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CR-05 Goals and Outcomes

Progress the state has made in carrying out its strategic plan and its action plan. 91.520(a)

Idaho Department of Commerce

Of the six goals established in the consolidated plan:

$1,744,085 in CDBG funds were awarded to four projects meeting the **Public Facilities / Infrastructure-Compliance Goal.** 37,880 Idaho residents will benefit from these projects, as they will help bring their public facilities systems (infrastructure, community facilities, public utilities) into compliance with environmental laws, federal and state standards, industry standards, or best management practices. 20,226 of the residents are low-to-moderate income. The four projects consist of two wastewater, one water, and one senior center.

$2,500,000 in CDBG funds were awarded to five projects meeting the **Public Facilities / Infrastructure – Rehabilitation Goal.** 7,341 Idaho residents will benefit from the rehabilitation, replacement, or remodeling of a public facility system. 3,924 of the residents are low-to-moderate income. The five projects consist of three water systems and two wastewater systems.

$1,900,000in CDBG funds were awarded to four projects meeting the **Public Facilities / Infrastructure – New Construction Goal.** 8,249 Idaho residents will benefit from projects that will construct new systems or facilities in their community. 4,710 of the residents benefiting are low to moderate income. The four projects consist of two water systems, one fire engine, and one housing.

No CDBG funds were awarded to any projects meeting the **Economic Development – Job Creation Goal.**

$245,000 in CDBG funds were awarded to one project meeting the **Economic Development - Downtown Revitalization Goal.**

$3,938,900 in CDBG CV CARES funds were awarded to sixteen projects meeting the **Prepare, Prevent, and Respond and Build Resiliency to COVID-19 Infections.** 43,372 Idaho residents will benefit from the sixteen public facility projects. 25,187of the residents are low to moderate income. The sixteen projects consisted of fifteen public park projects and one public facility project.

Comparison of the proposed versus actual outcomes for each outcome measure submitted with the consolidated plan and explain, if applicable, why progress was not made toward meeting goals and objectives. 91.520(g)

Categories, priority levels, funding sources and amounts, outcomes/objectives, goal outcome indicators, units of measure, targets, actual outcomes/outputs, and percentage completed for each of the grantee's program year goals.

Assess how the jurisdiction's use of funds, particularly CDBG, addresses the priorities and specific objectives identified in the plan, giving special attention to the highest priority activities identified.

Public Infrastructure and Facilities – Compliance: CDBG obligated / expended $1,744,085 on activities. This only missed the 25% goal by 2%. The 25% goal is $1,901,587.

Public Infrastructure and Facilities – Rehabilitation: CDBG obligated / expended $2,500,000 on activities. This exceeded the 30% goal of $2,281,904.

Public Infrastructure and Facilities – New Construction: CDBG obligated / expended $1,900,000 on activities. This exceeded the 25% goal of $1,901,587.

Economic Development – Job Creation: CDBG obligated / expended $0 on job creation activities. This did not meet the 10% goal of $760,635.

Note: For the CDBG program, Program Year 2023 Table 1 identifies the goals and their corresponding objectives, some of which may have a low percentage of completion or even zero percent (0%) of completion. This is misleading because a goal with its applicable objective is not reported until a project is closed out. It is not uncommon for CDBG projects to take over a year to complete, therefore, a CDBG project may be trending towards meeting a specific goal and its objective, but the trending data is not captured in the table because the project is not closed out.

CR-15-Resources and Investments

CDBG

In the table below, the column identified as "Amount Expended during Program year (2023) as reported in PR-50.

Office of Community Planning and Development
U.S. Department of Housing and Urban Development
Integrated Disbursement and Information System
Expenditure Report
Use of CDBG, CDBG-CV Funds by IDAHO
from 04-01-2023 to 03-31-2024

DATE: 05-06-24
TIME: 17:44
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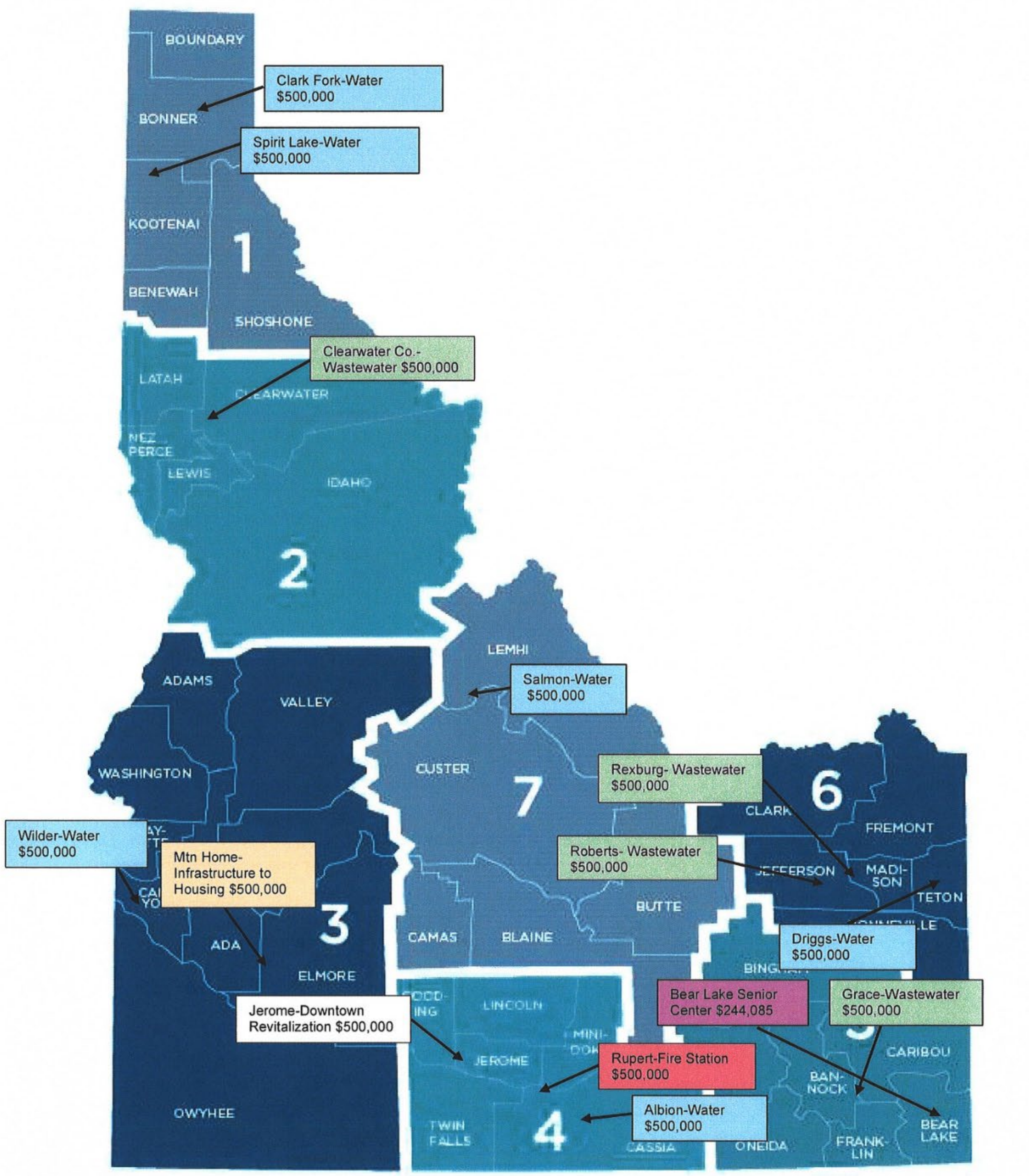
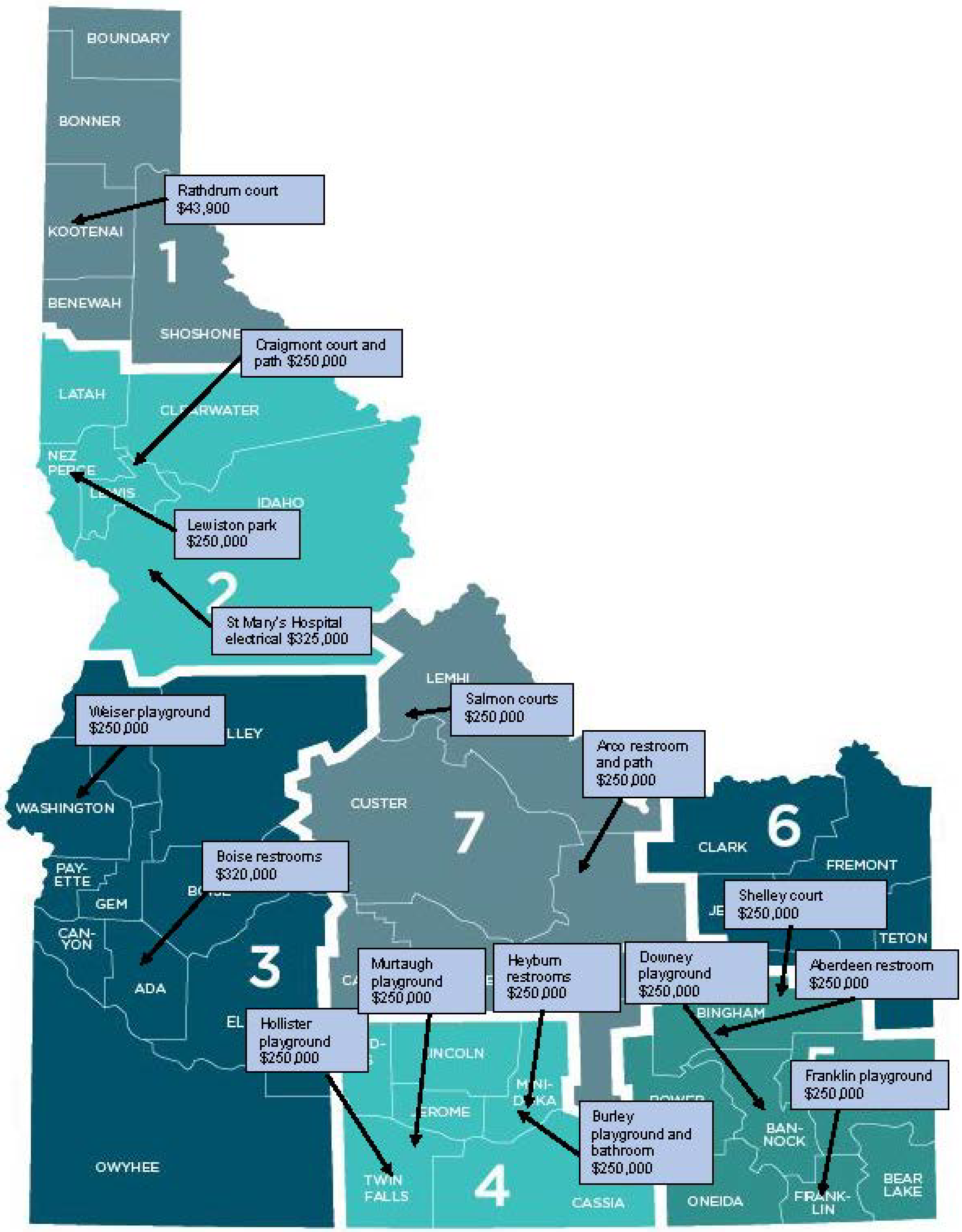
Matrix Code	Activity Group	Matrix Code Name	Disbursements during PY 2023	Percent of Total Disbursed in 2023
17C	ED	CI Building Acquisition, Construction, Rehabilitation	266,761.00	3.17%
Subtotal for : Economic Development			**266,761.00**	**3.17%**
03A	PI	Senior Centers	340,387.00	4.05%
03D	PI	Youth Centers	77,060.00	0.92%
03F	PI	Parks, Recreational Facilities	1,681,103.00	19.98%
03J	PI	Water/Sewer Improvements	4,333,602.00	51.50%
03K	PI	Street Improvements	365,291.00	4.34%
03L	PI	Sidewalks	469,396.00	5.58%
03O	PI	Fire Station/Equipment	23,676.00	0.28%
Subtotal for : Public Facilities and Improvements			**7,290,515.00**	**86.64%**
05A	PS	Senior Services	3,200.00	0.04%
05M	PS	Health Services	16,457.00	0.20%
05Z	PS	Other Public Services Not Listed in 05A-05Y, 03T	17,565.00	0.21%
Subtotal for : Public Services			**37,222.00**	**0.44%**
21A	AP	General Program Administration	548,096.00	6.51%
21J	AP	State Administration	192,798.02	2.29%
Subtotal for : General Administration and Planning			**740,894.02**	**8.80%**
19H	OT	State CDBG Technical Assistance to Grantees	79,174.02	0.94%
Subtotal for : Other			**79,174.02**	**0.94%**
Total Disbursements			**8,414,566.04**	**100.00%**

Idaho Community Development Block Grants (ICDBG)
2023 Public Facility, Downtown, and Senior Center Projects



Idaho Community Development Block Grants (ICDBG)
2023 CARES Projects



Leveraging

Explain how federal funds leveraged additional resources (private, state and local funds), including a description of how matching requirements were satisfied, as well as how any publicly owned land or property located within the jurisdiction that were used to address the needs identified in the plan.

Idaho Department of Commerce- CDBG Program

2022 CDBG LEVERAGE		
Type/Source	**Match Amount**	**Goals Addressed**
Local: Cash, bonds, in-kind	$24,898,615	· Public Facilities Infrastructure-Rehabilitation · Public Facilities Infrastructure-Compliance Public · Facilities Infrastructure-New Construction · Economic Development-Job Creation · Economic Development- Downtown Revitalization
State: Grants from Idaho Dept. of Environmental Quality	$270,000	· Public Facilities Infrastructure-Rehabilitation · Public Facilities Infrastructure-Compliance Public · Facilities Infrastructure-New Construction Economic · Development-Job Creation · Economic Development- Downtown Revitalization
Federal: Grants from USDA- Rural Development and US Army Corp of Engineers	$23,114,601	· Public Facilities Infrastructure-Rehabilitation · Public Facilities Infrastructure-Compliance · Public Facilities Infrastructure-New Construction · Economic Development-Job Creation · Economic Development- Downtown Revitalization
Private: Business, Foundation Grants	$550,000	· Public Facilities Infrastructure-Rehabilitation Public · Facilities Infrastructure-Compliance Public Facilities · Infrastructure-New Construction Economic · Development-Job Creation · Economic Development- Downtown Revitalization
Total	$48,833,216	

IDC received $7,944,686 in CDBG funds for PY 2023. The state and local communities leveraged $48,833,216 to match CDBG funds that were used to fund projects and state administration activities. For every CDBG dollar invested, IDC and local communities leveraged $6.15 to match the 2023 HUD CDBG grant award. In regard to IDC program administration, IDC has provided $158,894 in match to the CDBG program.

In regard to project match, the CDBG program does not require communities to provide any match in order to receive an ICDBG grant, but the state's competitive grant process does award points to communities who do provide match. As a result, many of the projects that receive ICDBG funding do leverage matching funds. The table above provides a summary of sources of match, the match that was leveraged, and the strategies that were addressed.

CDBG grantees (cities and counties) and many of their sub-recipients (government special districts) which are public entities do own the land or easements where CDBG funded projects are constructed to address the CDBG goals and objectives. Basically, almost all CDBG projects (water, wastewater, parks, downtown revitalization, senior center, community centers, health clinics, fire stations, etc.) are located on publicly owned land or property.

CR-20- Affordable Housing

Evaluation of the state's progress in providing affordable housing, including the number and types of families served, the number of extremely low-income, low- income, moderate-income, and middle-income persons served.

Region	Activity Type	Units	County
3	Multi Family - Rental - New Construction	6	Canyon
3	Multi Family - Rental - New Construction	11	Canyon
3	Single Family - Homebuyer - NC	3	Canyon
4	Multi Family - Rental - New Construction	5	Blaine
4	Single Family - Homebuyer - NC	3	Blaine
5	Single Family - Homebuyer - NC	1	Bannock
5	Single Family - Homebuyer - NC	2	Power
6	Multi Family - Rental - New Construction	6	Bonneville County
7	Single Family - Rental - New Construction	2	Ada

Counties represented in each region

Region 1: Benewah, Bonner, Boundary, Kootenai, Shoshone
Region 2: Clearwater, Idaho, Latah, Lewis, Nez Perce
Region 3: Adams, Boise, Canyon, Elmore, Gem, Owyhee, Payette, Valley, Washington
Region 4: Blaine, Camas, Cassia, Gooding, Jerome, Lincoln, Minidoka, Twin Falls
Region 5: Bannock, Bear Lake, Bingham, Caribou, Franklin, Oneida, Power
Region 6: Bonneville, Butte, Clark, Custer, Fremont, Lemhi, Madison, Teton
Region 7: Ada

CR-35-Other Actions

IDC staff continues to offer training and technical assistance to cities and counties, grant administrators, and design professionals. Due to COVID travel and group gathering restrictions, IDC has now pivoted to provide certified grant administration training on-line. IDC has recorded presentations on eligibility, environmental reviews, labor, procurement, acquisition, and section 3. IDC provides ongoing one-on-one technical assistance to communities. IDC has available at its website [http://commerce.idaho.gov/] both the CDBG grant administration manual and application handbook.

To help build local government capacity to manage CDBG projects, IDC will train consultants to become CDBG grant administrators, instead of relying on resource-limited cities and counties to ensure requirements and rules are met.

Actions taken to reduce the number of poverty-level families. 91.220(k); 91.320(j)

IDC's anti-poverty strategy consists of four methods. First, IDC will provide CDBG funds to cities and counties to construct public infrastructure or facilities that lead to a business's ability to create or retain jobs. At a minimum, low-to-moderate income (LMI) individuals, including individuals at poverty level, must take 51% of these jobs. Jobs taken by LMI individuals should increase their income and help them develop more marketable skills as well as their confidence. IDC is creating opportunity for low income and poverty individuals.

Second, the implementation of HUD's Section 3 Program. The program fosters local economic development and individual self-sufficiency for lower income persons in the solicitation of professional services and construction work needed to complete CDBG projects. The purpose of these requirements is to ensure that a greater share of economic opportunities generated by HUD funding is targeted to lower income families who live in the grantee's jurisdiction.

ICDBG funded grantees and their sub-recipient, contractors or businesses must make a good faith effort to award contracts to Section 3 business concerns and utilize Section 3 area residents as trainees and employees.

Third, IDC advertised CDBG funded projects through the Idaho Small Business Development Center and Idaho's Procurement Technical Assistance Center and Disadvantage Business Enterprises to ensure professional and construction services on CDBG funded projects were directly solicited to 508 businesses. These businesses comprise of Disadvantaged Businesses, Women Business Enterprises, HUD Zone Businesses, SBA Section 8(a) Businesses, Disabled Veteran owned Businesses, and Minority Owned Businesses.

Fourth, IDC provides additional points to job creation projects that are located or sited in the Small Business Administration's HUB zones (HUB zones are historically underutilized business zones that typically have higher rates of unemployment or lower per capita income then national levels) and Opportunity Zones.

IHFA-
Households who participate in the Section 8 Housing Choice Voucher program are eligible to be part of IHFA's Family Self-Sufficiency (FSS) Program, a voluntary program that helps families become economically independent during the 5-year contract of participation. FSS assists participating families in setting individualized training and service goals, serves to provide case management services that link them to community resources, and aims to help them overcome barriers to gainful employment. FSS participants also have the opportunity to accrue money in an interest-bearing escrow savings account as their earned income grows, and their rent portion responsibility increases, leading them toward self-sufficiency. When they have completed their self-sufficiency goals, and are free of cash welfare assistance, the family is eligible to graduate the program successfully and is awarded their escrow earnings, which can be used in the process of obtaining homeownership.

Section 3 and Minority/Women-Owned Business Entities (MBE/WBE) - During 2023 requirements helped target local economic development to low-income residents, business entities, minority, and women-owned business entities. ***See Narrative- CR-15 Resources and Investments for 2023 HOME MBE/WBE reporting***

Actions taken to develop institutional structure. 91.220(k); 91.320(j)

IDC believes that the department does not have gaps in its institutional structure or in the delivery of the CDBG program. The CDBG program strengths include the administration of the CDBG program for over 35 years and maintain consistent rules yet adapting to necessary program changes. IDC's certified grant administration program has also established a network of experienced and knowledgeable consultants that help cities and counties manage a CDBG project. In addition, IDC's CDBG staff provides on-going technical assistance.

IDC did consult with over 45 cities and counties. Technical assistance activities can range from strategic planning and project development to on-site training.

IDC staff also continued to work to improve the amount and quality of data available on the IDC website. In addition, IDC posts the Consolidated Plan, Annual Action Plan, CAPER, and CDBG Application Handbook and Grant Administration Manual.

IDC continues to hold quarterly meetings with USDA-Rural Development, Army Corps of Engineers, and Idaho Department of Environmental Quality to discuss community needs and coordinate efforts to meet those needs.

IDC continues to provide grant administration training, application trainings and one-on-one technical assistance to local governments, non-profits, grant consultants, and design professionals in efforts to ensure the on-going and future effective use of CDBG funds.

Actions taken to enhance coordination between public and private housing and social service agencies. 91.220(k); 91.320(j)

1) IHFA and IDC will continue to facilitate the coordination and participation between public and private housing and in stakeholder forums during PY2023 to enhance collaboration and coordination of public, private and faith-based service providers for housing, economic development, and other services:

- Idaho's Regional Housing Roundtable
- Idaho Rural Partnership (www.irp.idaho.gov)
- Association of Idaho Cities (https://idahocities.org)
- Disability Action Center NW (http://dacnw.org)
- Consortium for Idahoans with Disabilities (https://www.idahocid.com)
- Idaho Commission on Hispanic Affairs (https://icha.idaho.gov)
- Idaho Commission on Aging (https://aging.idaho.gov)
- Idaho Association of Counties (http://idcounties.org)
- Local Planning Districts
- Idaho Center for Fiscal Policy (https://www.jannus.org/program/idaho-center-for-fiscal-policy)
- USDA-RD

2) Both IHFA and IDC are participating members of the Fair Housing Forum, which works with various agencies

Actions taken to overcome the effects of any impediments identified in the jurisdictions analysis of impediments to fair housing choice.

While no housing issues in Idaho rose to the level of an impediment in the *2017 Fair Housing Assessment-Analysis of Impediments to Affirmatively Further Fair Housing,* the report does identify several housing issues and potential contributing factors.

ISSUES AND CONTRIBUTING FACTORS ADDRESSED	GOAL	MILESTONES	RESPONSIBLE ENTITY	2023 ACTIONS TAKEN
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	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 2019 and 2020. 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	IHFA	1. Completed 2 HTF single-family rental unit targeting ≤30% AMI. 2. The 2023 QAP retained a preference for project applications that target very low and extremely low-income households for permanent supportive housing to homeless and/or disabled. 3. No committee action taken during the 2023 (January- March) legislative session. 4. The 2023 QAP and Annual Administrative Plan continue to require proof communities in which the HOME, HTF or LIHTC programs are involved be committed to Fair Housing. Evidenced by the submission of an adopted Fair Housing Resolution, and a Fair Housing Plan or Analysis of Impediments to Affirmatively Furthering Fair Housing (CDBG Entitlement Communities) at the time the application is submitted for funding. In 2023, development rental and /or homebuyer projects were completed in Canyon, Blaine, Bannock, Power, Bonneville and Ada counties.

	Fair Housing Choice.	Entitlement Communities) at the time the application is submitted for funding.		
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	1. In the 2023 PY over 4,600 potential homebuyers participated in the Finally Home! Homebuyer Education classes in Idaho. Bilingual outreach, training, and customer services efforts continue.
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.	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 2017-2020, 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	1. • Hosted online Fair Housing Forum discussions • Hosted and managed content for fairhousingforum.org, including promotion for partner training events • IHFA's housingidaho.com Call Center staff called several thousand housing providers to encourage them to list property on our free, bilingual rental listing and locator service • Developed online training modules for public housing providers in several areas: Disability Etiquette; Fair Housing Basics; Section 504: Case Studies and Best Practices, etc. • Coordinated Governor's 2024 Fair Housing Month Proclamation • Conducted staff training for Centers for Independent Living on how to navigate housingidaho.com and recognizing common housing barriers for persons with disabilities

	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).			• Conducted fair housing training for Idaho NAHRO members and housing providers in Canyon County (hosted by Caldwell Housing Authority) 2. As noted in prior CAPERs IHFA researched substantial equivalency and adding familial status to Idaho Fair Housing law; during an 8/30/17 meeting with Joseph Pelletier, Director, Fair Housing Assistance Program, IHFA learned it is ineligible to pursue this on behalf of the state of Idaho. We subsequently turned over all findings to the Idaho Department of Labor/Idaho Commission on Human Rights. We continue to educate policy makers about the many benefits of achieving substantial equivalency and look forward to an eventual change in status. 3. Commerce: For the 2023 grant applicants, Commerce reviewed 15 applicants to determine and award points to applicants who had adopted familial status 4. HOME and HTF written agreements include language regarding ongoing compliance with Federal Fair Housing and Nondiscrimination laws, and regulations, including familial status as a protected class in accordance with Title VIII of the Civil Rights Act of 1968.

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 2017-2021 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	1. Multifamily rental applications receive additional scoring points if the owner commits to serving households with annual incomes at or below 30% AMI, or disabled, or elderly (age 62+). 2. In 2023: Single-family rental housing (new construction and rehabilitation) 2 visitable single-family units were created in 2023; 3. • Supported Forum Partners by promoting training events for SW Idaho Entitlement Communities • Presented to the Association of Idaho Cities and the American Planning Association Idaho and Utah Chapters on Fair Housing Best Practices, the statewide Analysis of Impediments, and the need to design and building more homes and neighborhoods accessible to individuals with mobility related disabilities • Co-presented with representatives from the cities of Boise, ID and Fort Collins, CO on the role of zoning and land-use in fair housing choice. Audience included housing, planning, and community development professionals from the Intermountain West (2024 Rocky Mountain Land-Use Institute. “Building Strong Communities: Lessons for the West”)

				4. Five percent of all new multifamily rental housing will be wheelchair accessible; which is 37 units in 2023. Two percent will accommodate persons living with sensory impairments which is 5 units in 2023. 5. Commerce: For 2023, a. Three CDBG funded projects will help to improve ADA accessibility in their respective communities. b. With exception to a post disaster grant, all of the 2023 CDBG grantees are required to update their transition plans, as per the Commerce grant agreement. c. The Economic Advisory Council approved a scoring point increase for projects that improve ADA accessibility. The procedure change was enacted for 2020 and 2021-4 CDBG projects.
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: Consider Utah's best practice of adding preferences for LIHTC location in areas with high proficiency schools*	Explore effectiveness of Utah's LIHTC program in 2019 and 2020 (after it has been utilized for three years)	IHFA	IHFA reached out to Utah's LIHTC program, and found many projects take advantage of the additional points awarded based on 5 factors: Preference locations with school proficiency, job access and labor market engagement, poverty, and housing stability. The challenge is these areas have more expensive land values, which can bring insurmountable costs for a project unless cities and jurisdictions participate in some fashion (donate land, carry back a low interest note).

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, 2017 through 2020	Commerce	For 2023, Commerce did not receive any job creation applications, therefore did not fund any job creation projects.
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	1. In 2023, Commerce attended four quarterly meetings with other infrastructure funding agencies, USDA-RD, DEQ, and USACE. Also Commerce participated with these funding agencies in a state-wide training of potential grantees. Commerce helps provide support and guidance to these federal agencies in their efforts to improve infrastructure and facilities in rural communities. 2. 4/1/2023 through 3/31/2024 Participated in numerous presentations and discussions with Idaho State Parks and Recreation to use influx of funds to address barriers to access in facilities and infrastructure, including employee housing and camping/housing design and modification. Participated in bimonthly virtual discussions with representatives in Idaho's disability community to consider partnerships and strategies with local governments and rural communities.

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. 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. 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	1. Commerce: As of 2023, All CDBG applicants (Grantees) were required to identify if the transportation component of their plan did address public transportation options. Additional points were awarded to applicants who had addressed public transportation options. Commerce's CDBG program does request Grantees to review the transportation options in their community under their Fair Housing Assessment. 2. IHFA staff maintain contact with our partners through ITD's Statewide Bicycle and Pedestrian Advisory Committee (BPAC) to promote diverse transportation and mobility options.

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	Ongoing outreach and communication with the following stakeholders between 4/1/2023 and 3/31/2024: Made use of general training and outreach opportunities to describe and explore models that distribute housing density and diversity across communities; show examples of small-footprint, compact housing forms; and introduced effective funding strategies for special-purpose housing development, including hard-to-house or vulnerable populations.

CR-40 - Monitoring

91.220 and 91.230

Describe the standards and procedures that will be used to monitor activities carried out in furtherance of the plan and will be used to ensure long-term compliance with requirements of the programs involved, including minority business outreach and comprehensive planning requirements.

Idaho Department of Commerce

IDC monitors all CDBG funded projects to ensure compliance with applicable program rules and regulations. The IDC monitoring process starts before the actual funding of an application and continues until project closeout. This dynamic process helps to ensure projects meet program requirements and improves the chances that any violations or potential violations are identified and corrected.

-Pre-Development Monitoring-

Local governments who anticipate applying for CDBG funds are encouraged to contact their regional IDC specialist. IDC specialists provide recommendations and technical assistance to local governments to help them understand the CDBG program requirements. Pre-development reviews also provide IDC an understanding of the potential projects and an early assessment to determine if it will meet the CDBG national objective, eligibility, and goals.

-Application Monitoring-

During the review of the applications, IDC staff first determines if the application meets the required eight threshold factors, which includes national objectives and eligible activities. If the application meets the eight threshold factors, further review of the application continues to determine if the project will meet the program goals and strategies, procurement rules, acquisition and relocation requirements, citizen participation, and an assessment of the environmental review requirements. Local governments' accomplishments towards furthering fair housing and accessibility (504) standards are also reviewed.

Generally, IDC conducts a monitoring of the environmental review conducted by the local government prior to execution of the IDC contract.

-Project Monitoring-

IDC conducts a risk assessment of each project, utilizing the department's Determination of On-site Monitoring criteria to establish if the project will require on-site monitoring or if the desk monitoring process will suffice. IDC monitors all CDBG funded projects and reviews the Grantee's financial audits. During the course of a project IDC, specialists are continually monitoring the following applicable project components:

Financial Management	**Procurement**	**Performance**
Environmental	**Labor Standards**	**Acquisition & Relocation**
Civil Rights	**LEP**	**Citizen Participation**
504 Standards	**Fair Housing**	

IDC continues to update its project-monitoring guide, which must be completed by a staff project specialist prior to closeout. IDC specialists approve every CDBG request for payment. Requests for payment are required to be supported by an invoice and executed contract. IDC has an established process of receiving and reviewing a local government's independent financial audit for any open project or project closed out within one year. The audit is reviewed by IDC to determine if there are any findings and if so do they affect the CDBG funds. IDC has also implemented an audit checklist to help ensure a grantee's compliance with 2 CFR Part 200.501 Audit Requirements.

-On-Site Monitoring-

IDC will try to visit all CDBG funded projects at least once during construction, to conduct site observation. IDC based on a risk analysis will conduct onsite fiscal monitoring of at least 20% of the CDBG funded projects for each program year.

-Women/Minority Business Enterprises Outreach-

ICDBG funded grantees and their sub-recipient, contractors or businesses must make a good faith effort to award contracts to Section 3 business concerns and utilize Section 3 area residents as trainees and employees.

IDC advertises ICDBG funded projects through the Idaho Small Business and Development Center, Idaho's Procurement Technical Assistance Center and Disadvantage Business Enterprises to ensure professional and construction services on CDBG funded projects are directly solicited to Disadvantaged and Women Business Enterprises, HUB Zone businesses, SBA Section 8(a) businesses, disabled veteran owned businesses, veteran- owned businesses, and minority-owned businesses.

Idaho Housing and Finance Association

-Rental Housing Compliance Monitoring-

Rental Activities- HOME & HTF rental activities must meet the affordability requirements during the period of affordability. Requirements are enforced through written agreements with the owners, deed restrictions, and covenants running with the land in a senior position ahead of all liens. Compliance Monitoring Department conducts an initial monitoring of each new project within the first 12 months after completion in IDIS and then follows a 3-year inspection schedule for all activities. However, as needed, rental projects can inspected more frequently based on the most recent physical inspection and tenant file review. The most recent monitoring, including any additional inspection or tenant file review is noted in the annual compliance monitoring report.

On an annual basis, owners certify each building in the project is suitable for occupancy (state and local health, safety, and other applicable codes, ordinances and requirements, and the ongoing property standards established by the program). Owners also certify vacant low-income units are advertised and filled before other units of comparable size. ***See 2023 HOME + HTF Monitoring and Risk Assessment***

-Homebuyer Residency Monitoring-

Compliance monitoring is conducted throughout the unit's period of affordability [§92.254]. Annual monitoring requirements are described in the Homebuyer's Occupancy Certification and their Deed of Trust. When IHFA determines a homebuyer has moved out or otherwise no longer resides in their HOME-assisted unit as a principle residence, (and has not received a HOME military or full-time student exemption), IHFA encourages the homeowner to return to their unit as soon as possible. If the homeowner fails to return to the unit, IHFA considers this a default on their HOME loan. IHFA will take corrective action to recapture the HOME subsidy loan. The 2023 homebuyer monitoring is substantially complete with no corrective actions taken.

-Risk-Based Financial Assessment-

The HOME Programs Department conducts financial assessments on assisted multifamily rental projects, as required by HOME and HTF regulations. The assessment includes a review of the current annual financial statements and the
project's projected budget as well as information regarding most current physical inspection and tenant file review, and owner's certification of continuing compliance.
IHFA commonly finds the following projects are at a greater financial risk:

- Projects within 5 years of the end of their affordability period
- Projects with Due-on-Sale or Net Operating Income (NOI) loan repayment terms
- Projects on Compliance Department's 'Watch' list
- Projects with an inconsistent or nonpayment history
- Projects with 10 or more assisted units

Using a Tier 1 Easy Risk Assessment, IHFA is able to determine the following information: (1) is the project generating a positive cash flow; and (2) is there sufficient cash available to pay accounts payable. Consideration is given to the independent auditor/accountant concerns and if the replacement reserve deposits are adequate. The result of the Tier 1 Assessment is a 'Pass' or 'Fail'. Additional review may be conducted because of other specific triggers. Projects that receive a Tier 1 'Pass' and have no other significant areas of concern are defined as a stable financial position.

Projects that receive a 'Fail' receive a Tier 2 Assessment. This phase looks at additional factors, such as vacancy rate, market/affordable unit mix, and market and geographic factors that may impact market demand. In some cases, based on the Tier 2 Assessment, a historical spreadsheet may be created. The purpose of this additional assessment is to provide a comprehensive review from the perspective of the project and provide options and recommendations.

In 2023, 17 projects were subjected to the Tier 1 Financial Risk Assessment. None of these projects required a higher level of assessment. ***See - 2023 HOME + HTF Monitoring and Risk Assessment.***

-CHDOs-

CHDOs must submit all CHDO certification documentation annually. When the CHDO receives an Annual CHDO Certification, then the CHDO updates this annual information as necessary, each time CR funds are committed to a new activity.
All activities funded with CR following the same compliance monitoring, physical inspections, and financial risk assessments as any non-CHDO activity during development and activity's Period of Affordability.

Because HOME requires a CHDO-owner to maintain ownership of a rental property throughout the period of affordability, or transfer ownership to another CHDO, IHFA has determined the potential risk of repayment of repayment to HUD is too great; therefore, IHFA dose not use CHDO set-aside funds for rental or CLT activities.

In 2023, IHFA certified two (2) non-profit development organizations as CHDOs. Both organizations applied for and received a CHDO Operating Assistance Grant. IHFA awards the grant to CHDOs following a published NOFA, competitive scoring application process.

-Minority/Women Business Outreach-

The HOME and HTF programs require owner/developers to include special outreach to minority and women-owned business enterprises to help provide them with an opportunity to provide goods and services to assisted activities. Outreach activities can include direct solicitation, utilizing Idaho's Procurement Technical Assistance Center (PTAC), local print media, and requiring contractors/subcontractors to take the same positive steps. Prior to project completion, an owner completes the MBE/WBE Activity Report, which includes the business status and address of each contractor/subcontractors. See CAPER CR-15 Resources and Investments.

-ESG Monitoring-

Multiple forms of monitoring exist: project, performance, and HMIS/CMIS. Project compliance will be carried out by the Collaborative Applicant. Performance compliance will be enforced by the Collaborative Applicant and HUD. HMIS/CMIS compliance will be conducted and enforced by the HMIS Lead Agency.

In executing project compliance, the Collaborative Applicant will establish and maintain standard procedures for ensuring that CoC and ESG Program funds are used in accordance with federal requirements, and will establish and maintain sufficient records to enable the U.S. Department of Housing and Urban Development (HUD) to determine whether subrecipients are meeting the requirements of 2 CFR 200.

CoC and ESG Program monitoring activities will include financial and project compliance outlined in 2 CFR 200 and identified in this policy and the supporting CoC and ESG Project Monitoring Checklists.

HUD maintains responsibility for monitoring all CoC and ESG recipients, including monitoring a sample of subrecipients when a recipient is selected for HUD program monitoring. Noncompliance with HUD and local regulation and policy may result in the full or partial defunding of a grant, required technical assistance and/or training, required transfer of the grant to a new subrecipient, or a variation of the remedies herein.

Performance compliance will be assessed by the Collaborative Applicant, with support from the HMIS Lead Agency and Data Collection, Reporting, and Evaluation Committee. Performance includes adherence to system performance, data quality, and data completeness measures or standards. Any defunding or reassigning of grant activities must be approved by the CoC Board. Additional detail regarding this process is included in Section 5: Systemwide Performance Measures.

The execution of HMIS/CMIS monitoring will be completed by the HMIS Lead Agency. All HMIS/CMIS users and HMIS/CMIS-participating agencies will be monitored at least annually. All agencies required to participate in HMIS or CMIS through CoC or ESG awards may experience delays in reimbursement payments from the Collaborative Applicant for failure to comply with HMIS or CMIS collection and reporting standards until such time that the agency is in compliance.

In the last quarter of the calendar year, the Collaborative Applicant performs risk assessments on all agencies receiving HUD homelessness assistance funds through IHFA. The risk assessment determines each projects capacity to run the project and will inform the monitoring team as to what risk is posed. Each agency, regardless of risk assessment score, will receive an On-site monitor.

CoC Risk Assessments – The CoC program will be evaluated on the following criteria outlined in the Risk Assessment:

- Agency Experience: COC Program
- Agency Experience: HUD Funding
- Staff Capacity: Authorized Staff
- Staff Capacity: Draw Contact Person
- Rent/Lease Program Growth
- Total Grant Spend
- Timely Disbursement
- Spend Within Cost Category
- Ineligible Expenses
- APR Submission
- Unresolved HQS Deficiencies
- Unresolved Monitoring Findings
- HMIS/CMIS Data Quality
- Household Unit Utilization

ESG Risk Assessments – The ESG program will be evaluated on the following criteria outlined in the Risk Assessment:

- Agency Experience: ESG Program
- Agency Experience: HUD Funding
- Staff Capacity: Authorized Staff
- Staff Capacity: Draw Contact Person
- Rent/Lease Program Growth (RRH and HP only)
- Total Grant Spend
- Timely Disbursement

- Spend Within Cost Category
- Ineligilble Expenses
- Unresolved HQS Deficiencies
- Unresolved Monitoring Findings
- HMIS/CMIS Data Quality
- Housing Placement (RRH only)
- Bed Utilization (Shelter only)

If during the monitor the Collaborative Applicant identifies a concern or finding, the following will take place:

- Concern: A concern is a deficiency in project performance not based on statutory, regulatory, or other program requirements. Required sanctions or corrective actions are not authorized for concerns.
    - The Collaborative Applicant will bring the concern to the attention of the subrecipient via formal letter sent by email which will recommend actions to address concerns and/or offer technical assistance.
    - Concerns do not require a formal written response to the Collaborative Applicant.
- Finding: A finding is a deficiency in a subrecipient's project performance based on material noncompliance with a statutory, regulatory, or program requirements for which sanctions or corrective actions are authorized.
    - The collaborative Applicant will provide documentation via formal letter sent by email. The notification will detail required action to be taken by the subrecipient.
- Non-compliance: Failure to provide written response to a finding by the specified deadline may lead to a de-obligation of funds. However, upon receipt of the Notice of De-obligation, the Subrecipient has thirty (30) days to submit a formal letter of appeal. The agency must:
    - Submit the appeal on agency letterhead, addressed to the Collaborative Applicant.
    - Present a high level of detail and explanation and must include corresponding documentation addressing the corrective action that was found to be deficient.

The Collaborative Applicant will consult with the HIC Executive Board, Guiding Idaho, prior to taking de-obligation actions.

CR-50 – HOME

91.520(d)

Other actions taken to foster and maintain affordable housing. 24 CFR 91.220(k) (STATES ONLY: Including the coordination of LIHTC with the development of affordable housing). 24 CFR 91.320(j).

HOME & HTF Programs

Whenever HOME or HTF funds are used to acquire, construct, or rehabilitate homebuyer and rental housing projects, the project owner is required to meet the applicable income restrictions and affordability requirements. If a project fails to meet the affordability requirements during the period of affordability, IHFA is required to repay the funds invested in the project [§92.504 (c) (ii)] [§93.403] to HUD. Therefore, IHFA enforces the affordability requirements through deed restriction and a restrictive covenant in the senior position. The period of affordability is determined by the amount of HOME or HTF funds invested in the activity on a per-unit basis. IHFA does not impose a period of affordability longer than the program's regulatory minimum.

Low-Income Housing Tax Credit Program

IHFA is the State of Idaho's Low-Income Housing Tax Credit administrator, a program established under the 1986 Tax Reform Act. LIHTC provides an incentive to create affordable rental housing. The program provides a dollar-for-dollar federal tax reduction under Section 42 of the Internal Revenue Code. Each development's annual Housing Tax Credit eligibility is based upon depreciable real property costs applicable to the units designated for low-income tenants. The amount the allocation to a rental project is based upon the lesser of, credit eligibility, or the amount necessary to fill the funding gap, or the amount necessary to generate a reasonable return to the investor.

2023 Set-asides

5.1 Federally Mandated 10% Non profit Set-Aside

Federal regulations require a minimum of 10% of the state's housing credit ceiling for any calendar year set- aside for awards to developments involving qualified nonprofit organizations. Developments qualify for this set- aside if a qualified nonprofit organization owns an interest in such developments (directly or through a partnership) and materially participates (within the meaning of Section 469(h)* of the Internal Revenue Code

(IRC) in the development and operation of the development throughout the 15-year compliance period. Additionally, the qualified nonprofit organization must meet the following federal requirements:

In the calendar year 2023, 32.11% of the state housing credit ceiling ($7,343,902) was allocated to qualified nonprofit organizations. This equates to $2,358,320 in annual tax credit or $23,583,200 in total tax credit over 10 years.

- Such organization is described in paragraph (3) or (4) of Section 501(c) of the IRC and is exempt from tax under Section 501(a) of the IRC;
- Such organization must be determined by the State housing credit agency not to be

affiliated or controlled by a for-profit organization; and

- One of the exempt purposes of such organization includes the fostering of low-income housing.

*Section 469(h) of the IRC states that a taxpayer shall be treated as materially participating in an activity only if the taxpayer is involved in the operations of the activity on a basis that is regular, continuous, and substantial.

In addition to the federal requirements listed above, the Association requires that prior to the closing of the equity financing, a Right of First Refusal (ROFR) shall be negotiated with the tax credit investor for the benefit of a "qualified nonprofit organization" as defined in IRC Section 42(h)(5)(C), as the holder of such ROFR and to be effective after the end of the 15-year tax credit compliance period. The ROFR shall be consistent with IRC Section 42(i)(7).

5.1.1 Competition in Non-Targeted Category

Nonprofit organizations may also compete for non-targeted tax credits.

5.1.2 Safe Harbor Guidelines

In order to meet the safe harbor guidelines prescribed by the Internal Revenue Service, all developments receiving nonprofit set-aside credit must designate at least 75% of the residential units as affordable to persons at or below 60% of the area median income.

5.2 Special Housing Need Set-Aside

Upon determination of a special housing need within the state, the Association, in its sole discretion, may set aside up to 15% of the annual per capita tax credit amount to address this housing need and announce specific guidelines that may apply to application for these funds. Additional guidance will be provided by the Association in the Request for Proposal (RFP) outlining the requirements that should be included in an application applying for the set-aside. If this set aside is not utilized by the Association or if qualified applications are not received, the set-aside will be made available to other qualified non-targeted applications. If utilized, the Association will announce specific guidelines that may apply to the application for these funds a minimum of 180 days prior to the application round.

5.3 Rural Development Set-Aside

Fifteen percent (15%) of the annual per capita tax credit will be set-aside for the new construction of developments located in communities that qualify as eligible communities for USDA RD Multifamily Housing programs. The set-aside will be available on a statewide basis during the Application Round if sufficient applications are received, otherwise, it will be available for all other qualified non-targeted applications.

5.4 Preservation Set-Aside

Ten percent (10%) of the annual per capita tax credit will be set-aside for the rehabilitation of existing federally assisted rent-restricted developments. The set-aside will be available on a statewide basis during the Application Round if sufficient applications are received; otherwise, it will be available for all other qualified non-targeted applications.

5.5 Authority to Reduce Set-Asides

If maintaining the set-asides listed above jeopardizes the Association's ability to effectively allocate credit during the calendar year, the Association may eliminate or reduce the set-asides to federally mandated levels.

5.6 Eligible Basis Increase (up to 30%) for Certain State Designations

Developments may qualify for a 30% eligible basis boost if designated by the Association at its sole discretion, as in need of additional resource assistance to ensure economic feasibility. Developments that are applying for tax credit under the special housing needs set-aside mentioned above in Section 5.2; developments that have unusually high construction costs and/or land costs because of being in a higher cost resort community; or developments which are located in a higher cost urban center are eligible for consideration of the 30% eligible basis boost. Burden of evidence and justification for the boost falls solely on the Sponsor and will be assessed by the Association, at its sole discretion, on a case by-case basis.

In order for a sponsor to be eligible, the project must be located in one of these specific categories. If a request for basis boost is included in the application, a detailed narrative to include comprehensive reasoning and justification to support that the project resides within an eligible area is required to be given consideration by the Association for the boost.

NOTE: The category is not intended to override or supersede federally designated DDAs or QCTs. 'Urban Center' is defined as being ineligible for 'Rural' classification by the USDA Rural Department and within close proximity, as determined by the Association at its sole discretion, of areas with high development costs resulting from dense population.