



COMMUNITY HOUSING DEVELOPMENT ORGANIZATION (CHDO) PROGRAM

HISTORY, OBJECTIVES, AND GOALS OF THE PROGRAM

The HOME Program was created by the National Affordable Housing Act of 1990 (NAHA), and has been amended several times by subsequent legislation. The HOME Investment Partnerships Program (HOME) provides formula grants to States and localities that communities use often in partnership with local nonprofit groups to fund a wide range of activities including building, buying, and/or rehabilitating affordable housing for rent or homeownership or providing direct rental assistance to low-income people. HOME is the largest Federal block grant to state and local governments designed exclusively to create affordable housing for low-income households.

HOME funds are awarded annually as formula grants to participating jurisdictions (PJs). The program's flexibility allows States and local governments to use HOME funds for grants, direct loans, loan guarantees or other forms of credit enhancements, or rental assistance or security deposits. The program was designed to reinforce several important values and principles of community development:

- HOME's flexibility empowers people and communities to design and implement strategies tailored to the participating jurisdiction's needs and priorities.
- HOME's emphasis on consolidated planning expands and strengthens partnerships among all levels of government and the private sector in the development of affordable housing.
- HOME's technical assistance activities and set-aside for qualified community-based nonprofit housing groups builds the capacity of these partners.
- HOME's requirement that participating jurisdictions match 25 cents of every dollar in program funds mobilizes community resources in support of affordable housing.

HUD's key substantive changes with the 2013 HOME Final Rule are intended to:

- Accelerate the timely production and occupancy of assisted housing,
- Strengthen the performance of PJs and their partners in producing and preserving affordable housing units,
- Provide PJs with greater flexibility in the design and implementation of their programs, and
- Increase administrative transparency and accountability.

Local Objectives and intent of the HOME Program:

- Provide decent affordable housing for low-moderate income households,
- Expand the capacity of nonprofit housing developers,
- Strengthen the ability of state and local governments to provide housing, and
- Leverage private-sector participation.



OVERVIEW

CHDO: A Community Housing Development Organization (CHDO) is a private, nonprofit organization that meets a series of qualifications prescribed in the HOME regulations. The City must use a minimum of fifteen-percent (15%) of its annual allocation for housing owned, developed or sponsored by CHDOs. The City will evaluate organizations' qualifications and designate them as CHDOs. 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 fifteen percent (15%) set-aside. A CHDO can act in three (3) different capacity roles as listed below; however, due to the new changes in the 2013 HOME Final Rule, the CHDO must select one of the following:

- **Owner:** The CHDO is an "owner" when it holds valid legal title to or has a long-term (99-year minimum) leasehold interest in rental property. The CHDO may be an owner with one or more individuals, corporation, partnership or other legal entities.
- **Developer:** A CHDO is a "developer" when it either owns a property and develops a project or has a contractual obligation to a property owner to develop a project.
- **Sponsor:** A CHDO is a "sponsor" for HOME-assisted rental or homebuyer housing when it develops a project that it solely or partially owns and agrees to convey ownership to a second nonprofit organization at a predetermined time. The conveyance may take place prior to, during or upon completion of the development phase.

One of the goals of the HOME Program is to establish strong public/private partnerships. The City is required to make all reasonable efforts to maximize participation by private lenders and other members of the private sector. The Community Reinvestment Act (CRA) requirements provide an incentive to private lending institutions to become involved in HOME Program activities. Accordingly, all City Partners are encouraged to use private lenders as part of project financing.

CHDO PROPOSAL FOR FUNDING

CHDOs may apply except those who have had open findings or concerns for a period of 60 days that have not been satisfactorily addressed in accordance with the requirements of the City and/or CHDOs having multiple open HOME-funded contracts. The funding is on a competitive basis.

The City has determined that the following activities may be undertaken by CHDOs:



- **Direct Financial Assistance:** HOME funds may be used to assist the purchaser of a HOME-assisted housing unit sponsored by a CHDO with HOME funds.
- **Homebuyer activities:** HOME funds may finance the acquisition and/or rehabilitation or new construction of homes for homebuyers. ***There is a nine (9) month deadline for the sale of a home or it will have to be converted to rental or the funds must be repaid back per 2013 HOME Final Rule.***
- **Rental housing:** Affordable rental housing may be acquired and/or rehabilitated, or constructed. ***Rental units must be occupied by income-eligible households within 18 months of project completion; if not then the HOME funds must be repaid for the vacant units per 2013 HOME Final Rule.***

CHDO EXPERIENCE RATIO RATE CHART FOR SUBSIDY LEVEL

and

RATIO OF THE NUMBER OF UNITS FROM THE PROJECT TO THE AMOUNT OF FUNDS REQUESTED

<u>Years of Experience</u>	<u>Single Family Max.</u>	<u>Multi-Family Max.</u>
1	\$ 60,000.00	\$ 20,000.00
2	\$ 50,000.00	\$ 15,000.00
3	\$ 40,000.00	\$ 10,000.00
4	\$ 30,000.00	\$ 7,000.00
5 or more	\$ 20,000.00	\$ 5,000.00

Example:

During the third (3rd) year of operation a CHDO request funding in the amount of Three Hundred Thousand Dollars (\$300,000.00) from the City of Memphis to construct five (5) single family housing units. Based upon the CHDO years of experience, which is three (3) years, HOME funds permitted per unit subsidy is Forty Thousand Dollars (\$40,000.00) and the grant amount awarded would be Two Hundred Thousand Dollars (\$200,000.00) and the CHDO will have to seek additional leverage dollars elsewhere.

Please note: Funding requests for both Project and Operating funds may be increased to the CHDOs based on: increased costs of construction, number of applicants approved, and HCD's awarded HOME funds received from HUD.

CHDO POLICY - Use of Operating Funds

The purpose of this policy is to promote self-sufficiency for the City of Memphis designated CHDO organizations in keeping with the intent of responsible management of federal HOME Program funds. Exceptions to this policy are subject to intense review and the direct approval of the Housing and



Community Development Director.

Use of Operating Funds - Funds will be used in accordance with HOME federal regulations as shown in 24 CFR 92.92.208 (a); (b) and 92.300 (e); (f) of the HOME Final Rule September 1999 **and 2013 HOME Final Rule.**

Operating funds under the CHDO HOME Program will be used to assist CHDO designated organizations in carrying out the project development of affordable housing units.

- Years of Funding - as of January 2000, CHDO applicants requesting operating funds will be evaluated by the number of years of receiving CHDO operating funding and the number of units that the CHDO has developed, and number of units to be developed in their submitted application.
- First consideration will be given to first time project development applicants competing in the application process; the desire of the City is to assist new CHDO organizations to build up their capacity level. Consideration will be given to those who have been recipients of CHDO operating funds for three years or less.

ADMINISTRATIVE FUNDING POLICY

Years Participating in CHDO Program	Amount Allowed Per Unit	Maximum Amount Allowed
1	Up to \$20,000 per Unit	\$50,000.00
2	Up to \$15,000 per Unit	\$40,000.00
3	Up to \$10,000 per Unit	\$30,000.00
4	Up to \$5,000 per Unit	\$20,000.00
5+	Up to \$3,000 per Unit	\$15,000.00

SPECIAL NEEDS POPULATION

The Memphis CHDO Program encourages applications for funding that propose housing for special populations with low and very low incomes. Special Needs Population include the mentally ill, individuals with substance abuse problems, the developmentally disabled, the physically disabled, persons living with AIDS, the elderly, and the homeless. The CHDO program will give priority to projects that increase the availability of supportive housing units in safe and stable neighborhoods and insure that residents develop and maintain a clearly defined level of self-sufficiency through the provision of appropriate supportive



services. Such projects should be planned and carried out in conjunction with appropriate service providers that regularly serve the targeted special population.

HOME-eligible types of housing encouraged for this target population include group housing, single room occupancy dwellings, multifamily housing units and permanent single-family housing. Both rental housing and homebuyer opportunities are encouraged depending on the suitability of the housing for the proposed group.

HOMELESS

New Construction or rehabilitation of housing units that can meet the need of an individual(s) or family which lacks a fixed, regular and adequate night time residence.

LARGE FAMILIES/HOUSEHOLDS

The Memphis CHDO Program encourages applications that propose the development of affordable housing of appropriate size for large lower-income households in Memphis. Large households are households of five or more persons who include at least one person related to the householder by blood, marriage or adoption. Targeting large households will allow the program to provide housing for a low-income group that seldom can find housing of appropriate size and affordability. Development of single-family dwelling units with four or more bedrooms to be rented by these families is a priority of the City's CHDO program.

While HOME-eligible types of housing for large families include multi-family and single-family housing units for renters and home buyers, the development of single family rental units with four or more bedrooms that are appropriate for serving the target population will be given priority.

TARGET NEIGHBORHOODS/MEMPHIS 3.0

The City of Memphis Community Housing Development Organization (CHDO) Program is designed to provide funds to CHDOs to undertake housing construction or rehabilitation projects which benefit low-moderate income households. The City has created Memphis 3.0 which is a comprehensive plan of a roadmap for how the City can grow over the next 20 years and in the third century. Preference will be given to CHDO projects that are proposed within the Memphis 3.0 target areas. The plan calls for redevelopment and reinvestment in anchor areas in the core city and neighborhoods, connectivity of people, jobs, businesses, infrastructure and expanding equity and opportunity to communities across the City. All CHDO projects must adhere to the goals and objectives as outlined in the Consolidated Plan three-year strategy.

Applications for projects throughout the City are eligible, but projects located in the Memphis 3.0 areas of the City may be given preference. These areas are as follows:

- Frayser
- Core
- Raleigh
- North Memphis
- Westwood
- Jackson
- South Memphis
- Whitehaven
- University



- Lamar
- Southeast Memphis
- Oakhaven & Parkway Village
- East Memphis

Priorities – strong consideration will be given to those applications that reflect qualified and experienced staffing with the capacity to carry out the administrative and program functions of the organization.

CHDO CAPACITY PERFORMANCE POLICY

The following attributes and abilities will measure a CHDO's performance capacity. Each point noted below must be evidenced in writing. CHDOs that apply for project funds must meet the following:

- To qualify as a CHDO, a nonprofit must have paid staff whose experience qualifies them to undertake CHDO set-aside activities. Capacity cannot be demonstrated by use of a consultant, except in the first year that a CHDO becomes certified. [92.2 Community Housing Development Organization]
- Each time the PJ commits HOME funds, it must re-certify a nonprofit's qualifications to be a CHDO and its capacity to own, sponsor, or develop housing. [92.300(a)]
- Present documentation of CHDO status in accordance with all applicable HOME requirements in the latest Rule;
- Provide evidence of ties with neighborhood organizations, enterprises and leadership.
- Present an established process for obtaining citizens' input, gathering information and data on housing issues and a market analysis to support the housing solution being proposed by the CHDO requesting funds;
- Provide a housing solution linked with the Consolidated Plan; specific and reflective of the population, neighborhood or area being served and supported by a marketing plan;
- Present an established process for meeting funding based on clients' qualifying requirements; equitable method for choosing whom among many eligible applicants, will receive the proposed housing services;
- Provide a development and management plan for carrying out the housing solution, within a specific time frame, from project planning, site acquisition, project construction and marketing, to warranty support and property standards maintenance throughout the affordability period;
- **Must submit** commitment letter(s) from other funding sources: banks, investors, private lending, grants/loans other than HCD;
- Provide qualified and experienced names of who will serve on your "development team" or technical consultants for real estate development, engineering, environmental and/or construction design issues throughout the project;
- Present a functional business office and qualified staff:



- To qualify as a CHDO, a nonprofit must have paid staff whose experience qualifies them to undertake CHDO set-aside activities. Capacity cannot be demonstrated by use of a consultant, except in the first year that a CHDO becomes certified. [*§92.2 Community housing development organization*]
 - Could include a minimum of three staff persons: program director, construction manager, and/or clerical;
 - Part-time or contract business support: accountant, legal (counsel, real estate closings);
 - Non-residential office location/ mailing address, phone;
- Provide staff leadership with a verifiable background in nonprofit program financial management and federally funded real estate development;
 - Present an “emergency” staffing and support plan in the event of an employment crisis.

CURRENT HOME SNAPSHOT

Amounts: CHDO HOME dollars awarded for fiscal year FY 1992 through FY 2021 has been:



	<u>CHDO Project Set-aside</u>		<u>CHDO Operating Set-aside</u>	
• FY 1992	\$	870,000.00	\$	155,000.00
• FY 1993	\$	574,350.00	\$	114,870.00
• FY 1994	\$	631,091.92	\$	235,130.00
• FY 1995	\$	687,850.00	\$	212,000.00
• FY 1996	\$	689,000.00	\$	-0-
• FY 1997	\$	920,000.00	\$	184,000.00
• FY 1998	\$	665,000.00	\$	-0-
• FY 1999	\$	759,900.00	\$	253,250.00
• FY 2000	\$	760,800.00	\$	523,253.00
• FY 2001	\$	844,950.00	\$	281,650.00
• FY 2002	\$	941,201.00	\$	257,237.00
• FY 2003	\$	750,415.00	\$	251,138.00
• FY 2004	\$	765,022.00	\$	255,007.00
• FY 2005	\$	729,459.00	\$	243,153.00
• FY 2006	\$	729,460.00	\$	243,153.00
• FY 2007	\$	692,755.00	\$	230,918.00
• FY 2008	\$	691,086.00	\$	230,361.90
• FY 2009	\$	665,242.80	\$	221,747.60
• FY 2010	\$	742,563.00	\$	221,747.00
• FY 2011	\$	738,228.00	\$	246,076.00
• FY 2012	\$	1,090,908.25	\$	217,112.25
• FY 2013	\$	419,501.10	\$	139,833.70
• FY 2014	\$	391,574.00	\$	130,524.00
• FY 2015	\$	403,989.00	\$	134,663.00
• FY 2016	\$	357,956.40	\$	119,198.80
• FY 2017	\$	378,135.30	\$	126,045.10
• FY 2018	\$	642,792.77	\$	127,701.30
• FY 2019	\$	1,330,000.00	\$	160,000.00
• FY2020	\$	-0-	\$	-0-
• FY2021	\$	600,000.00	\$	175,032.00

HOME FUNDS TIME LIMITATIONS

Timeframe

The City of Memphis is obligated to commit and spend its allocated funds within certain time frames or face the loss of HOME funds. Therefore, all contracting entities must provide detailed timelines and adhere to those timelines.



- The City has ***Twenty-four (24) months*** to enter into written agreements with developers, owners, contractors, sub-recipients, and Community Housing Development Organizations (CHDOs) to commit HOME funds.
- Those contracting with the City having HOME funded projects are expected to complete projects within eighteen (18) calendar months. The contract execution date is indicated on the cover page of the CHDO contract.
- CHDOs are awarded funding from available HOME funds. The fiscal year that the CHDO dollars are awarded from is identified in the CHDO contract.

CHDO SET-ASIDE REQUIREMENTS

- The City must reserve ***a minimum of fifteen (15%) percent*** of its annual allocation for activities undertaken by designated Community Housing Development Organizations (CHDOs).
- In addition, the City may reserve up to five (5%) percent of its annual HOME administrative allocation from HUD for operating expenses incurred by qualified CHDOs while they are undertaking CHDO activities.

CHDO HOME-FUNDED ACTIVITIES

The City has determined that the following activities may be undertaken by CHDOs:

- **Homebuyer activities:** HOME funds may finance the acquisition and/or rehabilitation or new construction of homes for homebuyers. ***There's a nine (9) month deadline for the sale of a home or it will have to be converted to rental or the funds will have to be repaid per 2013 HOME Final Rule.***
- **Rental housing:** Affordable rental housing may be acquired and/or rehabilitated, or constructed. ***Rental units must be occupied by income-eligible households within 18 months of project completion; if not then the HOME funds must be repaid for the vacant units per 2013 HOME Final Rule.***
- **Direct Financial Assistance:** HOME funds may be used to assist the purchaser of a HOME-assisted housing unit sponsored by a CHDO with HOME funds.



GLOSSARY OF HOME TERMS

Action Plan: The one-year portion of the Consolidated Plan (see below). It includes the City's annual application for HOME funds.

Adjusted Income: Adjusted income is annual (gross) income reduced by deductions for dependents, elderly households, medical expenses, handicap assistance expenses and child care (these are the same adjustment factors used by the Section 8 Program). Adjusted income is used in HOME to compute the actual tenant payment in TBRA programs.

Affordability: The requirements of the HOME Program that relate to the cost of housing both at initial occupancy and over established timeframes, as prescribed in the HOME Final Rule. Affordability requirements vary depending upon the nature of the HOME assisted activity (i.e., homeownership or rental housing).

Annual Income: The HOME Program allows the use of one of three definitions of annual income: Section 8 annual income; annual income as reported on the U.S. Census long form; and adjusted gross income as defined for reporting on IRS Form 1040.

Commitment: Commitment means one of three things: (1) The City has executed a legally binding agreement with a sub recipient, or contractor to use a specific amount of HOME funds to produce affordable housing or provide tenant-based rental assistance; or (2) the City has executed a written agreement reserving a specific amount of funds for a CHDO; or (3) the City has met requirements to commit to a specific local project as defined below.

Commitment to a specific project: Commitment to a specific local project means that a legally binding agreement was executed meeting one of the following sets of requirements: (1) For rehabilitation or new construction projects, the City and the project owner will execute an agreement for an identifiable project under which construction can reasonably be expected to start within 12 months of the agreement date. (2) If the project consists of acquisition of standard housing by the City, the agreement must be a binding contract for the sale of an identifiable property and the property title must be transferred to the City (or other entity) within six months of the date of the contract. (3) If the project involves the acquisition of



standard housing and the City is providing HOME, funds to a purchaser, under the agreement, the title of the property must be transferred to the purchaser within six months of the agreement date. (4) If the project consists of TBRA, the City must enter into a rental assistance contract with the owner or the tenant in accordance with the provisions of 24 CFR Part 92.209.

Community Housing Development Organization (CHDO): A private, nonprofit organization that meets a series of qualifications prescribed in the HOME regulations at 24 CFR Part 92.2. The City must award at least fifteen percent (15%) of its annual HOME allocation to CHDOs.

Concerns: Monitoring issues that appear to not to be line with HUD regulations.

Consolidated Plan: A plan prepared by the City in accordance with the requirements set forth in 24 CFR Part 91 which describes community needs, resources, priorities and proposed activities to be undertaken under certain HUD programs, including HOME.

Final Rule: The Final HOME Rule was published at 24 CFR Part 92 on September 16, 1996 and became effective on October 16, 1996. **There were some changes made to the Federal Register on July 24, 2013 entitled 2013 HOME Final Rule.**

Finding: Violations of HUD regulations.

Group Home: Housing occupied by two or more single persons or families consisting of common space and/or facilities for group use by the occupants of the unit, and (except in the case of shared one-bedroom units) separate private space for each family.

HOME-Assisted Units: A term that refers to the units within a HOME project for which rent, occupancy and/or resale restrictions apply. The number of units designated as HOME-assisted affects the maximum HOME subsidies that may be provided to a project.

HOME Funds: All appropriations for the HOME Program, plus all repayments and interest or other returns on the investment of these funds.

HOME Investment Trust Fund: The term is given to the two accounts - one at the federal level and one at the local level - that "hold" the City's HOME funds. The federal HOME Investment Trust Account is the U.S. Treasury accounts for each participating jurisdiction. The local HOME Investment Trust Fund account includes repayments of HOME funds, matching contributions and payment of interest or other returns on investment.

Household: One or more persons occupying a housing unit.

Income Targeting: Projects of 5 or more HOME assisted units at least 20 percent of the HOME assisted rental units must be occupied by families who have annual incomes that are 50 percent or less of median income.



Income Verification: Determination of an individual wage earnings or governmental benefits with at least two (2) months of proof documentation.

Jurisdiction: A state or unit of general local government.

Large Household/Family: Households of five or more persons who include at least one person related to the householder by blood, marriage or adoption.

Low-Income Families: Families whose annual incomes do not exceed eighty percent (80%) of the median income for the area (adjusted for family size).

Match: All participating jurisdictions (PJs) must contribute or match no less than 25 cents for each dollar of HOME funds spent on affordable housing. The matching contribution adds to the resources available for HOME-assisted or HOME-eligible projects, and must come in the form of a permanent contribution to affordable housing. Generally, investments from State or local governments or the private sector qualify as matching contributions, whereas Federal funds (such as CDBG) do not qualify. Eligible sources of a match for HOME funds include: Cash; donated construction materials or volunteer labor; value of donated land or real property; value of foregone interest, taxes, fees, or charges levied by public or private entities; Investments in on-or offsite improvements; proceeds from bond financing; the cost of supportive services provided to families living in HOME units; and the cost of homebuyer counseling to families purchasing HOME-assisted units.

New Construction: The creation of new dwelling units. Any project which includes the creation of the foundation and framing structure of a dwelling is considered new construction.

Participating Jurisdiction (PJ): The term given to a city, state, or consortium that has been designated by HUD to administer the HOME Program. HUD designation as a PJ occurs if a state or local government meets the funding thresholds, notifies HUD that they intend to participate in the program and has a HUD-approved Consolidated Plan.

Program Income/CHDO Proceeds: Gross income received by the CHDO directly generated from the use of HOME funds or matching contributions.

Project: A site or an entire building or two or more buildings, together with the site or sites on which the building or buildings is located, that are under common ownership, management and financing and are to be assisted with HOME funds, under a commitment by the owner, as a single undertaking. The HOME Final Rule eliminated the requirement that all buildings fall within a four-block radius.

Project completion: All necessary title transfer requirements completed, construction work have been completed, inspected, and approved; the project complies with all HOME requirements; all funds have been expended, the final draw-down has been disbursed for the project, and the project completion information and beneficiary data information if applicable at the time of completion has been entered in the Information Disbursement Information System (IDIS) established by HUD. For TBRA, project completion means the final draw down has been disbursed for the project.



Reconstruction (also rehabilitation): The rebuilding, on the same lot, of housing standing on a site at the time of project commitment. The number of housing units on the lot may not be changed as part of the reconstruction project, but the number of rooms per unit may change. Reconstruction also includes replacing an existing substandard unit of manufactured housing with a new or standard unit of manufactured housing.

Single-Room Occupancy (SRO): Housing consisting of single-room dwelling units that is the primary residence of its occupant or occupants. The unit must contain food preparation and/or sanitary facilities if the project involves new construction, conversion of non-residential space, or reconstruction. If the units do not contain sanitary facilities, the building must contain sanitary facilities shared by the tenants.

Targeting: Requirements of the HOME Program relating to the income or other characteristics of households that may occupy HOME-assisted units.

Total Project Cost: All costs associated with the development of a HOME funded project. HOME participation is computed on a per unit basis and is limited to the lesser of \$60,000 or the subsidy needed to achieve fair market value.

Unit: The basis for calculating HOME support to a project. It is housing for a single household. All HOME funding support is computed and limited on a per unit basis.

Violence Against Women Reauthorization Act (VAWA): VAWA provides protections to applicants to tenants of HOME-units who are survivors of: domestic violence, dating violence, sexual assault, or stalking. It also applies regardless of gender.

Very Low-Income Families: Families whose annual incomes do not exceed fifty percent (50%) of the median income for the area (adjusted for family size).

BOARD LISTING

COMMUNITY HOUSING DEVELOPMENT ORGANIZATION(CHDO)

BOARD OF DIRECTORS

Name	Address	Occupation	Term Expires	Low-Income Representative	Government Employee



				(Yes/No)	(Yes/No)
John Q. Public	1234 Magnolia Street Memphis, TN 12345	Program Office, Community Foundation	12/31/2018	Yes	No

Insert the following information for each of the organization’s board members and submit with your application. Indicate if they are either representatives of the low-income community or state or local government employees. Top line is an example. (Additional copies may be attached as necessary.)

This is an accurate roster of the Board of Directors as of ____/____/20____.

Board Chair

Date

Executive Director

Date

MANDATORY ITEMS TO BE REVIEWED



Please view the following checklist in submitting your application. Your application will be considered incomplete if any of the following mandatory items are missing. Further review will not resume and you can re-submit your application during the next month's submission period if funding permits.

CHDO APPLICATION

MANDATORY ITEMS FOR FEASIBILITY:

<input type="checkbox"/>	Real Estate Application
<input type="checkbox"/>	Organizational documents (Articles of Incorporation/Charter, Bylaws, IRS 501(C)(3) or (4) Letter)
<input type="checkbox"/>	Board of Directors' Listing
<input type="checkbox"/>	Letter(s) of Commitment from Financial Institution(s)
<input type="checkbox"/>	Market Study or Assessment Report for Service Area
<input type="checkbox"/>	Affirmative Marketing Plan
<input type="checkbox"/>	Applicant Certification Page with Signatures
<input type="checkbox"/>	Job Descriptions and Staff Resumes
<input type="checkbox"/>	Conceptual drawings: sketches of site plan and building layout. If available, provide elevation



OTHER FEDERAL HOME REQUIREMENTS

A. Non-Discrimination, Title VI. The CHDO, in compliance with the requirements of Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq.) and the Site and Neighborhood Standards (92.202), agrees that no person shall on the grounds of race, color, age or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination in this program funded with Federal financial assistance.

B. Non-Discrimination, Title VII. The CHDO shall not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin. The CHDO shall take affirmative action to ensure that applicants are employed, and the employees are treated during employment, without regard to their race, color, religion, sex or national origins. Such action shall include but not limited to, the following: employment, upgrading, demotion or transfer; recruitment advertising; layoff or termination, rates of pay or other forms of apprenticeship. The CHDO agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the City, setting forth the provisions of this non-discrimination clause.

C. Section 3. The CHDO, in compliance with Section 3 of the Housing and Urban Development Act of 1968, shall, to the greatest extent feasible, provide opportunities for training and employment of lower income persons residing with the City of Memphis and to award contracts for any work in connection with this agreement to eligible business concerns which are located in, or owned in substantial part by persons residing in the City of Memphis.

D. Fair Housing. The CHDO shall comply with all relevant provisions of the Fair Housing Act as codified at 42 U.S. C. 3600 et seq., which, in pertinent part prohibits 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, national origin, handicap, or familial status. In addition, the CHDO also agrees to comply with the Fair Housing Ordinance for the City of Memphis, as codified at Memphis Code of Ordinances, § 48-251 et seq.

E. Handicap Accessibility/Adaptability. The CHDO shall comply with handicap accessibility requirement where applicable. New projects must be designed and constructed in accordance with applicable Memphis and Shelby County codes. The standards are referenced at Section 504 of the Rehabilitation Act of 1973 or at 24 CFR Part §8. The CHDO also agrees not to discriminate against any otherwise qualified individual on the basis of handicap as set forth in Section of the Rehabilitation Act of 1973.



F. Suspended or Debarred CHDOs. The CHDO shall not use federal assistance, directly or indirectly, to employ, award contracts to or otherwise negate the services of or fund any CHDO during any period or debarment, suspension or placement in ineligibility status under the provisions of 24 CFR Part 24.

G. Financial Management. The CHDO shall comply with OMB Circular A-110, Attachment F 2.1, regarding standards for financial management systems. The financial management system shall provide for the following:

1. Accurate, current and complete disclosure of financial results of the activity.
2. Records that identify adequately the source and application of funds for this activity. These records shall contain information pertaining to awards, authorizations, obligations, non-obligated balances, assets, outlays and income.
3. Effective control over and accountability for all funds, property and other assets The CHDO shall adequately safeguard all such assets and shall assure that they are used solely for authorized purposes.
4. Procedures for determining the reasonableness, Allowability and allocability of costs in accordance with the provisions of cost principles found in OMB Circular A-122, which are incorporated herein by this reference.
5. Accounting records that are supported by source documentation.
6. Examinations of the project defined in the contract in the form of audits or internal audits by qualified individual. Such audits are to be produced after the completion of the project or at a minimum of every two (2) years.

H. Lobbying. No Federal appropriated funds may be used paid by or on behalf of the CHDO to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member in Congress in connection with awarding of any Federal contract, grant, loan or cooperative agreement. If funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, or an employee of a Member of Congress in connection with a HOME CHDO Contract Agreement, grant, loan, or cooperative agreement, the CHDO shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions. The CHDO shall require that the language of this paragraph be included in the award documents of all sub-awards and all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all subcontractors shall certify and disclose accordingly.

I. Clean Air and Water Pollution. The CHDO shall comply with all applicable standards, order, and regulations promulgated pursuant to the Clean Air Act of 1970 (42 U.S.C. 1857 et seq.) and the Federal Water Pollution Control Act.



J. Drug Free Work Place. The CHDO shall maintain a drug free workplace in accordance with the requirement of 24 CFR 21 and shall administer a written policy for drug and alcohol-free facilities.

K. Conflict of Interest (24 CFR 92.356). No employee, agent, consultant, elected official, or appointed official of The CHDO may obtain a financial interest or unit benefits from a HOME-assisted activity, either for themselves or those with whom they have family or business ties, during their tenure or for one year thereafter. This prohibition includes the following:

- Any interest in any contract, subcontract or agreement with respect to a HOME projects or programs administered by the CHDO, or the proceeds thereunder; or
- Any Unit benefits or financial assistance associated with HOME projects or programs administered by the CHDO, including:
 - o Occupancy of a rental housing unit in a HOME-assisted rental project;
 - o Receipt of HOME tenant-based rental assistance;
 - o Purchase or occupancy of a homebuyer unit in a HOME-assisted project;
 - o Receipt of HOME homebuyer acquisition assistance; or
 - o Receipt of HOME owner-occupied rehabilitation assistance

This prohibition does not apply to an employee or agent of the CHDO who occupies a HOME-assisted unit as the on-site project manager or maintenance worker.

In addition, no member of Congress of the United States, official or employee of HUD, or official or employee of the Participating Jurisdiction shall be permitted to receive or share any financial or unit benefits arising from the HOME-assisted project or program.

Prior to the implementation of the HOME-assisted activity, exceptions to these provisions may be requested by the CHDO in writing to the Participating Jurisdiction. The CHDO must demonstrate and certify that the policies and procedures adopted for the activity will ensure fair treatment of all parties, and that the covered persons referenced in this policy will have no inside information or undue influence regarding the award of contracts or benefits of the HOME-assistance. The Jurisdiction may grant exceptions or forward the requested to HUD as permitted by 24 CFR 92.356.85.36 and 84.42, as they apply.

The CHDO covenants that it has no public or private interest, and shall not acquire, any interest, directly or indirectly, which would conflict in any manner with the performance required under this Agreement, and the CHDO covenants that no gratuities, in the form of entertainment, gifts, or otherwise, were offered or given by the CHDO or any agent or representative of the CHDO, to any officer, official, agent or



employee of the City, in an effort to secure the Agreement or favorable treatment with respect to any determinations concerning the performance of the Agreement. The CHDO warrants that no part of the total contract amount provided herein shall be paid directly or indirectly to any officer or employee of the City as wages, compensation, or gifts in exchange for acting as officer, agent, employee, subcontractor or consultant to the CHDO in connection with any work contemplated or performed relative to this Agreement. For breach or violation of this provision, the City may cancel this Agreement without any liability to the CHDO and shall have the right to recover or withhold the full amount of such gratuities and to terminate this Agreement. The CHDO warrants that it has not employed or retained any company or person other than a bona fide employee working solely for the CHDO, to solicit or secure this Agreement, and that it has not paid or agreed to pay any company or person, other than a bona fide employee working solely for the CHDO any fee, commission, percentage, brokerage fee, gift, or any other consideration contingent upon or resulting from the award or making of this Agreement. For breach or violation of this provision, the City shall have the right to recover the full amount of such fee, commission, percentage, brokerage fee, gift, or other consideration, in addition to other remedies available herein or at law or in equity.

L. Contract Work Hours and Safety Standards Act. Pursuant to the Contract Work Hours and Safety Standards Act, 40 U.S.C.A. § 3701, with further guidance provided at 29 C.F.R. Part 5, contractors and subcontractors on federally-funded or assisted construction contracts in excess of \$100,000 shall pay all laborers and mechanics one and one-half (1½) times their basic rates of pay for all hours worked over forty (40) in a workweek.

M. Copeland Anti-Kickback Act. For all contracts with respect to the construction, prosecution, completion or repair of any public building, public work or building or work financed, in whole or in part, by loans or grants from the United States, the CHDO shall comply with the provisions of the Copeland Anti-kickback Act, 18 U.S.C.A. § 874, as supplemented by Department of Labor regulations (29 C.F.R. Part 3), and is prohibited from inducing, by any means, any person employed to give up any part of his/her compensation.

N. Davis-Bacon Act. For all federally-funded or assisted contracts, in excess of \$2,000, for the construction, alteration and/or repair, including painting or decorating, of a public building or public work, the CHDO and any subcontractors shall comply with the Davis-Bacon Act, 40 U.S.C.A. § 3141 et seq., with further guidance provided at 29 C.F.R. Part 5, which requires covered contractors and subcontractors to pay their laborers and mechanics employed upon the worksite no less than the locally prevailing wages and fringe benefits for corresponding classes or laborers and mechanics employed on similar projects in the area, as determined by the Secretary of Labor.

O. General Compliance with Law. The CHDO certifies that it is qualified or will take steps necessary to qualify to do business in the State of Tennessee and that it shall take such action as, from time to time, may be necessary to remain so qualified and shall obtain, at its own expense, all licenses, permits, insurance, and governmental approvals, if any, necessary to the performance of its obligations under this Agreement. Such permits and licenses shall be made available to the City, upon request. Further, the CHDO is assumed to be familiar with and shall comply with all applicable federal, state, and local laws,



ordinances, and regulations in performing any of its obligations under this Agreement, including but not limited to the Fair Labor Standards Act, Occupational Safety and Health Administration (OSHA), and the Americans with Disabilities Act (ADA). The CHDO shall promptly notify the City of any conflict discovered between this Agreement and any applicable laws, rules, regulations, and/or permits and licenses, and await resolution of the conflict. In the event the CHDO fails to comply with any and all local, state and federal laws, rules, or regulations, this agreement may be canceled, terminated or suspended in whole or in part by the City.

P. Employment of Illegal Immigrants. The CHDO hereby certifies that it will comply with all applicable federal and state laws prohibiting the employment of individuals not legally authorized to work in the United States. CHDO shall not knowingly (i) utilize the services of illegal immigrants; or (ii) utilize the services of any subcontractor who will utilize the services of illegal immigrants in the performance of the contract. In the event the CHDO fails to comply with any and all local, state and federal laws prohibiting the employment of individuals not legally authorized to work in the United States, this agreement may be canceled, terminated or suspended in whole or in part by the City, and the CHDO may be prohibited from contracting to supply goods and/or services to the City for a period of one (1) year from the date of discovery of the usage of illegal immigrant services in the performance of a contract with the City.

Q. Environmental Review. General. The environmental effects of each activity carried out with HOME funds must be assessed in accordance with the provisions of the National Environmental Policy Act of 1969 (NEPA) and the related authorities listed in HUD's implementing regulations at 24 CFR parts 50 and 58 per 24 CFR 92.352. The participating jurisdiction or insular area must assume responsibility for environmental review, decision making, and action for each activity that it carries out with HOME funds, in accordance with the requirements imposed on a recipient under 24 CFR part 58. No funds may be committed to a HOME activity or project before the completion of the environmental review and approval of the request for release of funds and related certification, except as authorized by 24 CFR part 58.

R. Violence Against Women Reauthorization Act (VAWA). On March 7, 2013, the [Violence Against Women Reauthorization Act](#) of 2013 (VAWA 2013) was signed into law. The law significantly expanded housing protections to victims of domestic violence, dating violence, sexual assault, and stalking across HUD's core housing and homelessness programs. To implement the law's new provisions, HUD issued a [final rule](#), which took effect on December 16, 2016. (92.259 and 24 CFR 5.2001 et seq (Subpart L)). VAWA provides protections to applicants to tenants of HOME-units who are survivors of: domestic violence, dating violence, sexual assault, or stalking. It also applies regardless of gender. The CHDO may not reject applicant or terminate/refuse to renew tenant as a direct result of the fact individual is/has been a victim. The lease bifurcation is provided by allowing only abuser to be evicted while survivor stays. The Emergency Transfer Plan will consist of the following: transfer to another HOME unit within the same project; if multi-family, external transfer to another HOME project; if units are available, the owner must waive any early termination fees.

T. Income Targeting. In projects of 5 or more HOME assisted units at least 20 percent of the HOME assisted rental units must be occupied by families who have annual incomes that are 50 percent or less of median income per HUD HOME project rule.



FAIR MARKET RENTS & INCOME

<u>2020 Income Limits</u>	<u>1 Person</u>	<u>2 Persons</u>	<u>3 Persons</u>	<u>4 Persons</u>	<u>5 Persons</u>	<u>6 Persons</u>	<u>7 Persons</u>	<u>8 Persons</u>
30% of Median	14,250	16,300	18,350	20,350	22,000	23,650	25,250	26,900
Very Low Income	23,800	27,200	30,600	33,950	36,700	39,400	42,100	44,850
60% of Median	28,560	32,640	36,720	40,740	44,040	47,280	50,520	53,820
Low Income	38,050	43,450	48,900	54,300	58,650	63,000	67,350	71,700

<u>Fair Market Rents</u>	<u>Efficiency</u>	<u>One Bedroom</u>	<u>Two Bedroom</u>	<u>Three Bedroom</u>	<u>Four Bedroom</u>	<u>Five Bedroom</u>	<u>Six Bedroom</u>
Memphis, TN/ MSA	665	755	884	1,203	1,374	1,580	1,786

<u>2020 HOME Rent Limits</u>	<u>Efficiency</u>	<u>One Bedroom</u>	<u>Two Bedroom</u>	<u>Three Bedroom</u>	<u>Four Bedroom</u>	<u>Five Bedroom</u>	<u>Six Bedroom</u>
<u>Rent Limit</u>							
Low HOME Rent Limit	595	637	765	883	985	1,086	1,188
High HOME Rent Limit	665	755	884	1,114	1,224	1,331	1,439
For Information Only:							
50% Rent Limit	595	637	765	883	985	1,086	1,188
65% Rent Limit	754	809	972	1,114	1,224	1,331	1,439