD office to ensure that HUD does not consider the improvements to be luxury improvements.

Debarred, Suspended or Ineligible Participants

No contractors that have been suspended or debarred under HOME or any other federal funding program may be used when working on a HOME Project. All HOME Awardees are to verify eligibility before contracting with any party. Awardees should check the web at www.sam.gov for the most current listing of debarred contractors. OHFA Staff can provide information on suspended or ineligible contractors.

Developer Fees

OHFA allows for developer fees where appropriate. **The maximum amount of the developer fee to be paid with HOME funds is fifteen percent (15%) of the total HOME award.** Although developer fees are considered soft costs, OHFA will not include them in the determination of the soft costs limit as outlined later in this section.

OHFA will also take into account the total developer fee for the Project, and, if necessary, adjust the amount of HOME funds to ensure that the developer does not receive an undue or excessive profit, resulting in more federal assistance than is necessary for the project. The Affordable Housing Tax Credit Program sets a developer fee limit of fifteen percent (15%). OHFA considers developer fees in excess of fifteen percent (15%) to be excessive developer fees.

Eligible Costs

For guidance only. Refer to HOME Regulations and other HOME materials for a complete list.

Hard Costs – Eligible hard costs include, but are not limited to:

- Costs to meet local construction and/or rehabilitation standards.
- Acquisition of land and existing structures.
- Securing of buildings.
- Construction materials and labor.
- Essential improvements.
- Energy-conservation efficient improvements, if undertaken within a more comprehensive plan of work that brings the unit up to local property standards and the Written Rehabilitation Standards or Written New Construction Standards set forth herein.
- Lead based paint hazard reduction, if undertaken within a more comprehensive plan of work that brings the unit up to local property standards and the Written Rehabilitation Standards or Written New Construction Standards set forth herein.
- Accessibility for persons with disabilities, if undertaken within a more comprehensive plan of work that brings the unit up to local property standards and the Written Rehabilitation Standards set forth herein.
- Repair or replacement of major housing systems in danger of failure.
- Incipient repairs and general property improvements of a non-luxury nature.
- Demolition.
- Site improvements and utility connections.
- Lot clearing, prior to and in conjunction with rehabilitation.
- Temporary relocation costs.

Soft Costs – **Capped at seven percent (7%) of the total HOME award, including soft costs – Reasonable and necessary costs directly related to an individual unit. Soft costs must be reasonable and within industry standards for the type of service provided. Applicants should note that OHFA reserves the right to adjust the award of HOME funds in order to offset any excessive, unreasonable fees on any HOME-eligible activity.** Soft Costs are not a substitute for Administrative Costs. All soft costs must be a part of the total Project costs. Soft costs must be specifically tied to an address. Eligible soft costs include, but are not limited to:

- Financing fees.
- Credit reports.
- Title binders and insurance.
- Recordation fees, transaction taxes.
- Legal and accounting fees.
- Appraisals.
- Architectural/engineering fees, including specifications and job progress inspections.
- Refinancing of secured existing debt if the housing is owner occupied and refinancing allows the overall costs of borrower to be reduced and the housing is made more affordable.
- Work write-ups and cost estimates.
- Building permits.
- Fair Housing information services.
- Environmental Review
- CPA Cost Certification for a project audit
- Energy audits

Developer fees will NOT be included in the calculation of total soft costs for the purposes of establishing the seven percent (7%) limit.

Note: 24 CFR Part 92.206(d) (1) provides that HOME funds may pay for architectural, engineering and certain other costs of professional services incurred within eighteen (18) months of the commitment of HOME funds to a Project, provided that OHFA permits the HOME funds to be used for that purpose and authorizes payment of the costs in the Written Agreement with the Awardee.

Under no circumstances may any project-related soft costs be charged to or paid by low-income families. HOME funds may pay for these costs, but the low-income beneficiaries of the HOME funding may not be directly charged for them. Reasonable and customary fees commonly charged to a loan applicant in unassisted real estate transactions, such as the of cost credit reports or appraisals, are permissible.

Awardees may not charge servicing, origination or other fees related to the cost of administering part of the OHFA HOME Program to the beneficiaries of the HOME assistance. These costs should be paid with HOME funds or other sources of funds.

Environmental Review

The environmental effects of each HOME Program activity must be evaluated and shown to be in compliance with the provisions of the National Environmental Policy Act of 1969 and the related authorities listed in HUD's Regulations at 24 CFR Part 58. The procedures for this process, by type of activity, are covered in OHFA's Environmental Review Procedures at <https://www.ohfa.org/home-investment-partnership-program/>

HUD's Regulations under 24 CFR Part 58, Sec. 58.22 include specific restrictions on what you can do prior to receiving environmental clearance to proceed. Sub-paragraph a) reads as follows:

Sec. 58.22 Limitations on activities pending clearance subparagraph.

(a) Neither a recipient nor any participant in the development process, including public or private nonprofit or for-profit entities, or any of their contractors, may commit HUD assistance under a program listed in Sec. 58.1(b) on an activity or project until HUD or the state has approved the recipient's RROF and the related certification from the responsible entity. In addition, until the Request for Release of Funds (RROF) and the related certification have been approved, neither a recipient nor any participant in the development process may commit non-HUD funds on or undertake an activity or project under a program listed in Sec. 58.1(b) if the activity or project would have an adverse environmental impact or limit the choice of reasonable alternatives.

Equal Opportunity

Equal Employment Opportunity, Executive Order 11246, as amended found in 41 CFR Part 60: Prohibits discrimination against any employee or applicant for employment because of race, color, religion, sex, or national origin.

Section 3 of the Housing and Urban Development Act of 1968 found in 24 CFR Part 135: Requires that, to the greatest extent feasible, opportunities for training and employment arising from HOME will be provided to low-income persons residing in the program service area and that contracts for work (all types) be awarded to businesses that are located in or owned by persons residing in the program service area.

Minority/Women's Business Enterprise (M/WBE) under Executive Orders 11625, 12432 and 12138; 24 CFR Part 85.36(e): Ensure the inclusion, to the maximum extent possible, of minorities and women, and entities owned by minorities and women, including without limitation, real estate firms, construction firms, appraisal firms, management firms, financial institutions, investment banking firms, underwriters, accountants, and legal firms, in all contracts.

Applicants are required to adopt a M/WBE Plan which describes Applicant's policies and procedures for minority outreach in subcontracting and procurement of goods and services. The following practices are recommended:

- Request a list of certified woman-owned businesses from the Oklahoma Department of Commerce or visit www.OKcommerce.gov/smallbiz;
- Actively and affirmatively solicit bids for contracts and subcontracts from M/WBEs;
- Circulate bid solicitations to minority and women contractor associations;
- Make written solicitations in a timely fashion to businesses listed in the Minority and Women-Owned Business Directory;
- Make timely responses to any advertisements and solicitations provided by M/WBEs;
- Ensure that plan specifications, requests for proposal and other documents used to secure proposals for the performance of work or supply of materials will be made available in sufficient time for review by prospective M/WBEs;
- Divide, where economically and technically feasible, the work into smaller portions to enhance participation by M/WBEs;
- Encourage the formation of joint ventures, partnerships or other similar arrangements among contractors to enhance participation by M/WBEs;
- Use the services of governmental agencies, consultants and contractor associations to further the participation of M/WBEs;

- Waive credit requirements or develop other appropriate alternatives to encourage M/WBE participation; and
- Ensure that payments to M/WBEs are made on a timely basis to prevent undue hardship.

Applicants may be requested to submit M/WBE Utilization Reports, which should include, but are not limited to the following:

- The name, address and telephone number of each M/WBE the applicant is using or intends to use;
- A brief description of the contract scope of work to be performed for the applicant by each M/WBE and the scheduled dates for performance;
- A statement of whether the applicant has a written agreement with each M/WBE, and if requested, copies of the agreements the applicant is using or intends to use;
- The actual total cost of the contract, the work performed, and the materials provided, scope of work to be performed by each M/WBE for each contract;
- The actual amounts of any payments made by the applicant to each M/WBE as of the date the compliance report was submitted; and
- The percentage of total contractors, subcontractors, vendors and suppliers utilized for the development and the total prices for each.

Program and activity implementation manuals shall be provided to Awardees and shall contain information regarding Minority Outreach Requirements and Procedures. In order to achieve compliance with requirements of Section 281 of the National Affordable Housing Act and 24 CFR Part 92.351, Written Agreements shall be executed between OHFA and all Awardees. During programmatic monitoring activities, OHFA shall review minority outreach activities and, should compliance with the requirements be determined unsatisfactory, shall provide Awardees with the necessary guidance to achieve regulatory standards.

Fair Housing and Equal Opportunity

Title VI of Civil Rights Act of 1964, as amended (42 U.S.C. 2000d et seq.) found in 24 CFR Part 1: States that no person may be excluded from participation in, denied the benefits of, or subjected to discrimination under any program or activity receiving Federal financial assistance on the basis of race, color or national origin.

The Fair Housing Act (42 U.S.C. 3601-3620) found in 24 CFR Part 100-115, prohibits discrimination in the sale or rental of housing, the financing of housing or the provision of brokerage services against any person on the basis of race, color, religion, sex, national origin, handicap or familial status. Furthermore, section 104(b)(2) of the Act requires that each grantee certify to the Secretary of HUD that it is affirmatively furthering fair housing.

Equal Opportunity in Housing (Executive Order 11063, as amended by Executive Order 12259) found in 24 CFR Part 107, prohibits discrimination against individuals on the basis of race, color, religion, sex or national origin in the sale, rental, leasing or other disposition of residential property, or in the use or occupancy of housing assisted with Federal funds.

Program and activity implementation manuals shall be made available to Awardees and shall contain information regarding Fair Housing Standards and Procedures. In order to achieve compliance with requirements at 24 CFR Parts 5.105(a), 92.202, and 92.250, Written Agreements shall be executed between OHFA and all Awardees. During programmatic monitoring activities, OHFA shall review fair housing activities and, should compliance with the requirements be determined unsatisfactory, shall provide Awardees with the necessary guidance to achieve regulatory standards.

Federal Requirements

Consult the Regulations and other HOME materials for more information. This chart is just a guide and not all inclusive of all activities.

Other Federal Requirements	Homebuyer	Rental
Non-Discrimination and Equal Access		
Fair Housing and Equal Opportunity	Yes	Yes
Affirmative Marketing	Yes if >5 HOME-assisted units	Yes if >5 HOME-assisted units
Handicapped Accessibility	Yes	Yes
Employment and Contracting		
Equal Employment Opportunity	Yes	Yes
Section 3 Economic Opportunity	Yes if assistance >\$200,000 OR subcontract >\$100,000	Yes if assistance >\$200,000 OR subcontract >\$100,000
Minority/Women's Business Enterprise	Yes	Yes
Labor Requirements		
Davis-Bacon and Related Acts	Yes if >12 HOME-assisted units	Yes if >12 HOME-assisted units
Contract Work Hours and Safety Stds. Act	Yes if >12 HOME-assisted units	Yes if >12 HOME-assisted units
Copeland Anti-Kickback Act	Yes	Yes
Fair Labor Standards Act of 1938	Yes	Yes
Contracting and Procurement Practices		
Procurement	Yes	Yes
Conflict of Interest	Yes	Yes

Debarred Contractors	Yes	Yes
Environmental Review	Yes	Yes
Site and Neighborhood Standards	No	Yes for new construction only
Lead-Based Paint	Yes for pre-1978 units	Yes for pre-1978 units
Relocation	Yes (tenants)	Yes

Handicapped Accessibility

- Americans with Disabilities Act (42 U.S.C. 12131; 47 U.S.C. 155, 201, 218, and 225): Provides comprehensive civil rights to individuals with disabilities in the areas of employment, public accommodations, state and local government services and telecommunications. The Act also requires the removal of architectural and communication barriers that are structural in nature in existing facilities.
- Fair Housing Act (42 U.S.C. 3601-19 and CFR Part 100.205): Multi-family dwellings must meet these design and construction requirements.
- Section 504 of the Rehabilitation Act of 1973 found in 24 CFR Part 8: Imposes requirements to ensure that “qualified individuals with handicaps” have access to programs and activities that receive federal funds.

Violence Against Women Act

Violence against Women Act (92.259 and 24 CFR 5.2001 et seq (Subpart L) applies to projects committed on or after December 16, 2016. The Act provides protections to applicants and tenants of HOME-units who are survivors of:

- Domestic violence,
- Dating violence
- Sexual assault, or
- Stalking

This applies regardless of the applicant’s or tenant’s gender.

An applicant may not be rejected or terminate/refuse to renew a tenant’s lease as a direct result of the fact the individual is /has been a victim.

The lease must provide bifurcation. This allows only the abuser to be evicted while the survivor stays.

HOME Per Unit Subsidy Limits

HOME Program subsidies are subject to a maximum per-unit subsidy limit. The limits are determined by OHFA as directed by HUD and vary by jurisdiction. The Oklahoma State HOME Program has only one set of limits for its entire area, since it does not use any of its funds within the city limits of Tulsa or Oklahoma City, which have their own specific limits. The limits are available on OHFA’s website, www.ohfa.org. The per-unit subsidy requirements are described in the HOME regulations at 24 CFR 92.250.

Homebuyer

Down-Payment Assistance funds must be used in the following order:

- First Down-payment assistance (defined as the difference between purchase price and loan amount).
- Second Closing cost
- Third Pre-paids
- Fourth Principal reduction as reflected on the HUD closing statement

The homebuyer may be allowed to have returned from their earnest money the appraisal, pre-paid insurance, survey and credit report costs.

Lenders use ratios to analyze a person's capability to make their mortgage payment. The housing expense, or front-end ratio, compares a person's mortgage payment (principal, interest, taxes, PMI, homeowner's insurance, and HOA fees) to their gross monthly income. The total debt expense, or back-end ratio, a person's total monthly obligations (car payments, credit cards, child support, etc.) including their new mortgage payment, to their gross monthly income. The type of mortgage loan will dictate which ratios are to be used to qualify the Homebuyer. Conventional loans secured by a government sponsored entities (GSE), FHA/VA loans and other federal, state, or local government loan programs often set the underwriting ratios used to qualify the Homebuyer. **If the above type of loan programs do not have set underwriting ratios or another type of loan will be utilized, then the front ratio cannot exceed 35% and the back ratio cannot exceed 50%.**

In addition, the HOME Final Rule mandates that homebuyers cannot be provided HOME assistance in an amount greater than is required to make the home affordable. Therefore, the front-end ratio must be at least 15%.

Down-payment Assistance cannot be provided in an amount greater than \$14,999 to any homebuyer household. Interest rates charged must be reasonable and customary, and underwriting, processing and document preparation fees must not exceed \$1,500.00 total. **Awardees may not charge servicing, origination, processing or underwriting fees related to the cost of administering part of the OHFA HOME Program to the beneficiaries of the HOME assistance.** These costs should be paid with HOME funds or other sources of funds.

No adjustable rate mortgages are allowed.

All Homebuyer activities must incorporate housing counseling into project designs. Effective August 1, 2021, housing counseling must be provided by a HUD approved certified housing counselor. If the Awardee is not a HUD approved certified housing counselor, the Awardee may contract with another agency that is a HUD approved certified housing counselor. Applicants must explain the process for implementing the required counseling and who will provide. Agencies are approved by HUD and staff is certified. Counselors are only certified if they also work for a HUD approved housing counselor. Therefore, if the agency is not yet approved by HUD and a staff member passes the exam, the agency is not a HUD approved certified housing counselor.

Income Determination

OHFA mandates that awardees must calculate the annual income of households for all of its programs by using the Section 8 (Part 5) annual (gross) income definition. The Final Rule for the HOME Program mandates that only one definition of income may be used for each of a PJ's programs (e.g., Down-Payment Assistance, Homeowner Rehabilitation, etc.) Since OHFA will permit only the Section 8/Part 5 annual

income definition, this provision of the Final Rule does not affect OHFA's programs. The Final Rule also states that "annual income" must include all persons, not just family members, living in the housing unit.

HUD has also revised 24 CFR 92.203(a)(1)(i) and (a)(2) to require that, when performing income determinations for potential HOME beneficiaries using source documentation, the PJ and/or the awardee must examine at least two (2) months of earning documentation (e.g., wage statements, interest statements, unemployment compensation). This change codifies the existing standard that is already outlined in the "Technical Guide for Determining Income and Allowances for the HOME Program." OHFA already mandates this practice.

Income Restrictions

HOME funds must assist households with income below 80% of Area Median Income.

Rental housing has additional requirements:

- Ninety percent (90%) of the initial occupants of HOME-assisted rental units must have incomes that are sixty percent (60%) or less of the area median income (AMI) as established by HUD. However, **OHFA requires that one hundred percent (100%) of all initial rental households have incomes that are sixty percent (60%) of AMI or below.** Exceptions may be made, but Awardees must obtain written permission of OHFA. This requirement applies only to the initial tenant household in a HOME rental unit. All successive tenant households may have incomes that do not exceed eighty percent (80%) of the area median income as established by HUD.
- Twenty percent (20%) of the units in each rental housing Project containing five or more units must be occupied by tenant families with income at or below fifty percent (50%) of AMI.

Integrated Disbursement Information System (IDIS)

The HOME Program will operate under HUD's IDIS. Under IDIS, OHFA will enter and control all Project set-ups and financial draws. Sufficient documentation justifying all financial draws is required. If the documentation is inadequate, additional clarification may be requested by OHFA, which may delay the processing of draws.

No release of funds shall be made to any funded Project until OHFA has received, reviewed and accepted in writing all fully executed legally binding operating, management, ownership or other agreements. No funds, whether HOME or non-HOME funds, may be spent until the Release of Funds has been received. Also, no contracts may be entered into, especially with a contractor or a homeowner, until the Release of Funds has been received.

The Integrated Disbursement and Information System (IDIS) will cancel any activity that has had no money drawn down for twelve months. Section 92.502 (b) (2) of the HOME regulations permits HUD to automatically cancel an activity that has been committed in the system for 12 months without an initial disbursement of funds. HUD has deemed it necessary to exercise its authority to automatically cancel these activities. **To avoid cancellation of activities, Awardees should ensure that they have drawn down money within 6 months of the Written Agreement open date.**

Labor Requirements

The construction contract for any HOME-assisted activity must contain the applicable labor requirements:

- Davis-Bacon and Related Acts (40 USC 276(A)-7): Ensure that mechanics and laborers employed in construction work under Federally-assisted contracts are paid prevailing wages and fringe benefits. Davis-Bacon does not apply to developments using solely volunteer labor or sweat equity, nor does it apply to Homeowner Rehabilitation. OHFA will monitor all appropriate contracts for compliance with Davis-Bacon requirements.

- Contract Work Hours and Safety Standards Act, as amended (40 USC 327-333): Ensures that mechanics and laborers employed under Federally-assisted construction jobs are paid time and one-half for work in excess of 40 hours per week. This Act also addresses safe and healthy working conditions.
- Copeland Anti-Kickback Act (40 USC 276c): Governs the deductions from paychecks that are allowable. Makes it a criminal offense to induce anyone employed on a Federally-assisted project to relinquish any compensation to which he/she is entitled, and requires all contractors to submit weekly payrolls and statements of compliance.
- Fair Labor Standards Act of 1938, as amended (29 USC 201, et. seq.): Establishes the basic minimum wage for all work and requires the payment of overtime at the rate of at least time and one-half. It also requires the payment of wages for the entire time that an employee is required or permitted to work and establishes child labor standards.

24 CFR Part 92.354 provides additional guidance for this requirement.

Language Access

Recipients of federal financial assistance, including HOME funds, are required to provide meaningful access to their programs and services for persons with limited proficiency in English (LEP). The U.S. Supreme Court has held that failing to take reasonable steps to ensure meaningful access for LEP persons is a form of national origin discrimination prohibited by Title VI of the Civil Rights Act of 1964.

The requirement to provide language assistance to LEP individuals applies to all recipients of federal financial assistance, including HOME funds, regardless of conflicting state or local laws. When meaningful access requires interpretation, interpreters should be provided at no cost to the persons involved. Budgeting adequate funds to ensure language access is essential. While costs are a consideration in determining what language assistance is reasonably required, fiscal pressures do not provide an exemption from civil rights requirements.

Recipients of HOME funds should develop, and periodically update, a written LEP plan that describes their language assistance services and explains how staff and LEP persons can access those services. Recipients who are not fully compliant with the LEP guidance issued by the federal government should be making steady progress toward becoming fully compliant. Guidance regarding LEP compliance can be accessed on the HUD website at www.hud.gov. The full Final Guidance was published in the Federal Register, Volume 72, Number 13, on January 22, 2007.

Lead Based Paint

Housing assisted with HOME funds is subject to:

- Lead-Based Paint Poisoning Prevention Act of 1971 (42 U.S.C. 4821-4846)
- Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851-4856)
- Title X of the 1992 Housing and Community Development Act (24 CFR Part 35)

These regulations require the use of trained and certified lead paint professionals and certified abatement contractors. A list of certified lead-based paint contractors is available from the Department of Environmental Quality at:

<http://www.deq.state.ok.us/AQDnew/lbp/lbpllistings.htm>.

24 CFR Part 92.355 provides additional guidance for this requirement.

Minority Outreach

Section 281 of the National Affordable Housing Act (the “Act”) requires the State to prescribe procedures acceptable to the Secretary of HUD to establish and oversee a minority outreach program to ensure the

inclusion, to the maximum extent possible, of minorities and women, and entities owned by minorities and women, including without limitation, real estate firms, construction firms, appraisal firms, management firms, financial institutions, investment banking firms, underwriters, accountants, and legal firms, in all contracts, entered into by the participating jurisdiction with such persons or entities, public and private, in order to facilitate the activities of the participating jurisdiction to provide affordable housing authorized under the Act or any other federal housing law applicable to such jurisdiction. **A separate file containing all minority outreach documentation must be maintained at the Awardee's offices.**

Applicants will be required to adopt a Utilization Plan for the participation of Minority Business Enterprises/Women Business Enterprises (M/WBEs) in the Project. The Utilization Plan should include a policy statement signed by the Applicant's chief executive official (CEO) which describes the Applicant's policies and practices for subcontracting and/or for procurement of goods and services. **Recommended methods for encouragement of M/WBEs can be found in the Equal Opportunity section of this Guidance.**

All Applicants may be requested to submit M/WBE Utilization reports, which should include:

- The name, address and telephone number of each M/WBE the Applicant is using or intends to use;
- A brief description of the contract scope of work to be performed for the Applicant by each M/WBE and the scheduled dates for performance;
- A statement of whether the Applicant has a written agreement with each M/WBE, and if requested, copies of the agreements the applicant is using or intends to use;
- The actual total cost of the contract, the work performed and the materials provided, scope of work to be performed by each M/WBE for each contract;
- The actual amounts of any payments made by the applicant to each M/WBE as of the date the compliance report was submitted; and
- The percentage of total contractors, subcontractors, vendors, and suppliers utilized for the Project and the total prices for each.

Outcome Performance Measurement

The Office of Community Planning and Development (CPD) at HUD has developed an Outcome Performance Measurement System. This system will enable HUD to collect information on the outcomes of activities funded with CPD formula grant assistance, and to aggregate that information at the national, state, and local level. The outcome performance measurement system is not intended to replace existing local performance measurement systems that are used to inform local planning and management decisions and increase public accountability.

The outcome performance measurement system has three overarching objectives: (1) Creating Suitable Living Environments, (2) Providing Decent Affordable Housing, and (3) Creating Economic Opportunities. There are also three outcomes under each objective: (1) Availability/Accessibility, (2) Affordability, and (3) Sustainability. Thus, the three objectives, each having three possible outcomes, will produce nine possible "outcome/objective statements" within which to categorize HOME activities. OHFA will complete an outcome/objective statement in HUD's Integrated Disbursement and Information System (IDIS) by entering data in the form of an output indicator.

It is mandatory for OHFA to collect this data. The collection and reporting of performance data is not optional, but individual outcome indicators can and will vary, depending on the activity. The proposed outcome measurement framework will not change the types of activities available to eligible applicants,

but it will require new ways of reporting the data. The flexibility of the Program will be maintained. The objectives and outcomes will be determined by OHFA, based on the intent of the activity.

For all activities to be undertaken with HOME funds in Program Year 2024, the outcome/objective will be affordability for the purpose of providing decent housing.

Period of Affordability

Important note: According to HUD regulations, the Period of Affordability does not begin until the activity is shown as completed in HUD’s Integrated Disbursement and Information System (IDIS). Therefore, the Period of Affordability may not start until sometime after the execution of any Written Agreements with beneficiaries of HOME funds. Interested parties must contact OHFA in order to determine the exact date on which the Period of Affordability will expire.

The relevant Periods of Affordability are as follows:

Rental Rehabilitation or Acquisition, and Homeownership:

<u>Home funds:</u>	<u>Period:</u>
\$1,000 - 14,999	5 years
\$15,000 - 40,000	10 years
\$40,001 - maximum allowable	15 years

For New Construction of rental housing or acquisition of newly constructed rental housing, the Period of Affordability is 20 years.

Procurement

It is important to keep the solicitation of bids for goods and services as well as professional services contracts open and competitive. Cities, counties and Sub-recipient organizations must follow procurement policies and meet federal requirements. At a minimum, these entities must comply with OMB Circular 2 CFR Part 200.

CHDOs, Nonprofit Developers and For-Profit Developers are only required to meet the cost reasonableness standard in 2 CFR Part 200.404 and 200.405.

Awardees should obtain 3 to 5 bids using formal advertising or requests for proposals for the procurement of professional services such as grant administration, inspections and work write-ups. There must be an established selection procedure and a written rationale for selecting the successful bid or proposal. All procurement documentation, including bids not chosen, must be kept.

No contractors that have been suspended or debarred under HOME or any other federal funding program may be used when working on a HOME Project. All HOME Awardees are to verify eligibility before contracting with any party. Awardees should check the web at www.sam.gov for the most current listing of debarred contractors. OHFA Staff can provide information on suspended or ineligible contractors.

Program Income

Awardees are required to clearly identify whether or not the proposed activity will result in Program Income. All Program Income must be returned to OHFA. OHFA no longer permits Awardees to retain Program Income. Exceptions may be made for awardees that are currently reusing Program Income derived from Written Agreements already completed and closed out. Such exceptions must be specifically approved by OHFA and HUD, and may be rescinded at any time should OHFA Finance or Monitoring

Staff determine that the Program Income is not being used in strict accordance with HOME Program and OHFA rules and regulations.

Documentation Requirements:

An Awardee must describe:

- The circumstances under which the proposed activity will produce Program Income and the amount of program income that will be provided.
- The process or processes that will be used to ensure tracking and the steps to timely report and return of all the Program Income generated.

Project Completion

HUD has revised the definition of “Project Completion” in 24 CFR Part 92.2. For all HOME Projects, Project completion will mean that all construction work and title transfer (if applicable) is completed, and the final draw of HOME funds has been disbursed. In addition:

- For Homeownership Projects, completion means that beneficiary data is entered into IDIS;
- For Rental Projects, Project completion shall mean that the units must be ready for occupancy, but tenant data input in IDIS is not required for completion of Rental Projects. However, if tenant data is not provided the Project will appear on HUD’s Vacant Unit Report.

The Awardee must repay to OHFA, and OHFA must repay to HUD, any funds expended on Projects that are not completed and ready for occupancy within four (4) years of the date the Written Agreement is executed between OHFA and the Awardee. HUD may grant a one-year extension, but only if OHFA and the Awardee are able to provide HUD with legitimate reasons why the project was not completed within the four (4) year time frame, as well as a detailed plan to achieve completion within one year and achievable benchmarks to measure progress towards completion.

Relocation

HOME-funded Projects are subject to relocation requirements contained in the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA) (42 U.S.C. 4201-4655) whenever displacement occurs as a direct result of rehabilitation, demolition or acquisition for a HOME-assisted Project. Section 104(d) of the Housing and Community Development Act (also known as the “Barney Frank Amendments”) may be triggered by demolition or conversion of units when HOME funds are used for the Project. Acquisition only activities do not trigger Section 104(d).

More information is available in HUD Handbook 1378, Tenant Assistance, Relocation, and Real Property Acquisition; Handbook 1374, Tenant Assistance, Relocation and Real Property Acquisition – HUD CPD Staff Responsibilities; and the HUD-sponsored All the Right Moves course book. 24 CFR Parts 42 and 92.353 provide additional guidance for this requirement.

Resale and Recapture

24 CFR 92.254 provides guidance for Resale/Recapture options for Homeownership. OHFA is authorized under the HOME Rules to select which option will be used for preserving the Period of Affordability. For 2024, OHFA has chosen the Recapture option. If Applicants demonstrate to OHFA staff that special conditions exist that would make the Resale option superior, then it may be considered as an exception. In addition, when there is no direct subsidy to the homebuyer, the Resale option must be used.

The Applicant is to describe to OHFA its procedures as they relate to the HOME Recapture or Resale requirements. The procedures must fully comply with the HOME Rules.

Recapture provisions must ensure that there is recovery of all or a portion of the HOME assistance, if the housing does not continue to be the principal residence of the family for the duration of the Period of

Affordability. **Deed restrictions, land covenants or other similar legal mechanisms must be in place to enforce these Recapture and Resale restrictions.** The amount subject to Recapture is based on the amount of HOME assistance that is a direct subsidy to the homebuyer. The recaptured funds must be returned to OHFA.

OHFA requires that all Recapture provisions for homeownership activities base the Recapture amount on the net proceeds available from the sale and not the entire amount of the HOME investment. Applicants may structure their Recapture provisions such that the HOME funds are recaptured in one of the following three methods:

- Recapture of the HOME investment first, with the homeowner receiving any remaining net proceeds
- Allow the homeowner to recover his/her initial investment first, with the remainder of the net proceeds recaptured
- A “shared appreciation” method, where a pre-determined percentage of the net proceeds is retained by the homeowner, and the remainder of the net proceeds is recaptured

All Recapture provisions must be fully described in the Application for funding and must be approved by OHFA before they can be implemented. The entire amount may be recaptured at any time during the Period of Affordability, or a percentage of the HOME investment may be forgiven annually during the Period of Affordability.

HUD requires repayment if the HOME-assisted housing fails to meet the affordability requirements for the full affordability period, even in the event of foreclosure or transfer in lieu of foreclosure. In the event of foreclosure, or transfer in lieu of foreclosure, the Period of Affordability must still be enforced.

If the homebuyer receives no direct subsidy from the HOME funds, such as Down-payment Assistance or a reduction in the price of the home below its appraised value, and subsequently sells the home within the Period of Affordability, the Resale option will be used ensure that the HOME-assisted unit remains affordable over the affordability term. Under the Resale option:

- The homebuyer must sell the property to a new purchaser that meets the HOME Program definition of low-income.
- Said purchaser must occupy the property as his/her principal residence.
- The new purchaser’s PITI cannot exceed thirty-five percent (35%) of his/her gross income.
- The original homebuyer (now the seller) must receive a “fair return” on his/her investment. The original homebuyer’s investment is defined as the amount of the original down payment and any documented capital improvements or improvements to the real property paid for by the original homebuyer. A fair return is defined as the original homebuyer’s investment multiplied by the percentage increase in the sales price of the home.

In order for OHFA to permit the Resale option to be used, the homebuyer must not have received any direct subsidy from the use of HOME funds. A direct subsidy may not be limited to Down-Payment Assistance. According to HUD guidance, homebuyers receive a direct subsidy if the appraised value of the home purchased is greater than the sales price. If the homebuyer receives any form of direct subsidy, the Recapture method must be used.

Written Agreements with individual beneficiaries cannot contain a combination of both the Recapture and Resale options.

Assisted households must be informed that if they fail to occupy the unit as their primary residence, they must repay the full amount of the HOME assistance.

Site and Neighborhood Standards

Site and neighborhood standards apply only to New Construction Rental housing. In carrying out the site and neighborhood requirements with respect to new construction of rental housing, OHFA is responsible for making the determination that proposed sites for new construction meet the requirements in 24 CFR Part 983.57(e)(2) and (3).

The site must not be located in an area of minority concentration, except as permitted in the following paragraphs, and must not be located in a racially mixed area if the project will cause a significant increase in the proportion of minority to non-minority residents in the area.

A Project may be located in an area of minority concentration only if:

Sufficient, comparable opportunities exist for housing for minority families in the income range to be served by the proposed project outside areas of minority concentration; or the project is necessary to meet overriding housing needs that cannot be met in that housing market area.

As used in the preceding paragraph, “sufficient” does not require that in every locality there be an equal number of assisted units within and outside of areas of minority concentration. Rather, application of this standard should produce a reasonable distribution of assisted units each year, such that, over a period of several years, it will approach an appropriate balance of housing choices within and outside areas of minority concentration. An appropriate balance in any jurisdiction must be determined in light of local conditions affecting the range of housing choices available for low-income minority families and in relation to the racial mix of the locality's population.

Units may be considered “comparable opportunities” as used herein, if they have the same household type (elderly, disabled, family, large family) and tenure type (owner/renter); require approximately the same tenant contribution towards rent; serve the same income group; are located in the same housing market; and are in standard condition.

Application of this sufficient, comparable opportunities standard involves assessing the overall impact of HUD-assisted housing on the availability of housing choices for low-income minority families in and outside areas of minority concentration, and must take into account the extent to which the following factors are present, along with other factors relevant to housing choice:

- (A) A significant number of assisted housing units are available outside areas of minority concentration.
- (B) There is significant integration of assisted housing projects constructed or rehabilitated in the past 10 years, relative to the racial mix of the eligible population.
- (C) There are racially integrated neighborhoods in the locality.
- (D) Programs are operated by the locality to assist minority families that wish to find housing outside areas of minority concentration.
- (E) Minority families have benefited from local activities (e.g., acquisition and write-down of sites, tax relief programs for homeowners, acquisitions of units for use as assisted housing units) undertaken to expand choice for minority families outside of areas of minority concentration.
- (F) A significant proportion of minority households has been successful in finding units in non-minority areas under the tenant-based assistance programs.

(G) Comparable housing opportunities have been made available outside areas of minority concentration through other programs.

Application of the “overriding housing needs” criterion, for example, permits approval of sites that are an integral part of an overall local strategy for the preservation or restoration of the immediate neighborhood and of sites in a neighborhood experiencing significant private investment that is demonstrably improving the economic character of the area (a “revitalizing area”). An “overriding housing need”, however, may not serve as the basis for determining that a site is acceptable, if the only reason the need cannot otherwise be feasibly met is that discrimination on the basis of race, color, religion, sex, national origin, age, familial status, or disability renders sites outside areas of minority concentration unavailable or if the use of this standard in recent years has had the effect of circumventing the obligation to provide housing choice.

Student Housing

HUD has amended the definition of “housing” in 24 CFR 92.2 to exclude all student housing. Previously only dormitories were prohibited by the HOME rules, but now all types of student housing are prohibited. HUD has not clearly defined what constitutes “student housing.” Applicants should be aware of this new restriction when applying for HOME funds for Rental housing that could be construed as student housing.

Student Rule – Definition of Low Income Families

HUD has amended the definitions of “low-income families” and “very low-income families” in 24 CFR Part 92.2 to exclude “students” from qualifying as a low-income or very low-income family. The Final Rule has been revised to be consistent with recent statutory changes to the Section 8 Housing Choice Voucher Program, which prohibit voucher assistance to individuals who are enrolled in an institution of higher learning from qualifying as a low-income family if the individual is under 24 years of age, not a military veteran, unmarried, does not have a dependent child, not disabled, and is not otherwise individually low-income, or does not have parents who are low-income.

Subsidy Layering

Subsidy layering is the combining of other federal resources on a HOME-assisted Project that results in an excessive amount of subsidy for the Project. Such excess is prohibited. OHFA will analyze each Application to ensure that only the minimum amount of assistance is allocated to the Project. If OHFA determines that there will be an excessive amount of subsidy for the Project, adjustments will be made to the HOME award. OHFA must examine the sources and uses for each Project and determine whether or not the costs are reasonable and if the return to the owner and/or developer of the Project is reasonable. However, OHFA must also ensure that there is adequate subsidy to ensure the long-term viability of the Project.

Subsidy Limits

Minimum HOME Investment: The minimum amount of HOME funds that must be invested is \$1,000 multiplied by the number of HOME- assisted units in a Project. The minimum only relates to the HOME funds, and not to any other funds that might be used for Project costs. The minimum HOME investment does not apply to Tenant-based Rental Assistance.

Maximum HOME investment: The HOME Program Maximum Per-Unit Subsidy Limits establish the maximum HOME investment permitted for a Project. These limits are determined by OHFA at the direction and with the oversight and approval of the local HUD Field Office. The limits are established by

bedroom size and county. **See the Section on HOME Per-Unit Subsidy Limits on page 13 for further guidance.**

Applicants should be aware that the maximum HOME investment is further limited to a pro-rata share of the HOME-eligible costs in the project, based on the number of HOME units as compared to the total units in the Project. For further guidance on this issue, please see CPD Notice 98-02 or contact OHFA Staff.

The maximum for HOME Down-payment Assistance is \$14,999 per HOME-assisted unit. Down-Payment Assistance (DPA) is further limited to the amount of assistance required to make the housing affordable to the low-income homebuyers. **Each award of DPA must be underwritten to ensure that excessive subsidy is not being provided. Awardees should not simply award the same amount of DPA to each beneficiary.**

The minimum award of HOME funds in conjunction with Affordable Housing Tax Credits is \$200,000. Applications for less than \$200,000 will not be accepted.

Underwriting Standards - Rental

A minimum debt service coverage ratio (DCR) of **1.15** is required for all debt financing which would foreseeably result in foreclosure if not repaid. The debt coverage ratio must be maintained for 15 years. **Debt service coverage is defined as the ratio of a property's net operating income to debt service obligations.** Rental income, any subsidies, and reserve funds should be sufficient to cover the property's debt and operating expenses over the period of low-income use.

Proformas should not be unduly conservative or overly optimistic. OHFA will review all costs to ensure that they are customary, reasonable and necessary. This will be based on the type of development activity and comparable costs in the market area. If documentation is not adequate and does not support the costs, OHFA may request additional documentation or deny the Application. OHFA will review to ensure that the costs being funded by the HOME Program are eligible and the HOME funds per unit do not exceed the HOME Program Maximum Per-Unit Subsidy Limits or cost allocation limits.

OHFA may deny HOME financial assistance if the Applicant refuses to make reasonable adjustments or to limit the financial return or related soft costs.

Uniform Physical Condition Standards (UPCS)

All new HOME-assisted housing funded through OHFA must meet the Uniform Physical Condition Standards (UPCS) applied to public housing. UPCS will also be the minimum standard applied to ongoing compliance in Rental properties pursuant to 24 CFR Part 92.251(f)(1)(i). OHFA will not conduct a REAC inspection but will require correction of all observed violations of UPCS.

Written Agreements between HOME Awardees and Homebuyers

When HOME assistance is provided to homebuyers, the CHDO, State recipient, sub-recipient or nonprofit developer must enter into a Written Agreement with each eligible homebuyer, separate and apart from the note and mortgage, that includes, at a minimum, the following:

- The housing must conform to the requirements of 24 CFR 92.254(a).

- The housing must be modest; its value must not exceed 95% of the median price of comparable housing and it cannot contain any luxury improvements. (For Homebuyer New Construction, its value cannot exceed the U.S. Census Bureau’s National Non-Metro Sales Price.)
- The home must be the principal place of residence of the homebuyer.
- Resale or Recapture provisions must be set forth in detail, and written in such a way that the homebuyer can understand them.
- The agreement should set forth the amount of HOME assistance provided, the form of such assistance, and the deadline for acquiring the housing unit with the HOME funds.

Written Agreements between OHFA and HOME Awardees

Written Agreements will be used to contract with funded applicants in order to implement proposed HOME activities and govern execution. The maximum Written Agreement period shall be three (3) years. **A meeting between OHFA, the HOME Awardee, and any-partners to review contractual and Project elements may be required prior to execution of Written Agreements.**

Written Agreement Modifications

Activity and design modifications to funded Applications are strongly discouraged. **Activity and design modifications cannot be made to funded Projects without the prior written approval of OHFA. Extensions of Written Agreement periods will not be permitted for any Written Agreement that has not completed the necessary environmental review.**

Funded Applications are subsequently made part of all Written Agreements between OHFA and the HOME Awardee. Unapproved variations to funded designs are considered violations of contractual agreements and may result in disallowed costs, the repayment of HOME funds to OHFA, or possible suspension from future HOME Program participation.

Written Agreement Performance

OHFA regularly assesses the performance of its HOME partners. Based on the performance pursuant to the requirements contained in its Written Agreements and the Program regulations, OHFA may withdraw funding due to non- performance, poor performance, and/or untimely performance. In addition, OHFA may, at its discretion and within its regulatory authority pursuant to 24 CFR Part 92.2, reassign untimely Written Agreement funding in order to affect timely expenditure, performance, and completion.

Written Agreement Performance Measurement

The OHFA HOME Finance Staff has developed the following chart outlining how Written Agreement progress will be monitored. All time periods are based on the date of execution of the Written Agreement.

<u>Time Period</u>	<u>% Expended</u>	<u>Action</u>	<u>Performance Measure</u>
0 – 9 months	If 0% expended	send letter	Concern
0 – 11 months	0% drawn down on Activity set-up in IDIS	send letter	Concern
0 – 12 months	If 0% expended and no explanation from applicant	send letter	Finding

0 - 18 months	<25% expended	send letter	Concern
0 - 24 months	<50% expended	send letter	Finding
0 - 36 months	<100% expended	send letter	Finding

There must be a plan in place to expend funds by the contract end date. If the funds are not expended by the contract end date, the contract may be subject to cancellation and/funds will be repaid.

30 days after all funds drawn down in IDIS	100% of funds expended	Letter sent if activity completion reports not received
60 days after all funds drawn down in IDIS	100% of funds expended	Letter sent if activity completion reports not received and if closeout documents not received within 60-days of the contract end date
75 days after all funds drawn down in IDIS	100% of funds expended	Letter sent if activity completion reports not received. This will be a concern
90 days after all funds drawn down in IDIS	100% of funds expended	If activity completion reports and closeout documents not received, a compliance visit will be scheduled and this will be finding

The above is not an exclusive list of possible concerns or findings.

For CHDOs, excessive findings in regard to contract performance may result in CHDOs being placed on probation or, in severe cases, decertified.

PLEASE NOTE: HUD’s Integrated Disbursement and Information System (IDIS) will cancel any activity that has had no money drawn down for twelve months.

Section 92.502 (b) (2) of the HOME regulations permits HUD to automatically cancel an activity that has been committed in the system for 12 months without an initial disbursement of funds. HUD has deemed it necessary to exercise its authority to automatically cancel these activities beginning January 1, 2012. To avoid cancellation of activities grantees should ensure that they have drawn down money within 12 months of the IDIS setup date.