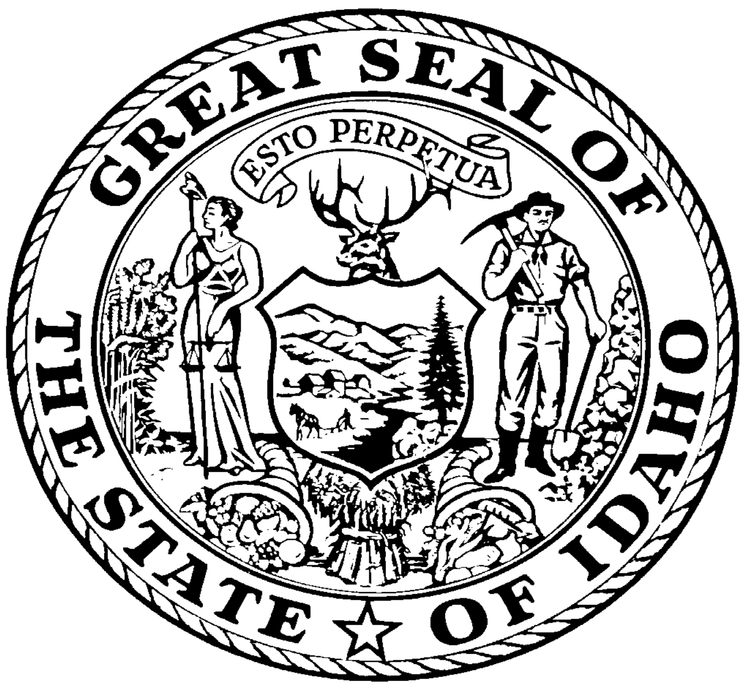
2024 Annual Action Plan
For
Idaho's Federal Community Development and Affordable Housing & Development Programs

Unique Appendices



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AP-05- Executive Summary-

Summary of Objectives and Outcomes

See AP-20 of this Plan

<u>Evaluation of Past Performance - Program Year 2023</u>

CDBG

Over the next five years, the goals and indicators for the CDBG program are as follows:

Public Facilities / Infrastructure - Compliance: Obligate/Expend 25% of the five-year allocation on activities that brings public facilities systems (infrastructure, community facilities, public utilities) into compliance with environmental laws, federal and state standards, industry standards, building codes, and best management practices. This includes helping qualified communities develop facility plans for water and sewer systems, conduct broadband feasibility studies, or develop a facilities energy audit. These activities over a five-year period should benefit approximately 60,000 individuals.

Public Facilities / Infrastructure - Rehabilitation: Obligate/Expend 30% of the five-year allocation on activities that include the rehabilitation, replacement, and/or remodeling of public facilities (infrastructure, community facilities, public utilities, and affordable housing) systems. This includes helping qualified communities develop facility plans for water and sewer systems, conduct broadband feasibility studies, or develop a facilities energy audit. These activities should benefit approximately 85,000 individuals. This would include helping qualified cities or counties acquire testing and/or rehabilitate a building to establish an infectious disease treatment clinic and/or accommodate isolation of patients during recovery.

Public Facilities / Infrastructure – New Construction: Obligate/Expend 25% of the five-year allocation on the new construction of a public facility (infrastructure, community facilities, and public utilities) or extension of public facilities to an eligible service area. This includes new infrastructure to support affordable housing and housing related activities. These activities should benefit approximately 60,000 individuals.

Economic Development – Job Creation: Obligate/Expend 10% of the five-year allocation on public infrastructure improvements for business expansion and subsequent job creation for low-to-moderate income persons. These activities should create 250 jobs.

Economic Development – Downtown Revitalization: Obligate/Expand 10% of the five-year allocation on public infrastructure improvements to prevent blighted downtown areas. These activities should improve eight (8) downtowns.

Public Service – Obligate CDBG-CV-CARES funds to public service projects that help to prevent, prepare for and respond to Coronavirus COVID-19 and other infectious diseases.

Technical Assistance- These activities will include furthering fair housing education and outreach and CDBG technical assistance and training.

CDBG changes and highlights:

- Created a new funding set-aside to help LMI communities develop facility plans for their water or sewer system, conduct broadband feasibility studies, or develop a facilities energy audit. Approved January 2020.
- Increased funding levels from $150,000 to $225,000 for senior centers, community centers, and public park projects. Approved January 2020.
- Increased funding level from $100,000 to $150,000 for post-disaster projects. Approved January 2020.
- Revised set-aside amounts putting more emphasis on funding senior/community centers and public parks in LMI communities. Approved December 2021.
- Revised scoring of Downtown Revitalization projects by placing more emphasis on projects that are improving ADA accessibility and public transportation. Approved December 2021.
- Increased funding levels from $225,000 to $250,000 for senior centers, community centers, and public park project. Approved February 2022. Decreased funding levels to $245,000 in January 2023.
- Changed set-aside percentage to better align with needs and demands of CDBG funding. Approved February 2022.
- In October 2023 bonus points were added to fire engine applications. The additional 40 points will help fire engine applications compete on a more level playing field with water and sewer infrastructure applications.

Evaluation of Past Performance

The grantees prepare and submit a Consolidated Annual Performance Evaluation Report (CAPER) to HUD 90 days after the start of the next program year. Because of these submission requirements, the evaluation of past performance in this Annual Action Plan will include the first year in the current 2020-2024 Consolidated Plan at the time of submission to HUD.

CDBG Program

In 2023 Commerce received $7,606,347 in CDBG funding. Of this total amount, minus state administration and technical assistance, here is the breakdown of the five goals and indicators:

Public Facilities / Infrastructure – Compliance:

Total amount of CDBG obligated = $1,744,085
Number of projects = 4
Number of people who benefit = 37,880
Number of LMI individuals who benefit = 20,226
<u>Public Infrastructure and Facilities - Compliance</u>: CDBG obligated / expended $1,744,085 on activities. This does not exceed the 25% goal of $1.9 million but is very close at 23%.

Public Facilities / Infrastructure – Rehabilitation:

Total amount of CDBG obligated = $2,500,000
Number of projects = 5
Number of people who benefit = 7,341
Number of LMI individuals who benefit = 3,924
<u>Public Infrastructure and Facilities - New Construction</u>: CDBG obligated / expended $2,500,000 on activities. This exceeds the 30% goal of $2.3 million.

Public Facilities / Infrastructure – New Construction:

Total amount of CDBG obligated = $1,900,000
Number of projects = 4
Number of people who benefit = 8,249
Number of LMI individuals who benefit = 4,710
Public Infrastructure and Facilities - New Construction: CDBG obligated / expended $1,900,000 on activities. This meets the 25% goal of $1.9 million.

Economic Development – Job Creation:

Total amount of CDBG obligated = $0
Number of projects = 0
Number of people who benefit = 0
Number of LMI individuals who benefit = 0
Economic Development - Job Creation: CDBG obligated/expended $0 on job creation activities. Obviously, this did not meet the 10% goal of $760,634.

Economic Development – Downtown Revitalization

Total amount of CDBG obligated = $245,000
Number of projects = 1
Number of people who benefit = 13,037
Economic Development - Downtown Revitalization: CDBG obligated/expended $0 on downtown revitalization activities. This did not meet the 10% goal of $760,634.

HOME and HTF Programs

1. The HOME Program continued to help owner's acquire, construct, and rehabilitate affordable rental and homebuyer housing throughout Idaho in program year 2023. IHFA was able to commit HOME funds to non-profit developers for the acquisition and rehabilitation/new construction of single-family homebuyer housing units. These single-family units are handicap visitable to the maximum extent feasible.
2. IHFA awarded HOME and HTF funds to private developers as gap financing for the development of multifamily rental housing. HTF rental units serve 30% AMI tenants.
3. IHFA provided special assistance to its certified CHDOs with general operating costs through CHDO Operating Assistance Grants.

Beginning April 1, 2023, IHFA has committed HOME and/or HTF funds constructing four (4) multi-family projects. IHFA has committed HOME funds to construct nine (9) homebuyer projects.

Type of Project/Program	Location
Funded HOME Homebuyer Properties	American Falls, Pocatello, Moscow, Chubbuck, Homedale
Funded HOME & HTF Multifamily Rental Projects	Meridian, Mountain Home, Kuna, Boise

As of January 31, 2024 completed projects: Seven (7) single-family Homebuyer units (HOME), and twenty two (22) Multi-family rental units (HOME).

Type of Project/Program	Location
Completed HOME Homebuyer Properties	Hailey, Caldwell, Pocatello
Completed HOME Multi Family Rental Projects	Idaho Falls, Hailey, Caldwell

Housing Trust Fund Certification

The HTF written agreement identifies the requirements the owner, developer, and property management must comply with during pre-development, development, closeout, and the compliance phase of the activity. The HTF written agreement also identifies the corrective actions IHFA would take if needed to bring the assisted project into compliance with the terms of the agreement.

Emergency Solutions Grant (ESG) Program

IHFA administers the Emergency Solutions Grant statewide. During the 2023 Program Year, $1,117,066 are dedicated to 38 unique projects throughout the state. Funding helps support shelter operations and services, homelessness prevention, rapid re-housing activities, street outreach, data collection, and administrative costs.
During the 2023 program year, Homeless Prevention and Rapid Re-housing funds are being used to help prevent individuals and families from losing their housing, through rental and utility assistance. Each of the state’s seven regions received homeless prevention and/or rapid re-housing funds through ESG. This helps to ensure households in all areas of the state, rural and non-rural, have equal access to homeless prevention and rapid re-housing funds. The Home Partnership Foundation provides additional supplementing ESG funds, and allows subrecipients to have access to prevention and rehousing funding year round. The Foundation allocates private funds to several IHFA branch offices, providing one-time rental and utility assistance to households at risk of becoming homeless. IHFA will also measure outcomes based on annual monitoring, which considers the compliance of the project, management of expenditures, and contract deadline.

Summary of Citizen Participation and Consultation Process

IHFA and the Idaho Department of Commerce follow a Citizen Participation Plan for HUD-CPD Affordable Housing and Community Development Programs. Following the adopted Citizen Participation Plan, one 30-day comment period and one public hearing was held. Legal notices are published twice in Idaho's major newspaper, the first time prior to the comment period, the second prior to the public hearing. The legal notice included a link to a Spanish version of the legal notice on the IHFA and IDC websites. The Spanish and English version includes directions and contact information regarding how to request a reasonable accommodation, including language assistance and alternative formats and notices are sent to IHFA branch offices around the state to be posted in a public area. A copy of the legal notices and draft action plan are available on the IHFA and IDC websites

Local and regional stakeholders, service providers, developers, owners, developers, and units of local government, and CoC members are invited to participate in the planning process.

The 30-day comment period for the 2024 Annual Action Plan is February 12-March 13, 2024. The hybrid in-person and virtual Public hearing is February 29th. Comments and IHFA/Commerce responses are located in the Action Plan as an attachment titled "Citizen Participation Comments".

Comments/ input- 0

Public hearing Attendees- 0

Analysis of Impediments

The current 2022 Analysis of Impediments to Affirmatively Furthering Fair Housing (Assessment of Fair Housing) is available on IDC and IHFA websites at https://www.idahohousing.com/documents/idaho-assessment-fair-housing-draft-report.pdfand http://commerce.idaho.gov/communities/community-grants/community-development-block-grant-cdbg/consolidated-planning-documents

AP-25 Allocation Priorities

CDBG

See AP-20- Goals 1,2,3,4, and 5 goal descriptions.

HOME & Housing Trust Fund

Tenant Preference Populations

Idaho's Five-Year Consolidated Plan identifies three "Priority Housing Needs" populations: Elderly (age 62+), Disabled, and Extremely-Low Income. A project owner can choose to provide a preference for one or more of these priority housing needs populations if the preference(s) is identified in the HOME/HTF written agreement and the owner does not otherwise violate Federal, State, and local fair housing laws, executive orders, or program regulations. The HOME, NSP & HTF Annual Administrative Plan and the Qualified Allocation Plan identify these populations as "Special Housing Needs Populations".

HOME/HTF multifamily rental housing applications receive additional points if the owner commits to a tenant preference of two of the three Special Housing Needs Populations.

IHFA Visitability Design Components

HOME and HTF single-family rental units will include at least one wider doorway to one main floor bathroom, other interior doorways, and one means of ingress/egress if feasible as part of a construction or rehabilitation activity.

Eligible Activities

1) IHFA will award HOME and HTF funds to eligible recipients (owner, owner-developer) to acquire and construct/rehabilitate permanent single-family and multifamily rental housing.

2) IHFA will award HOME funds to qualified nonprofits and units of local government to acquire and/or construct/rehabilitate single-family homebuyer properties then sold to HOME-eligible & IHFA qualified low-income homebuyers.

3) IHFA may award HOME-funded Operating Assistance Grants to IHFA-certified Community Housing Development Organizations (CHDOs).

4) IHFA may award up to 33% of each HTF allocation as operating/reserve assistance to HTF-funded permanent rental housing, if the owner is able to show it is needed.

5) IHFA may use up to 10% of each HOME and HTF allocation and eligible program income for HOME/HTF planning and administrative costs.

Allocation Priorities

- HTF- 100% to owners and developers to acquire and/or construct and rehabilitate permanent rental housing activities targeting households with annual incomes ≤ 30% AMI.
- HOME- Approximately 50% to nonprofit developers and units of local government to acquire and/or rehabilitate or construct single-family structures then sell to HOME-eligible, IHFA- qualified homebuyers.
- HOME- Approximately 50% to private and nonprofit owners/developers to acquire and construct multifamily permanent rental housing activities.

AP-30 Method of Distribution

State of Idaho CDBG

Describe the state program addressed by the Method of Distribution

Commerce distributes CDBG funds on a competitive statewide basis where applications are ranked against each other within their applicable set-aside for funding. The six set-aside are public facilities, infrastructure to jobs, downtown revitalization, senior / community centers, public parks, and planning / studies grants. Post-disaster applications are not reviewed and funded under a competitive basis.

Describe all the criteria that will be used to select applications and the relative importance of these criteria.

There are five variables that define how Idaho prioritizes its projects and activities that will be eligible to receive CDBG funds.

First variable to prioritizing CDBG funds is to ensure the project will meet at least one required national objective.

- Activities benefiting low to moderate-income (LMI) persons.
- Prevention/Elimination of Slums and Blight
- Urgent Needs (Imminent Threat)

Second variable to prioritizing CDBG funds is ensuring the proposed project meets Idaho CDBG threshold factors. Applications must meet the following:

- Submission of an application
- Eligible applicant
- Eligible activities
- Executed citizen participation plan and hold public hearing
- Applicant has the administrative capacity to properly administer a CDBG
- Adopted fair housing resolution

- Grantee’s execution of the ICDBG certifications

Third variable to prioritizing CDBG funds is to score, rank, and fund projects that meet the following conditions:

- Have a need for CDBG funds
- A measurable and positive impact for lower income households
- Project is well planned and feasible
- Local commitment and match
- Project has a high degree of readiness to proceed
- Grantee’s or sub-recipient’s ability to maintain and operate the system or facility

Fourth variable: Idaho’s Economic Advisory Council review, evaluation, and recommendation of the project. Determining if the project can demonstrate:

- local ability to finance,
- local effort and commitment, and
- local and regional economic impact.
- The Governor of Idaho decides to fund or not to fund.

Fifth variable:

- 70% of Idaho’s CDBG funds, aggregated over a three-year or two-year period, will fund projects that will principally benefit low to-moderate income persons.
- 100% of annual CDBG awarded will be obligated within 15 months of funding agreement date.

These five variables cover public facilities, infrastructure for jobs, downtown revitalization, senior / community centers, public parks and post-disaster applications.

If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)

Idaho CDBG application handbook with specific scoring criteria is located on website www.commerce.idaho.gov

Describe how resources will be allocated among funding categories.

Commerce distributes CDBG funds on a competitive statewide basis where applications are ranked against each other for funding. The ICDBG Application Handbook details the application review procedures and is available online at www.community.idaho.gov . Commerce does set-aside the CDBG funds as follows:

- Two percent (2%) plus $100,000 of the total allocation is reserved for the department's administrative costs;
- One percent (1%) of the total is reserved for technical assistance;
- $300,000 is set aside for post-disaster grants with a maximum grant amount of $150,000. Applications are received quarterly.
- 150,000 is set-aside for planning / study grants. Applications are received annually.

- Twenty five percent (25%) of the remaining allocation is set aside for senior citizen center, community center, and public park grants with a maximum grant amount of $245,000. Applications are received annually.
- Sixty percent (60%) of the remaining allocation, plus 100% of the program income, recaptured funds, and carryover funds from previous program year is reserved for public facility grants. Maximum grant amount available is $500,000. Applications are received annually.
- Forty percent (40%) of the remaining allocation, for both job creation and downtown revitalization projects. Maximum grant amount available is $500,000. Job creation applications are received quarterly, and downtown revitalization applications are received annually.

Commerce CDBG procedures allow for flexibility between these funding set-asides based upon public need in the various categories (i.e. if Commerce receives fewer requests for job creation and a larger than normal number of public facilities funding requests, we may choose to increase the public facilities funding above the projected set-aside). Historically, Commerce has moved more funds due to demand into the Public Facilities set aside.

Describe threshold factors and grant size limits

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- Forty percent (40%) of the remaining allocation, for both job creation and downtown revitalization projects. Maximum grant amount available is $500,000. Job creation applications are received quarterly, and downtown revitalization applications are received annually.

What are the outcome measures expected as a result of the method of distribution?

Create Suitable Living Environments and Expand Economic Development Opportunities in the following:

- Public Facilities Infrastructure – Compliance - Availability: Activities that bring public facilities systems (infrastructure, community facilities, public utilities) into compliance with environmental laws, federal and state standards, and best management practices.

- Public Facilities Infrastructure – Rehabilitation - Affordability: Activities that include rehabilitation, replacement, or remodeling of a public facility (infrastructure, community facilities, public utilities, and housing) systems.
- Public Facilities Infrastructure - New Construction - Sustainability: Activities that construct new public facilities (infrastructure, community facilities, and public utilities) system or extending a system to a new service area. This includes infrastructure to support affordable housing and related activities.
- Economic Development - Job Creation - Availability: Activities that expand or construct new public infrastructure to support businesses creating new low to moderate-income jobs.
- Economic Development - Downtown Revitalization - Affordability: Activities that improve public infrastructure and remove slum and blight in redevelopment areas.

State of Idaho ESG

Describe the state program addressed by the Method of Distribution.

Through the state recipient, ESG funding is available to units of local government or private nonprofit organizations across the state of Idaho. These funds are awarded on a competitive basis through an application and award process. Funding supports programs focused on homelessness prevention, rapid rehousing, outreach, and emergency shelters.

With the support of the HIC and its subcommittees, the recipient is responsible for administering HMIS and Coordinated Entry. As the grant administrator, the recipient also oversees the following:

- CoC consultation
- Establishment and maintenance of Written Standards
- Grant competition and award distribution
- Payments to subrecipients and financial management
- Training and technical assistance to subrecipients
- Policy and procedure review
- Recordkeeping
- Monitoring and compliance
- Consolidated Annual Performance and Evaluation Report
- Communication with HUD

Describe all of the criteria that will be used to select applications and the relative importance of these criteria.

In order to be considered for funding, applicants must agree to the following conditions:

- Comply with HUD’s Code of Federal Regulations
- Abide by the Written Standards developed by IHCC
- Participate in Coordinated Entry
- Utilize HMIS or a comparable database
- Implement Housing First principles
- Match 100% of grant funds
- Participate in Regional Coalition meetings

- Participate in annual Point-In-Time count
- Submit performance reports and comply with annual monitoring
- Maintain an individual with lived experience on the board of directors or in another policy-making capacity

For new grants, the relative importance of application criteria is as follows:
Agency narrative: 30%
Project narrative: 30%
Regional allocation: 20%
Financial stability and match ability: 20%

Criteria for renewal grants also includes narratives, regional allocation, financial stability, and match ability. A score for previous grant performance is incorporated, and accounts for 23% of the total score. Outcome scoring criteria includes:

- Ability to meet project goals
- Percentage of award expended at grant year-end, relative to the initial award amount
- Number of monitoring findings (scaled to program size)
- HMIS/CMIS or DVIMS data quality
- Regional Coalition participation
- Fulfillment of matching funds requirement

Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)

Annual ESG competition process:

Approximately two months prior to the grant application deadline, the ESG NOFA is advertised to the public through email communication, the IHFA website, and announcements in Regional Housing Coalition meetings. Units of general local government and non-profit organizations are required to submit a notice of intent to apply, at which time, the applicant is provided access to the submission program. The submission program is a secure portal used to upload the grant application and supporting documentation.

Along with the grant application, applicants are required to submit the following documentation:

- Conditions for funding, signed by authorized representative
- Current organizational chart
- Current list of Board of Directors
- IRS 501(c) (3) determination letter
- Most current financial audit
- Balance sheet
- Profit & loss statements
- Federally approved cost allocation plan and indirect cost rate, if applicable

Policies and procedures relating to:
- Confidentiality
- Recordkeeping
- Conflicts of interest
- Affirmative outreach
- Agency intake procedures
- Nondiscrimination and equal opportunity
- Involuntary family separation
- Homeless child and family educational support, if applicable

The grant application includes 12 narrative questions, which accounts for 60% of the total score. Narrative questions are scored by an Independent Review Panel (IRP), which consists of a minimum of three, unbiased and vetted volunteers.

20% of the application score is based on regional need, which takes the following data into account:
- Population
- Average rent
- Median income
- Percentage of population at or below poverty level
- Number of homeless individuals

20% of the application score is based on the applicant's financial stability and ability to match grant funds.

The total application score, as well as past grant administration performance and outcomes, is used to rank projects. Members of the recipient's Homelessness Programs department review the proposed grant funding allocation to ensure each grant component will be adequately implemented throughout the state.

During the 2023 ESG competition, 24 agencies submitted 38 grant applications for emergency shelter, homelessness prevention, and rapid rehousing. In total, 38 projects were funded.

Describe how resources will be allocated among funding categories.

During the 2023 ESG competition, 38 programs were funded. Funding is allocated to subrecipients among funding categories, as follows:
Emergency shelter: 41%
Homelessness prevention: 20%
Rapid rehousing: 31%
IHFA Data collection: 5%
IHFA Administration: 3%

Describe threshold factors and grant size limits.

Through the ESG grant application, applicants describe their organization and explain their experience effectively utilizing grant funds. A budget request, as well as project goals, are submitted. The data gleaned from this information is the basis for determining grant award amounts. Although the ESG program does not set grant size limits, the final allocation will reflect the regional need and other factors described in the Action Plan.

State of Idaho HOME/HTF

Homebuyer Properties Program

General Requirements

Funding proposals are accepted from qualified units of local government and community-based non-profit developers following a published Request for Proposals. Eligible activities under this program include acquisition and/or rehabilitation of Substandard (condition) single-family units, and acquisition and/or new construction of single-family units. When development phase is complete, the units are sold to qualified HOME-eligible, IHFA-qualified homebuyers within 9 months. If the unit is not sold within 9 months, it must be converted to a permanent HOME rental unit or the owner-developer must repay the entire amount (including IHFA project costs) of HOME funds expended on the activity.

The sales price to a low-income homebuyer cannot exceed the annual HOME Homeownership Value Limits for the area, published by HUD-CPD. The homebuyer(s) must provide evidence they have completed a homebuyer-counseling course that meets the HOME program's homebuyer education requirements, and submit a monthly budget that identifies recurring expenses, as part of an application for funding. This is in addition to the other IHFA requirements such as homebuyer household asset limitation, credit score, and minimum homebuyer investment. These and other requirements, including maximum subsidy amounts are identified in the Annual Administrative Plan @ Chapter 2. IHFA reviews and updates its Administrative Plan annually to address the market and program changes.

HOME-eligible homebuyers must have an annual household income ≤ 80% AMI, as defined by 24 CFR 5.609 (Annual Gross Income). HOME assistance is provided to the homebuyer as a 0% interest, due-on-sale or default loan. The homebuyer must reside in assisted unit as a primary residence during the HOME period of affordability. IHFA does allow two exceptions to the primary residency rule: Military transfer or deployment and full-time student status at a post-secondary education institution located more than 50 miles from the assisted unit. The homebuyer must have a plan in place to return to the unit at a specified time to be considered for an exception. The residency requirements and loan terms are provided to the homebuyer at the time of application for funding, and again prior to loan closing in the homebuyer's Deed of Trust Note.

Eligible Homebuyer Activities

Home Activity- Single-Family Housing	Regulatory Provision
• Acquisition and new construction/ rehabilitation	Recapture
• New construction/rehabilitation of single-family housing on land owned by a land trust	Resale

HOME Period of Affordability

IHFA does not exceed the regulatory minimum.

Home Investment Per Unit	Period Of Affordability
Under $15,000	5 years
$15,000-$40,000	10 years
Over $40,000	15 years

Methods used to Recapture HOME Funds

Resale and Recapture Policies

Introduction

IHFA is a participating jurisdiction in HUD's HOME Investment Partnerships Program. When undertaking HOME-assisted homebuyer activities, which IHFA does, federal regulations must establish written resale and recapture policies that comply with HOME statutory and regulatory requirements. **These policies are *to be* set forth in the Annual Administrative Plan (Admin Plan) and clearly describe the terms of the resale and recapture provisions, the specific circumstances under which these provisions will be used, and how IHFA will enforce the provisions for HOME-funded ownership projects.** HUD reviews and approves the provisions as part of the Annual Action Plan process. The purpose of this section is to provide the Resale and Recapture policies for IHFA's HOME Investment Partnerships Program. As stated above, HOME requires jurisdictions to utilize resale and/or recapture policies to ensure continued affordability for low to moderate-income homeowners and as a benefit to the public through the wise stewardship of federal funds. IHFA has used HOME funds for different types of programs to assist with single-family housing units:

- Down Payment Assistance provided to new homebuyers;
- Acquisition and Development provided to developers of new single-family housing for ownership;
- Acquisition and Development provided to developers of new single-family housing for rent;
- Community Land Trust acquisition of a parcel of land under an existing single-family home to provide affordable ownership;
- Community Land Trust development of homes on an existing parcel of land placed in a trust to provide affordable ownership;

Not all of these programs are always available; program providers are able to apply for funding on an annual basis based on RFP notifications and may or may not receive an award.

General HOME Property Restrictions

For a homebuyer or homeowner to be eligible for HOME assistance, they must have a low to moderate income, at or below 80% of area median income, as provided by HUD. The household must be purchasing a home to maintain as their primary residence. Depending on the amount of HOME assistance provided to the residence, the property must remain affordable for the number of years indicated according to HOME's Period of Affordability outlined in the Annual Administrative Plan and the executed loan documents between IHFA and the household. If the property is sold during this time, or if it is no longer the primary residence of the household, either resale or recapture restrictions will be enforced.

Resale Policy

IHFA's Resale policies ensure HOME-assisted units remain affordable throughout the entire affordability period. The Resale method is used in cases where HOME funding is invested directly into a property, through a developer or nonprofit, to reduce development or acquisition costs, thereby, making the price of the home affordable to an eligible buyer.

Specific examples where IHFA would use the resale method for homeowner assistance include:

- Providing HOME funds to acquire property to be developed or to acquire affordable owner units;
- Providing HOME funds for site preparation or improvement, including demolition; and
- Providing HOME funds for construction materials and/or labor; and
- Providing HOME funds for direct buyer loans for assistance with financing down payments and closing costs.

Resale Policy Notification to Prospective Buyers

The resale policy is explained to prospective homebuyers (Owner) prior to signing a contract to purchase a HOME-assisted unit. The prospective homebuyers sign an acknowledgement that they understand the terms and conditions applicable to the resale policy as they have been explained. This document is included with the executed sales contract. (See attached Acknowledgement of HOME CLT Program Requirements and Terms.)

Enforcement of Resale Restrictions

The resale restrictions are enforced by restrictive covenants between the nonprofit land owner, IHFA, and the owner by executing an IHFA approved ground lease containing required provisions. Additionally, requirements are enforced between IHFA and the Owner by executing a Note and Deed of Trust. . The ground lease and loan documents are signed by the homebuyer at closing and recorded with the County. This document will specify:

- The length of the affordability period (based on the dollar amount of HOME funds invested in the unit; either 5, 10, or 15 years);

- The home remains the Owner's principal residence throughout the affordability period; and
- The conditions and obligations of the should the Owner wish to sell before the end of the affordability period, including:
    - The Owner must contact IHFA in writing if intending to sell the home prior to the end of the affordability period;
    - The subsequent purchaser must be low-income as defined by HOME and occupy the home as their primary residence for the remaining years of the affordability period. (However, if the new purchaser requires any additional HOME assistance, the affordability period will be reset according to the amount of assistance provided); and
    - Whether or not a Community Land Trust has adopted a targeted population policy which can prioritize eligible buyers within the marketplace.

Fair Return on Investment

IHFA will administer the resale restrictions to ensure the Owner receives a fair return on investment and the home will continue to be affordable to a specific range of incomes.

The resale formula used by IHFA provides a fair return to the homeowner at resale, based on an objective standard that is publicly accessible and can be easily measured, both at the time of initial purchase and at resale.

IHFA uses an appraisal based resale formula to achieve its dual goals of providing a fair return to the original homeowner/seller at resale and ensuring an affordable price to the incoming, low-income homebuyer.

The resale formula stipulates the homeowner, should they choose to sell, will be able to sell the home for the value of the original price paid plus 25% of any increase in value since initial purchase, as determined by an appraisal at the time of purchase and a new appraisal at the time of sale. Capital improvements are included in the home value determined by the resale appraisal; therefore, no additional credit for capital improvements is calculated or allowable.

Fair Return at Resale Example

Here is an example of how the resale formula is designed to work, using hypothetical market conditions:

Equity earned by Owner by amortization of mortgage after 5years [1]

Total increase in value between original and resale appraisal divided by 25% to determine Owner's eligible portion

At initial purchase:

$ 230,000.00	Market value of land and improvements, as determined by appraisal at initial purchase.
$ (65,000.00)	HOME investment or land value removed according to initial appraisal of CLT.
$ 165,000.00	Purchase price of home paid by homebuyer

At Resale 5 years later:

$ 380,000.00	Market value of land and improvements, as determined by appraisal at time of resale
$150,000.00	Total increase in value
$ 37,500.00	Owner's 25% of increase in value
$ 20,728.67	Equity earned by Owner by amortization of mortgage after 5 years
$ 58,228.67	Total Fair Return on Investment based on 25% if increase in value plus owner's equity (principal paid down from original Sales price – captures down payment (owners initial investment)

Sale to next buyer:

$ 223,228.67	Original sales price of Current owner, plus Fair Return on Investment

In this example, the home is sold to an eligible low-income household - a property now has an appraised market value of $380,000 - for an affordable price of $223,228.67, without requiring investment of additional affordability subsidies. After the departing Owner has been paid all that is owed, as per the resale formula, the incoming, low-income homebuyer pays 100% of the HOME-assisted property's new $223,228.67purchase price.

1 Assuming 3.99%, fixed-rate, 30-year mortgage loan of $165,000 to original Owner.

By using a market rate (fee simple) appraisal conducted by an independent, state-licensed appraiser to establish the initial value of the property prior to the original purchase of the home, IHFA follows the standard practice for all real estate purchase transactions. By calculating the resale value using a resale appraisal upon notice of intent to sell by the Owner, IHFA ensures that market volatility for determining property values throughout the real estate industry are minimized. In this way, resale values are easily measured, professionally determined, and publicly accessible. No subjective judgments are made by IHFA or the Owner as to what constitutes value and how value is determined.

The HUD publication CPD 12-003 of 24 CFR 92.254 entitled "Guidance on Resale and Recapture Provision Requirements under the HOME Program." published January 2012, addresses this issue of what a "fair return" might be. In this calculation, the owner receives 25% of the increase in value (includes capital improvements) as determined by an initial and resale appraisal and mortgage equity and initial investment. This constitutes the Fair Return on Investment, while keeping sales price affordable to the next buyer. This calculation is based on a clearly defined standard that is publicly accessible in our administrative plan, action plan, and will be included on all resale loan documents and agreements, or by request from IHFA or the Community Land Trust.

https://www.hudexchange.info/resources/documents/Notice-CPD-12-003-Guidance-Resale-Recapture-HOME.pdf

Affordability to a Range of Buyers

Using the resale method, IHFA will ensure continued affordability to a range of buyers, particularly those whose total household incomes is between 60% and 80% of area median income. Sales prices shall be set such that the amount of Principal, Interest, Taxes, and Insurance does not exceed 35% of a household's income who earns 80% of the area median income.

Recapture Policy

IHFA will use recapture provisions for down payment assistance programs, where HOME funds are provided to an eligible household for the purchase of a single-family unit that will be their primary residence.

The amount recaptured is limited to the net proceeds available, if any, from the sale of the residence. If the net proceeds (sale price minus non-HOME mortgage repayment and standard closing costs) are sufficient, the full amount of the HOME assistance shall be recaptured.

If the net proceeds are not sufficient to recapture the full HOME investment, the participating jurisdiction may accept only the net proceeds available from the sale, and forgive any remaining balance. The net proceeds are the sales price minus senior loan repayment (other than HOME funds) and standard closing costs. If there are other approved junior loans (partner financing or approved secondary financing) in addition to HOME, the participating jurisdiction may choose to share net proceeds on a proportionate basis.

If the housing purchased with HOME assistance is sold, refinanced without IHFA's authorization, or no longer the principal residence prior to the end of the affordability period, IHFA expects to recapture the full HOME investment.

ACKNOWLEDGMENT OF HOME CLT PROGRAM REQUIREMENTS AND TERMS

Date: ______________

Borrower(s): ____

Property: ____

Please carefully read the following terms and requirements of Idaho Housing and Finance Association's ("IHFA") HOME Program Community Land Trust ("CLT") activity. The CLT units are funded by the HOME Investment Partnership Program ("HOME"), which is administered by the Office of Housing and Urban Development ("HUD"). HUD requires all buyers of HOME funded units to meet specific requirements to be eligible to purchase. Your initials and your signature serve as your acknowledgment, understanding, and acceptance of all of the terms and requirements of the program. If there are multiple borrowers, all borrowers must sign and initial.

1. Any unit with HOME funds invested must be occupied by buyers whose *household* income is at or below 80% of the area median income at the time of purchase, as determined by IHFA. There are no allowable exceptions to income qualification requirements. Initials _______

2. When a CLT home is sold, the "Fair Return on Investment" calculation approved by IHFA and HUD determines the amount of proceeds, if any, the homeowner may receive from the sale of the home. This calculation formula allows the homeowner to receive up to 25% of the increase in value (as determined by initial and resale appraisals) and their equity (difference between initial sales price and current principal balance on the first mortgage) when the current market value is sufficient to support the return. The increase in value is calculated by taking the appraised market value at the time of sale, and subtracting the appraised value from the initial purchase. The difference is the increase in value that is multiplied by .25. This determines the amount that may be available for return to the homeowner in addition to equity funds. The Fair Return on Investment may be reduced or there may be no return available if there has been no increase in the unit's value, or the value has decreased since purchase. More detailed explanation of the Fair Return on Investment calculation and example calculations are provided in the Ground Lease, in IHFA's Administrative Plan, and by request from the nonprofit/land trust or IHFA. Initials _______

3. The HOME Program requires the home to be owner occupied during the entirety of the Period of Affordability ("POA"). The POA is the length of time HUD requires the unit to be the primary residence of the owner based on the amount of funds invested into the unit and/or the activity type. New construction requires owner occupancy for a minimum of 20 years, starting on the date of sale to the first buyer. You are required to live in the home as your primary residence during the entirety of the 20 year POA. After the end of the POA, the nonprofit/land trust may continue to enforce occupancy requirements as a condition of owning a land trust unit. Initials _______

4. You may NOT rent the unit, use it as an investment home, vacation home, recreational home or any other type of secondary home during the POA. The only allowable exceptions are military deployment/assignment, full time post-secondary education relocation of borrower or spouse, or other employment related exceptions as approved by the nonprofit/land trust and/or IHFA. All exceptions require documentation, including an expected return date, and must be reviewed and approved in writing by the nonprofit/land trust and/or IHFA prior to any extended absence from the unit. The nonprofit/land trust may continue to enforce use restrictions on the unit after the POA as a condition of owning a land trust unit. Initials ______________

5. You may refinance the first mortgage on the unit provided the transaction meets all refinance terms stated below. Cash out is generally not allowed, except in the specific circumstances stated below. You must contact the nonprofit/land trust and/or IHFA prior to any refinance for authorization to proceed. The nonprofit/land trust may choose to allow fewer exceptions, or no exceptions for cash out, based on their own policies. Initials _______

6. The IHFA HOME Programs Department will send an Occupancy Certification Letter every year during the Period of Affordability to verify your ownership and occupancy of the unit. You are required to sign and return this document certifying you still own and reside in the home as your primary residence. Initials _______

7. When you are ready to sell the unit, under the HUD approved resale provisions, the unit must be sold to another qualified household whose income is at or below 80% of the area median income. You must notify the nonprofit/land trust of your intent to sell BEFORE making any attempt to sell the unit. The nonprofit/land trust is responsible for ensuring HOME requirements are met upon resale, and they will assist you to find a qualified buyer, and complete the sale of the unit per the approved resale provisions. Initials ______

8. The HOME Program is a federally funded program administered by HUD; therefore, these terms are non-negotiable and cannot be waived for any reason. The only allowable exceptions are those specifically stated in this document above. Initials ______

Refinance Terms for HOME Units:

If you are considering refinancing your first mortgage, the nonprofit/land trust shall be contacted **prior** to proceeding with any refinance. The nonprofit/land trust and/or IHFA must review the terms of the refinance and provide written approval to proceed. The refinance request must meet the following criteria:

- Refinancing your first mortgage loan may be considered only when utilizing an IHFA approved loan and lender.
- Allowed only if the refinance is to reduce the borrower's current interest rate, principal, taxes & insurance (PITI) payment, or to remove PMI.
- Second mortgages, home equity products, or cash-out refinances are not allowed, except in select circumstances as stated below. **Revolving equity products or HELOC's of any kind are not permitted.**

Cash Out/Equity Withdrawals for HOME Units:

Cash directly to the homeowner or debt consolidation is not be permitted. Home Equity loans or cash-out refinance of the primary mortgage may only be considered if one of the following applies and written approval has been provided by the nonprofit/land trust and/or the IHFA HOME Programs Department:

- Medical hardship and/or death of homebuyer or immediate family
- Emergency repairs of primary residence
- Capital Improvements of primary residence (roof, HVAC, windows, siding, Etc.)

If an equity withdrawal is approved, all disbursements are required to be completed through a title company. An owner may never receive equity funds directly to do their own disbursements or DIY improvements.

Buyer Certification:

I certify I have thoroughly read and understand the above terms of the HOME Community Land Trust activity. I agree to abide by the terms set forth above, in the legal loan documents, and in the Ground Lease. I understand I can contact the nonprofit/land trust or IHFA if I have questions about any of these requirements or terms.

______________________________	______________________________
Borrower	Borrower

State Program No. 4- HOME & HTF Rental Housing Production

Describe threshold factors and grant size limits

At application, submission of the following is required in order for the application to receive additional review and scoring:

- CPA audited financial statements for prior year-end is not required if the entity is newly formed. The HOME Department will use the financial statement to help determine if the recipient has adequate financial management systems and practices in place, and sufficient financial resources to carry out the project to completion, including positive net income for the most recent year end.
- Capital Needs Assessment for all acquisition and/or rehabilitation activities (See Chapter 2 for details)

  https://www.idahohousing.com/federal-programs/home-program/
- Exhibit S- Site Selection and Environmental Checklist. Previously, submission of this form was recommended, but is now required as part of the application. See Exhibit S of this Administrative Plan.

  Phase 1 Environmental Site Assessment- Assisted properties shall be free of hazardous materials, contamination, toxic chemicals and gases, and radioactive substances where a hazard could affect the health and safety of occupants or conflict with the intended utilization of the property. A Phase 1 ESA report is valid for 180 days, and may require an update based on the timing of the environmental review process[1]. See Chapter 6 for Phase 1 ESA requirements
- Language Access Plan for Limited English Proficient (LEP) Persons. See chapter 6 for LEP requirements.
- Section 3 and MBE/WBE Developer Plan (see Chapter 11)
- Independent third Party Capital Needs Assessment- Required for all projects- Must be in sufficient detail to determine amount of funds needed for intermediate and long-term needs and costs as represented in the proposed replacement reserve account. At minimum must match the term of HOME/HTF Loan. For Rehab projects a remaining useful life of current items typically included in a CAN should be determined. See chapter 2 for CNA requirements.
- Operating Costs – Minimum operating costs per unit per year benchmarks are as follows; these numbers will be published annually

	Family	**Senior/Elderly**
Operating Expense	$4,700 per unit	$4,350 per unit

- Market Study (see Exhibit M for requirements)
- Fair Housing Requirements

See Chapter 6 for documentation **Applicant must also submit one of the following items:**

a) If the proposed activity will be located in a CDBG Non-Entitlement area, then submit the local jurisdiction's most recent Fair Housing Assessment Plan reviewed by the State of Idaho's CDBG Program (Idaho Department of Commerce); or

- If the proposed activity will be located in a CDBG Entitlement Area (Boise, Nampa, Meridian, Lewiston, Coeur d'Alene, Idaho Falls, Caldwell, and Pocatello, and Twin Falls), submit that city's most recent Analysis of Impediments To Affirmatively Further Fair Housing. If the city's Analysis of Impediments or Affirmative Housing Assessment document is available online, then applicant need only provide IHFA

[1] Phase 1 is not needed at time of application, but must be completed if the project is selected.

with the link to the online document (hard copy would not be required to submit).

- Evidence the recipient has the experience and capacity to begin construction within 12 months and complete the project within a reasonable time period. A narrative should be included in the application detailing the experience and not just a list of past projects and resumé. (see Exhibit W).
- Evidence of site control that complies with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and Environmental Review Procedure [24 CFR §58.22] (See Chapters 6 and 10, and Exhibit O of this Plan)
- Must meet one of four Green Building Design Standards or certifications: Energy Star, LEED, Enterprise Green Communities, and/or IHFA Green Building Standards. Once the standard is selected the proposed project may not change the standard.
- For Energy Star design requirements, applicant must document Energy Star Reference Design in all Checklists. IHFA Green Building Standards, the application must contain evidence the project will meet a minimum of 10 IHFA Green Building Standard items (see Exhibit V).
- Request for Release of Information. To all/any outside agencies the recipient has an active project(s) (See Exhibit X)
- Pro forma- All operating costs and revenues must be in sufficient detail to compare line items against properties that are similar in physical type and size, so that the HOME Department may determine whether the planned expenditures are sufficient and reasonable. The operating budget should include general management expenses, maintenance and operating costs, any project paid utilities, taxes, insurance premiums, and adequate deposits to replacement reserves. In most cases, evaluation of total operating costs should be summarized in "per unit per year" amounts along with the operating expense ratio. A narrative shall be provided as to why the project will be able to sustain the projected operating costs and revenues if the operating expense ratio is <50%. If the proposed project includes leased land and there is an in-kind portion of the lease then an estimated value of a market rate lease should be included in the Pro Forma. Applicant should also provide a debt service schedule with details of proposed loan. (i.e., interest rate, term, payment schedule)
- Pro forma that incorporates the following assumptions:
  - 7% vacancy factor (5% allowable with prior approval, and if documented in Market Study)
  - 2% annual increase in income
  - 3% annual increase in expenses including replacement reserves
- Minimum Match Requirement of 10% requested loan amount-HOME Only (see chapter 4)
- Subsidy Layering sheet (See Exhibit P)
- Funding Commitments:
  - To receive the points, the application must include a written commitment from **all** proposed funding sources (excluding HOME, HTF, and LIHTC). An application that does not include evidence of commitments will not be underwritten and be deemed incomplete.
  - A funding commitment must be on letter head from the issuing entity, which includes the financing and commitment terms, including the minimum debt service for primary and subordinate debts, the type of funding (construction/interim/permanent), the amount, and source of funding (HUD 202/811, USDA, etc.)
- Project Narrative Description

AP-50- Geographic Distribution

<u>HOME & HTF</u>

Rental Activities- Because HOME/HTF funds are awarded as gap financing; IHFA does not follow a geographic distribution model. For development activities, IHFA follows a published NOFA/RFP application process. Activities are selected following an application review and scoring process. This process allows IHFA to fund activities that best demonstrate long-term feasibility, owner, developer and management capacity, as well as market need, among other IHFA criteria.

- **Multifamily Rental** activity applications are submitted once each year. The application must meet minimum threshold requirements prior to scoring. Threshold requirement include: Market analysis including the current number and type of affordable and market rate housing units, age of current housing stock, rental vacancy rates, employment opportunity, percentage of low-income households to overall population, and proximity of the project to essential services (schools, medical, food), prior to scoring. Other threshold requirements include an alternative site analysis, a pro forma that includes the industry standard vacancy rates and an annual increase in expenses and income, site control that adheres to Uniform Relocation Act, Voluntary Sales Disclosure, and Environmental Review requirements. Owner must also submit evidence the local community in which the project will be located, is committed to affirmatively furthering fair housing choice.
    - Additional multifamily scoring categories: Geographic diversity, applicant/developer capacity, leverage, tenant preference for a priority housing needs population, IHFA green building design components, and site/unit amenities, match, and site suitability.
- **Single-Family Activities-** Non-profit owner-developers apply for funds to acquire and/or construct or rehabilitate single-family homebuyer housing units once each year. Homebuyer properties must be sold to HOME-eligible homebuyers within 9 months of development completion. The nonprofit's proposal must include an analysis of the local market, evidence of developer experience and capacity, including previously funded activities, the local community's commitment to fair housing choice, and the number, type, and scope of the proposed activity, and if a homebuyer activity, a sales plan, etc.

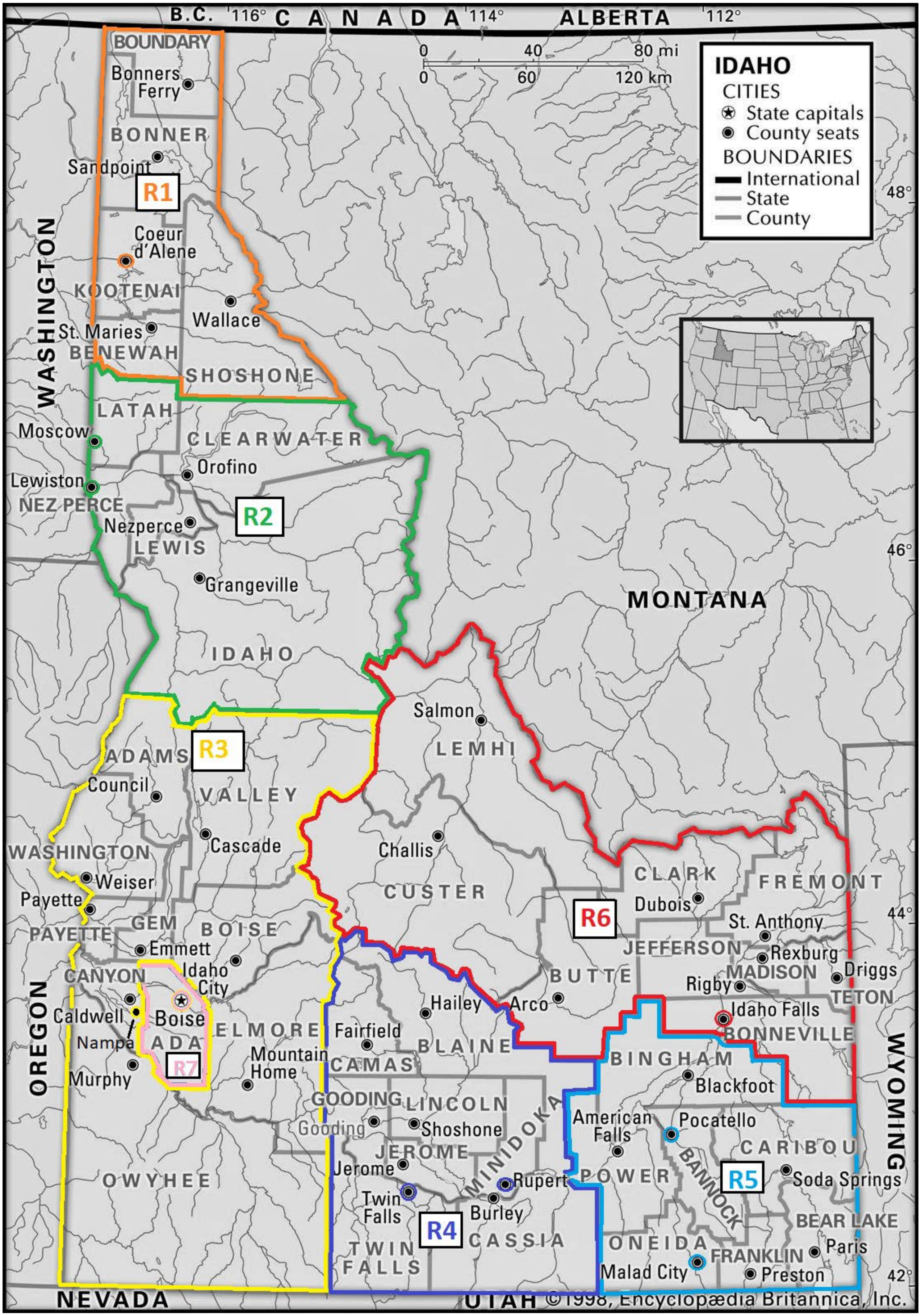
Housing Trust Fund Program-Specific

The Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (The Act) as revised by HERA, provides for the distribution of funds to states based on four (4) Need factors [24 CFR 93.51(a)-(d) and a local construction cost adjustment factor [§93.51(e)]. Need factors include

- Relative shortage of rental housing available to Extremely low-income individuals and families
- Relative shortage of <u>rental</u> housing available to very low-income individuals and families
- Relative number of extremely low-income (ELI) <u>renters</u> living in substandard, overcrowded and/or unaffordable housing in Idaho
- Relative number of very low-income <u>renters</u> living in substandard, overcrowded, and/or unaffordable housing.

See AP-90 for a detailed response regarding geographic diversity

Emergency Solutions Grant



B.C.
116°
CANADA
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ALBERTA
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IDAHO
CITIES
State capitals
County seats
BOUNDARIES
International
State
County
48°
46°
44°
42°
WASHINGTON
MONTANA
OREGON
WYOMING
NEVADA
UTAH
BOUNDARY
Bonners Ferry
BONNER
Sandpoint
R1
Coeur d'Alene
KOOTENAI
Wallace
St. Maries
BENEWAH
SHOSHONE
LATAH
Moscow
CLEARWATER
Orofino
Lewiston
NEZ PERCE
R2
Nezperce
LEWIS
Grangeville
IDAHO
Salmon
LEMHI
ADAMS
R3
Council
VALLEY
Cascade
WASHINGTON
Weiser
Payette
PAYETTE
GEM
Emmett
BOISE
Idaho City
CANYON
Caldwell
Nampa
Boise
ADA
R7
Murphy
ELMORE
Mountain Home
OWYHEE
Challis
CUSTER
CLARK
Dubois
FREMONT
St. Anthony
R6
JEFFERSON
Rexburg
MADISON
Rigby
Driggs
TETON
BUTTE
Arco
Hailey
Fairfield
BLAINE
CAMAS
Idaho Falls
BONNEVILLE
BINGHAM
Blackfoot
GOODING
Gooding
LINCOLN
Shoshone
MINIDOKA
American Falls
Pocatello
CARIBOU
JEROME
Jerome
POWER
BANNOCK
R5
Soda Springs
Rupert
Twin Falls
Burley
R4
CASSIA
BEAR LAKE
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AP-75-Barriers to Affordable Housing

Goals and milestones- 2024 Program Year

ISSUES AND CONTRIBUTING FACTORS	GOAL	MILESTONES	RESPONSIBLE ENTITY
Higher housing needs of disabled, elderly and extremely low income households and limits on local revenue generation	A. Support residents with disproportionate housing needs living in non-entitlement areas: 1. Continue preferences for deeply subsidized rental housing. 2. Support tenant preferences that target priority housing needs populations as identified in the 5-Year Consolidated Plan. 3. Support partner efforts to develop a recurring source of state funding for the Idaho Housing Trust Fund, emphasizing the unique needs of non-entitlement communities. 4. Require affordable rental housing projects to be located in communities that are committed to Affirmatively Furthering Fair Housing Choice.	1. Complete 10 units of rental housing annually that target priority housing needs populations (Disabled, Elderly, ≤30% AMI). 2. Retain current preferences in LIHTC QAP; evaluate effectiveness of income targeting during subsequent years based on applications received in 2021 and 2022. 3. Encourage efforts to provide state support for housing trust fund. 4. The Annual Administrative Plan to require proof that communities in which the HOME, HTF projects are located are committed to Affirmatively Furthering Fair Housing. Evidenced by the submission of an adopted Fair Housing Resolution, a Fair Housing Plan, or a current Analysis of Impediments to Affirmatively Furthering Fair Housing (CDBG Entitlement Communities) at the time the application is submitted for funding.	IHFA
Disproportionately lower homeownership rates among Hispanic, Native American and African American households	B. Help qualified renters attain homeownership: Support credit counseling and homeownership readiness though affirmative marketing.	1. Continue Finally Home! Homebuyer Education classes in Moscow, Sandpoint, Coeur d Alene, Idaho Falls, Twin Falls, Nampa, and Boise, and online to reach 5,000 or more potential homebuyers. Continue bilingual outreach, training, and customer service efforts.	IHFA

Landlord lack of fair housing awareness resulting in fair housing complaints and higher use of publicly subsidized housing by minority residents	C. Increase fair housing knowledge: 1. Continue current fair housing capacity building and educational outreach activities, particularly among property owners and persons with disabilities. 2. Continue to provide information about and support expansion of state fair housing protections to include familial status. 3. Continue to award preferences points to CDBG applicants with fair housing protections that include familial status. 4. Require affordable rental housing projects to be located in communities that are committed to Affirmatively Furthering Fair Housing Choice or have adopted a Fair Housing Plan (CDBG non- entitlement areas).	1. With Idaho Fair Housing Forum partners, support 2 to 10 fair housing training events annually with landlord groups 2. Support efforts to add familial status to state protections. 3. During program years 2022-2026, Commerce will continue to award preference points to CDBG applicants that include fair housing protections for familial status. 4. HOME and HTF written agreements specify Federal fair housing and nondiscrimination laws, including familial status as a protected class in accordance with Title VIII of the Civil Rights Act of 1968.	IHFA-1,2, & 4 Commerce -3

Housing developed with limited Visitable or Accessible features; Access or proximity to public infrastructure; Local policies associated with land use and zoning, including those that limit group homes.	D. Increase accessible, affordable housing options: 1. Continue with HOME, HTF application preference points for rental housing that benefits elderly, disabled, ≤30% AMI. 2. Explore ways to incent Visitable housing. 3. Continue to support educational efforts to inform local jurisdictions of best practices and legal risks associated with land use and zoning laws, including requiring conditional use permits for group homes. 4. Provide funding preference for needed accessibility improvements. 5. Explore creation of a more coordinated and comprehensive effort to address the access needs of persons with disabilities.	1. Retain current preferences in Administrative Plan. 2. Provide funding preferences for Visitable single-family rental housing. 3. Coordinate annual training on best practices in land use and zoning, focusing on group homes. 4. Five percent of all new multifamily rental housing will be wheelchair accessible; two percent will accommodate persons living with sensory impairments. 5. Continue to market ADA improvements as eligible activities for CDBG a. Complete 15 projects that improve ADA accessibility during 2022-2026 assuming national objectives are met. b. Ensure all CDBG grantees (cities and counties) have updated their ADA Transition Plans prior to project closeout. c. Increase CDBG application priority ranking points for projects that focus on the removal of architectural barriers or improve ADA accessibility.	IHFA 1,2,3,4 Commerce-5

Gaps in educational achievement for students with disabilities; African American, Native American and Hispanic students; LEP students; and students in transition and at-risk and economically disadvantaged students	E. Help address education proficiency gaps: 1. Consider Utah's best practice of adding preferences for LIHTC location in areas with high proficiency schools*	. 1) Retain current scoring preferences for Site Suitability/ Zoning for Proximity of services to project target population for schools as seen in Administrative Plan.	IHFA
Low wages in economically disadvantaged rural areas due to limited economic growth and growth in low wage industries (e.g., service jobs)	F. Increase employment in economically disadvantaged communities: 1. Continue to allocate CDBG to job creation activities in rural communities.	1. Use CDBG funds to leverage the creation of 30 moderate to high paying jobs created or retained annually, 2022 through 2026	Commerce
Inaccessible (pre-ADA) public buildings, commercial establishments, and infrastructure. Lack of funding for—and high cost of—accessibility improvements to streets, sidewalks, and other public infrastructure.	G. Dedicate additional federal support to increasing employment and accessibility in non-entitlement areas: 1. Support federal efforts to expand infrastructure redevelopment in rural areas and ensure that these include creating environments that are more accessible.	1. Activities to be determined in future action plans depending upon federal activities to improve infrastructure. 2. Promote community accessibility practices to increase awareness of access and opportunity.	Commerce-1 IHFA-2

Insufficient transportation services to support independent, integrated community living for seniors and persons with disabilities. Lack of public transportation in rural areas.	H. Dedicate additional federal support to increasing employment and accessibility in non-entitlement areas—contingent on participation of Idaho Transportation Department and Federal Highway Administration): 1. Encourage local government grantee's ability to play a role in transportation planning at the state and regional levels. 2. Through roundtable discussions, public-private partnerships, explore the demand to expand and create formal rideshare programs in rural communities with need.	1. Ensure CDBG grantees (cities and counties) located in resort communities or college towns have completed the transportation component of their comprehensive plan (as per Idaho's Local Land Use Planning Act). At a minimum, the transportation component should assess bicycle and pedestrian circulation and the existing (or feasibility of) public transportation - bus or van. Further, the city or county should address the transportation factors that are contributing to limiting opportunities for its residents in their fair housing assessment. 2. Convey the importance of transportation alternatives in an integrated community living to the Idaho Transportation Department's Public Transportation Interagency Working Group.	Commerce-1 IHFA-2
Challenges to housing for persons with criminal backgrounds who cannot qualify for publicly supported housing and for whom private sector may be reluctant to provide housing.	I. Explore programs to provide housing options for persons with criminal backgrounds, particularly those who are disproportionately represented by certain protected classes: 1. Explore best practices (e.g., Sponsors, Inc. in Oregon) to assist men and women in corrections re-integrating into communities. 2. Educate housing partners statewide on appropriate language on criminal backgrounds in rental agreements.	Annual outreach via stakeholder networks and conferences; include best practice information in correspondence to affordable housing providers.	IHFA

AP-90 - PROGRAM SPECIFIC REQUIREMENTS

Emergency Solutions Grant
House Idaho Collaborative (HIC) Written Standards is found on IHFA's website under the initiatives subheading https://www.idahohousing.com/homelessness-services-programs/house-idaho-collaborative/

HOME & HTF Programs

IHFA may consider refinancing of existing debt if the debt was not made or insured by any Federal Program (CDBG, USDA-RD, VA, HUD-202 or 811 or 221(d(4), PHA Capitol Fund, FHA), and substantial rehabilitation will be the primary activity. Activity is eligible within Idaho, except the City of Boise.
Requirements:

1) Refinancing is necessary to permit the continued affordability of the project. For HTF, this must result in the housing being more affordable and proportional to the number of HTF-assisted units in the rental project; additionally, the proportional rehabilitation cost must be greater than the proportional amount of debt that is refinanced.

2) Affordability period is no less than 15 Years;

3) A review of the owner's financial and property management practices clearly demonstrates there was no disinvestment in the property;

4) Feasibility of serving the current target population over an extended period is demonstrated by pro forma;

5) Substantial Rehabilitation of all units and tenant common areas is necessary as demonstrated by a Physical Needs Assessment.

> a) "Substantial Rehabilitation" defined as ≥$25,000 per unit in hard rehabilitation costs. "Hard" rehabilitation costs for this activity is defined as site work, physical improvements, and construction contingency.

6) Capital Needs Assessment must meet the following requirements:

> a) Assessment must be conducted or updated within the previous 6 months;
>
> b) At minimum CNA must match term of HOME/HTF Loan
>
> b) Assess the physical condition of all major systems, structures, units, and tenant common areas;
>
> 1. Identify any major system with a useful remaining life. Any system with less than a 15-year useful remaining life must be replaced as part of the rehabilitation project.
>
> c) Prepared by an independent architect/engineer who is licensed and certified by the State of Idaho;
>
> d) Architect or Engineer must certify the CNA is an accurate assessment of the entire property and includes an assessment of the items needed to comply with the Property Standards:

e) Property Standards- State of Idaho's building codes, applicable local property standards and ordinances, Uniform Physical Condition Standards (UPCS) or updated standard found at 92.251 and/or 93.301, applicable federal crosscutting regulations (Fair Housing Act, Section 504, ADA, UFAS, HUD Lead Safe Housing Rule) and ASHRAE 90.1 for Multifamily buildings.

Discussion- Sales Price Limits

Pursuant to 92.254(a)(2)(iii), IHFA has utilized local data to determine the median area purchase price for eight (8) counties. Three months of data was used (November 2023- January 2024). These three months were selected as the point in time at which the Annual Action Plan was started. The median data was then multiplied by .95.

It is not IHFAs intention, nor our development partners to sell single family homes at the maximum limit; however, higher limits will ensure development costs are able to be recouped.