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OLENE WALKER HOUSING LOAN FUND

State of Utah: The Olene Walker Housing Loan Fund

Policies and Procedures

2023-2024



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The Olene Walker Housing Loan Fund

Introduction

The Olene Walker Housing Loan Fund (OWHLF) is a revolving loan fund overseen by The State of Utah, Department of Workforce Services (DWS), Housing and Community Development Division (HCD) See Utah Code §35A-8-502

The OWHLF partners with public and private organizations to create and preserve affordable housing for Utah's low-, very-low and moderate income families throughout Utah. To achieve this goal, the HCD as well as the OWHLF Board have funded programs and initiatives that support the construction, rehabilitation and purchase of safe, decent, and affordable multi-family and single-family housing throughout Utah.

The OWHLF Board supports quality affordable housing options that meet the needs of Utah's individuals and families. The Board supports the development of housing that is affordable for very- low, low- and moderate-income persons as defined by the Department of Housing and Urban Development (HUD). HUD updates program rent and income limits annually.

Mission Statement

The mission of the Olene Walker Housing Loan Fund is to support quality affordable housing options that meet the needs of Utah's individuals and families while maximizing all resources.

Vision Statement

We promote all aspects of the development of quality, affordable housing for all people, so they can contribute their personal attributes to community health by:

- Investing in quality projects that are conceptually and financially sound while maximizing the leveraging of resources.
- Working in partnership with community-focused organizations to provide opportunities for people to improve their quality of life.
- Upholding high ethical standards, as defined by the state of Utah, in all our funding reviews and decisions.
- Educating individuals, families and communities throughout the state about housing resources and information.



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Calendar

Funds are made available through an application process. Reservations of funds are issued during a scheduled board meeting. The Board holds quarterly meetings (January, April, July, and October) generally on the third Thursday of the scheduled month at 9:00 a.m. Dates and time of the Board Meetings are subject to change. The primary meeting location is the Olene S. Walker Building, 140 East 300 South, Salt Lake City, Utah 84111.

Enabling Legislation

State Code

The Program is established and governed by [Utah Code Section 35A-8-501](#) et seq.

Administrative Rule

The Program is governed by Utah Administrative [Rule R982-501](#).

Conditions and Disclaimers

No member, officer, agent, or employee of the Board, or any other official of the State of Utah, including the Governor, shall be personally liable concerning any matters arising out of or in relation to the OWHLF allocation or administration of these policies.



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General Information

Funding Set-Asides

Community Housing Development Organization (CHDO):

As required by HUD, the Board will set aside at least 15% of the HOME funding for qualified CHDOs. A project sponsor that applies for funds under CHDO status must be a qualified Utah CHDO with current status at the time of application. Please refer to the *CHDO Qualification Checklist* (EXHIBIT O).

Predevelopment Set-Asides:

OWHLF funds predevelopment grants up to \$50,000 for qualified multifamily rental and single-family home ownership project located in rural areas. There is a limited amount of available funding for these grants. Contact Daniel Herbert-Voss at dhvoss@utah.gov for more information.

See <https://jobs.utah.gov/department/rfg/housing.html> for more information.

Single-Family Set-Asides:

- Rural Single-Family Rehabilitation and Reconstruction Program (SFRRP)
- HomeChoice Program
- Housing Choice Voucher (formerly known as Section 8) Landlord Incentive Program

State Match for HOME Investment Partnership Program (HOME):

As required by HUD in 24 CFR 92.218, HCD must make contributions to housing that qualifies as affordable housing under the HOME program, throughout a fiscal year. The contributions must total not less than 25% of the funds drawn from the jurisdiction's HOME Investment Trust Fund Treasury account in that fiscal year.

Other Set-Asides:

The Board may set aside available funding for the purpose of competitively soliciting proposals from developers and agencies to create affordable housing that meets the needs of targeted populations or areas.



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Long-Term Monitoring of Single-Family Projects

All single-family projects with an active loan are required to stay current on property taxes and have hazardous insurance in an amount equal to or greater than the collateral used on the loan. Each loan will be monitored long-term for ownership and residency. The primary method to verify will be through property taxes. Secondary method will be through hazardous insurance.

OWHLF Program Questions

Questions pertaining to multifamily rental or “out-of-the-box” single-family projects can be sent to Daniel Herbert-Voss at dhvoss@utah.gov.

Questions pertaining to SFRRP can be sent to Katye Halterman at khalterman@utah.gov.



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Multifamily Program

The Multifamily Program provides financial assistance for the acquisition, new construction, or rehabilitation of affordable rental housing, of five or more units, that will serve very-low- and low- income households at or below 60% AMI throughout Utah. Eligible entities can apply for funding on a quarterly basis. Applications are competitively scored, ranked and then presented at quarterly board meetings. Much of the funding for OWHLF is federal, being either HOME annual entitlement funds, HOME program income (loan repayment) funds, National Housing Trust Fund (HTF) annual entitlement funds, or HTF program income funds. Borrowers and grantees receiving federal funds shall comply with all applicable federal requirements.

HOME Investment Partnerships Program (HOME)

The HOME Investment Partnerships Program provides formula grants to states and localities that communities use, often in partnership with local nonprofit groups, to fund a wide range of activities. These activities include building, buying, and/or rehabilitating affordable housing for rent, homeownership, or providing direct rental assistance to low-income people. HOME is the largest federal block grant to state and local governments designed exclusively to create affordable housing for low-income households. HOME funds are awarded annually as formula grants to participating jurisdictions (PJs). See “State of Utah HOME Policies and Procedures 2023”

National Housing Trust Fund (HTF)

HTF provides grants to states to produce and preserve affordable housing for extremely low-income households. HTF is an affordable housing production program established under Title 1 of the Housing and Economic Recovery Act (“HERA”) of 2008, Section 1338 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 USC 4501 et seq., 42 USC 1437 et seq., 24 [CFR Part 93](#)), that complements federal, state, and local efforts to increase and preserve decent, safe, and sanitary affordable housing for extremely low-income households, including homeless families. See “State of Utah HTF Policies and Procedures 2023”

State Low-Income Housing Funds (LIH)

LIH are State General Funds appropriated to HCD by the State Legislature. They are used to match contributions to qualified affordable housing under the HOME program. These contributions must total not less than 25% of the funds drawn from the jurisdiction's HOME Investment Trust Fund Treasury account in that fiscal year. No less than 70% of the money in the LIH fund shall benefit persons whose annual income is at or below 50% AMI. LIH funds may be used for OWHLF’s single-family programs as well as multifamily projects that aren’t eligible for HOME or HTF funding.



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General Rules

Disbursement

LIH funds are not subject to HUD requirements prior to disbursement. Projects awarded these funds cannot disburse funds from HCD's WebGrants system until OWHLF Board approval and the DWS-HCD contract has been fully executed.

Sharing of Information with other Financial Sources

Subject to the Government Records Access and Management Act ("GRAMA"), [UC 63G-2-101 et seq.](#), application information may be shared with other financially interested parties, including, but not limited to participating lenders, the Internal Revenue Service (IRS), UHC, and investors.

Construction Monitoring

Staff will conduct project monitoring at the following stages: 1) pre-allocation, 2) approximately 20% construction; 3) approximately 50% construction, and 4) final construction inspection prior to final project closeout.

Staff may conduct additional inspections at their discretion. If it is noted that construction items specified in the approved application or the contractual Scope of Work have not been completed or performed as represented in the approved application, the developer will be given thirty (30) calendar days to make corrections. No additional funding draws will be executed until satisfactory corrections are completed. Failure to complete the project as represented in the approved application and Scope of Work will result in the project's developer, owner, affiliate, partner, officer, manager, investor, agent or principal being disqualified from receiving any funds for any projects until the corrections have been satisfactorily completed. The Board has the authority, based on information obtained in status reports, construction inspections, or on recommendation from staff to extend the period of funding, to rescind the approval and require the project to reapply under the then-current project conditions, or to require the funds to be paid back to HCD.



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Compliance Monitoring**

Active and ongoing monitoring is critical to ensuring compliance. Effective monitoring is an ongoing process of planning, implementation, communication, and follow-up. As a result, monitoring activities will be scheduled throughout the program years.

HCD must perform on-site inspections of HOME-assisted rental housing to determine compliance with the property standards of [92.251](#) and to verify the information submitted by the owners in accordance with the requirements of [92.252](#). The inspections must be in accordance with the inspection procedures that the participating jurisdiction establishes to meet the inspection requirements of [92.251](#).

Projects will be monitored in accordance with [24 CFR Part 92.504](#). At a minimum, property inspections shall occur within 12 months after project completion and then at least once every three years throughout the period as outlined in the Deed Restriction (typically 30 to 40 years).

Signage

Owner must include Olene Walker Housing Loan Fund’s name and logo on project signage during construction, press releases, and interviews as the lender of fund monies.

Project Fees

All fees must be reasonable with respect to the low-income housing objectives while sufficient to attract quality projects. Any fees approved by the Board must comply with Utah Housing Corporation limits as determined in their yearly Qualified Allocation Plan(see below):

Developer Fee Maximum

Number of Units in Project	Maximum Fee Allowable
1-40	15%
41-100	12%
101-200	11%
201+	10%

Other Fee Maximums

Fee Types	Percentage Calculation
Acquisition Fee	6% of building(s) acquisition cost ¹
General Requirements	6% of direct construction cost ²
Builder Profit and Overhead	5% of direct construction cost ³

¹ Building Acquisition Cost = Purchase Price - Land Value - Related Party Fees and Commissions.

² Direct Construction = Site Work + Rehab/New Construction + Contingency - General Requirements.

³ See footnote 2



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Income Targeting

Not less than 70% of housing units assisted with LIH funds must be occupied by families whose income does not exceed 50% AMI, as determined by HUD with adjustments for smaller and larger families at the time of occupancy or at the time funds are invested, whichever is later. The remainder may assist housing units occupied by families whose income does not exceed 80% of the AMI, as determined by HUD with adjustments for smaller and larger families at the time of occupancy or at the time funds are invested, whichever is later. The income targeting will be on a per-multifamily project basis.

State Low-Income Housing (LIH) Rent Limits

Maximum LIH rents limits are calculated using 30% of [HUD’s Adjusted HOME Income Limits](#). Rents cannot exceed the maximum rent minus the monthly allowances for utilities and services, which typically include heating, cooling, water heating, lights and appliances. OWHLF staff can provide AMI and rent limits for a specific county.

This is an example of HUD Adjusted HOME Income Limits in Salt Lake County:

VERY LOW INCOME - 50% AMI - INCOME BY HOUSEHOLD SIZE – SALT LAKE COUNTY							
1	2	3	4	5	6	7	8
37,100	42,400	47,700	53,000	57,250	61,500	65,750	70,000

Studio LIH rent limit calculation:

$\$37,100 (30\%) = \$11,130$ (annual rent)

$\$11,130/12 = \927 monthly rent limit

1 BR rent limit calculation:

$\$42,400 (30\%) = \$12,720$ (annual rent)

$\$12,720/12 = \$1,060$ monthly rent limit

This is an example of Rent Limits in Salt Lake County:

50% Rent Limits in Salt Lake County				
Studio	1 BR	2 BR	3 BR	4 BR
927	993	1,192	1,378	1,537

60% Rent Limits in Salt Lake County				
Studio	1 BR	2 BR	3 BR	4 BR
1,112	1,191	1,430	1,653	1,844

70% Rent Limits in Salt Lake County				
Studio	1 BR	2 BR	3 BR	4 BR
1,298	1,390	1,668	1,929	2,151

80% Rent Limits in Salt Lake County				
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Studio	1 BR	2 BR	3 BR	4 BR
1,483	1,588	1,907	2,204	2,459

Multifamily Loan Information

Promissory Note

- a. Payment
 - i. Principal and interest are payable on or before the 1st day of the month and will continue until the entire principal balance, interest and any accrued late charges are paid in full. Payments will be applied first to principal, then to interest, and then to unpaid late charges. Borrower may prepay without penalty all or a portion of the loan prior to the scheduled maturity date.
- b. Late Payment Charges
 - i. Borrower shall pay a late payment charge of five percent (5%) of the loan balance for each payment received by Lender after the maturity date or after the date of an event of acceleration or an event of default, whichever comes first.
- c. Additional Conditions
 - i. The Trust Deed contains terms and conditions for the acceleration of the indebtedness evidenced by the Note together with additional remedies in the event of default.
 - ii. Failure of Lender to exercise any right granted therein or in the Trust Deed will not constitute a waiver of such right or preclude the subsequent exercise and enforcement thereof.
 - iii. The Note, the Trust Deed, the Deed Restriction and all other Lender documents executed in connection with the indebtedness evidenced by the Note are collectively referred to as the "Loan Documents".
 - iv. If any obligations evidenced by the Note are placed in the hands of an attorney for collection, Borrower shall be liable to and reimburse Lender for all costs and expenses incurred, including, without limitation, reasonable attorneys' fees.
 - v. Borrower shall fully defend, indemnify, and hold harmless Lender and the State of Utah (including their employees, Boards, agents and officers) from any and all liabilities, obligations, losses, damages, penalties, claims, actions, suits, costs and expenses assessed or incurred, including without limitation reasonable attorneys' fees, relating to or arising in connection with any claim related to Borrower's (including Borrower's agents, employees, contractors at any level, officers, and partners) acts, omissions, development, construction, ownership, use, maintenance or occupancy of the Property, and including any misrepresentation or breach of any representation or covenant of Borrower in any of the Loan Documents.
 - vi. Notwithstanding anything to the contrary in the Note and the Trust Deed, or any other Note or Trust Deed executed by Borrower in favor of Lender and



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affiliated with the financing of the project (collectively “Other Loan Documents”), a breach or default by the Borrower of any term, covenant, or condition contained in the Note, the Trust Deed, or any Other Loan Documents shall, at the option of Lender, constitute a default under the Note, the Trust Deed, and all Other Loan Documents. Lender is entitled to apply all of its rights and remedies under the terms of the Note, Trust Deed and any Other Loan Documents for a default by Borrower occurring hereunder or under any Other Loan Documents.

d. Default

- i. Borrower’s failure to pay any installments of principal and interest, or any part thereof, when due and said default is not cured within fourteen (14) days after written notice is issued by Lender;
- ii. Any representation or warranty made by Borrower in any of the Loan Documents is inaccurate or incomplete in any adverse respect as of the date made;
- iii. Borrower’s failure to maintain its current legal or corporate existence;
- iv. Borrower’s failure to fully comply with any term or provision in any of the Loan Documents and such failure continues for fourteen (14) days after written notice is issued by Lender;
- v. Borrower refinances, sells, conveys, transfers, disposes or assigns any of Borrower’s interest in the Property, or title to the Property is vested in any other person or entity, or Borrower further encumbers any part of or interest in the Property, without the prior express written consent of Lender, which may be granted or withheld in Lender’s sole discretion; or
- vi. Borrower becomes insolvent, does not pay its debts as they become due (including without limitation taxes or payments to contractors or suppliers), admits in writing its inability to pay its debts, makes an assignment for the benefit of creditors, or insolvency, receivership, reorganization or bankruptcy proceedings are commenced against Borrower and such proceedings are not dismissed within sixty days, or insolvency, receivership, reorganization or bankruptcy proceedings are commenced by Borrower.

e. In the Event of Default Lender may in its sole discretion:

- i. Declare the entire unpaid principal, accrued interest, and any accrued late fees, to be immediately due and payable in full.
- ii. Exercise any rights and remedies under the Note, Deed of Trust, any other Loan Documents, and any other remedy provided in law or equity.
- iii. If an enforcement action is initiated and Lender prevails, Lender shall be entitled to its costs and reasonable attorneys’ fees from the Borrower and owner of the Property.



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- f. Liability for other sums
 - i. Notwithstanding the foregoing, Borrower is personally liable and is not exculpated for any deficiency, loss or damage suffered by Lender, including Lender's reasonable attorneys' fees and costs, resulting from Borrower's:
 - 1. Fraud or misrepresentation in connection with any of the Loan Documents;
 - 2. Failure to pay taxes and assessments when due;
 - 3. Failure to pay charges for labor, materials or other charges which may create liens on the Property;
 - 4. Misappropriation of any insurance proceeds;
 - 5. Causing or permitting waste or deterioration to occur in, on or about the Property, or failure to maintain the Property; or
 - 6. Failure to comply with the Deed Restriction.
 - g. Miscellaneous
 - i. The loan from Lender is a "low-interest" loan made solely for purposes of new construction or rehabilitation as provided for in [Utah Code 35A-8-501 et seq.](#), as amended.
- 2. Trust Deed
 - a. Charges and Liens
 - i. Borrower shall timely pay all costs, fees, and expenses of the Trust Deed, and all taxes, assessments, charges, fines, encumbrances, liens and interest attributable to the Property. Borrower shall pay these obligations directly to the person or entity owed payment. Borrower shall promptly furnish to Lender receipts evidencing these payments on a quarterly basis.
 - ii. Except for senior loans preapproved in writing by Lender, Borrower shall promptly and without Notice from Lender discharge each lien that has priority over the Trust Deed unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender; (b) contests in good faith and successfully defends against enforcement of the lien in legal proceedings which prevent the enforcement of the lien or forfeiture of any part of the Property; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to the Trust Deed. If Lender determines that any part of the Property is subject to a lien that may attain priority over the Trust Deed, Lender may give Borrower Notice identifying the lien and Borrower shall take one or more of the actions set forth above within **45** days of Notice.



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- b. Assignment of Rents
 - i. Upon the occurrence of an Event of Default, Borrower authorizes Lender to collect, with or without taking possession of the Property, and if necessary sue for, rents and Borrower shall provide written direction to each tenant of the Property to pay all rents to Lender. Until the occurrence of an Event of Default, Lender grants Borrower a revocable license to collect and receive all rents for use in accordance with the provisions of the Trust Deed and Deed Restrictions, and apply the rents to pay the installments of interest and principal when due under the Note and other amounts due under the Trust Deed. Upon default of any of Borrower's obligations contained in the Promissory Note, Trust Deed or Deed Restriction, Borrower's license to collect rents will automatically terminate and Lender will without notice be entitled to all rents as they become due, including rents then due and unpaid. Borrower shall pay to Lender upon demand all rents to which Lender is entitled.
 - ii. As additional security, Borrower shall assign and transfer to Lender all rents, issues, royalties, and profits of the Property and Borrower's personal property located thereon. Borrower shall establish a present, absolute, and irrevocable transfer and assignment to Lender of all rents and authorize Lender to collect and receive all rents without the necessity of further action by Lender. Promptly upon request by Lender, Borrower shall execute and deliver such assignments as Lender may require. Until the occurrence of an Event of Default, Borrower retains the right to collect all rents, issues, royalties, and profits earned and payable prior to the Event of Default.
 - iii. Except for senior loans pre approved in writing by Lender, Borrower represents and warrants that Borrower has not executed any prior assignment of rents, and Borrower covenants and agrees it shall not perform any acts, has not executed, and will not execute, any instrument that would prevent Lender from exercising its rights.
- c. Compliance with laws
 - i. Borrower shall comply with, and ensure its employees, contractors, officers, agents and tenants comply with, all applicable state and federal laws, ordinances, regulations, requirements of applicable governmental authorities, and covenants, restrictions and agreements recorded against the Property. Borrower shall maintain detailed records demonstrating compliance with the provisions of the Trust Deed.
 - ii. Borrower shall take appropriate measures to prevent, and shall not engage in or permit, any illegal activities at the Property, including those that may endanger tenants or visitors, cause damage to the Property, result in forfeiture of the Property, or impair the lien created by the Trust Deed or Lender's interest in the Property



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d. Insurance

- i. Borrower shall provide and maintain insurance from insurance companies authorized to do business in the State of Utah on and relating to the Property and improvements, each with an AM Best rating of A- or higher that are satisfactory to Lender and include Lender as an additional insured with loss payable clauses in favor of Lender. Certificates of Insurance, showing up-to-date coverage, shall be submitted to Lender no later than 5 business days of execution of the loan documents. Failure to provide and maintain the required insurance in compliance with this section is deemed a material breach of the Trust Deed. At the minimum:
 1. Workers' compensation insurance that covers full liability at the statutory limits.
 2. Commercial general liability [CGL] insurance with limits no less than one million dollars (\$1,000,000.00) per person per occurrence and three million dollars (\$3,000,000.00) aggregate.
 3. Commercial automobile liability [CAL] insurance covering bodily injury and property damage liability, applicable to all vehicles whether owned, non-owned, leased, or hired. The minimum liability limit must be \$1 million per occurrence, combined single limit.
 4. Professional liability insurance.
- ii. In the event of loss, Borrower shall give immediate notice to Lender, who may make proof of loss and settle and adjust all claims under the policy. Borrower authorizes and directs each insurance company involved to make payment for such loss directly to Lender instead of to Borrower and Lender jointly, and the insurance proceeds may be applied by Lender in its sole discretion to reduction of the secured indebtedness or to the restoration or repair of the Property. Lender agrees not to apply insurance proceeds to the secured indebtedness if all of the following conditions are met: (1) no Event of Default has occurred and is continuing; (2) Lender determines that there will be sufficient funds to complete the restoration; (3) Lender determines that the net operating income that will likely be generated by the Property after completion of the restoration will be sufficient to support a debt service coverage ratio not less than the greater of (A) the debt service coverage ratio as of the date of the Trust Deed (based on the final underwriting of the Property) or (B) the debt service coverage ratio immediately prior to the loss, in each case including all operating costs, deposits to reserves and loan repayment obligations relating to the Property; (4) Lender determines that the restoration will be completed before the earlier of (A) one year before the maturity date of the Trust Deed Note or (B) one year after the date of the loss or casualty; and (5) Lender receives evidence of the insurance coverage during and after the restoration.



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e. Indemnification

- i. Borrower shall, at its sole cost and expense indemnify, release and hold harmless Lender and its officers, directors, employees, and agents from and against any and all contemporary and future claims, suits, proceedings, obligations, assessments, damages, losses, costs, expenses (including, without limitation, reasonable attorneys', architects', and engineering fees), demands, liabilities, penalties, fines, judgments, settlements, and forfeitures of any nature suffered or incurred by Lender or its officers, directors, employees, and agents arising out of, relating to, or in any manner occasioned by (i) the Trust Deed or the related Loan Documents; (ii) a breach by Borrower of the Trust Deed or the related Loan Documents; (iii) Lender's exercise of the rights and remedies under the Trust Deed or the related Loan Documents; (iv) the use, generation, manufacture, storage, disposal, release, or threatened release of a hazardous substance on, under, about, or from the Property in violation of environmental laws; (v) any accident, injury to or death of persons or loss of or damage to property occurring in, on or about the Property or the adjoining sidewalks, curbs, adjacent property or adjacent parking areas, streets or ways; (vi) any use, nonuse or condition in, on or about the Property or on the adjoining sidewalks, curbs, adjacent property or adjacent parking areas, streets or ways; (vii) performance of any labor or services or the furnishing of any materials or other property in respect of the Property; (viii) any failure of the Property to be in compliance with any applicable laws; or (ix) any and all claims, demands or undertakings on Borrower's part to perform or discharge any of the terms, covenants, or agreements contained in any lease. Lender retains the right but is not obligated to commence, appear in, or defend any action or proceeding purporting to affect the rights, duties, or liabilities of the parties hereto or the related Loan Documents. Lender may settle or compromise any asserted claims against it, and such settlement shall be binding upon Borrower. The provisions of this section survive the payment of the indebtedness and the expiration, cancellation, or termination of the Loan Documents, and are not affected by Lender's acquisition of any interest in any of the Property. The indemnification provision does not require Borrower to indemnify Lender or hold Lender harmless to the extent of Lender's, its officers, employees or agents' gross negligence, willful misconduct, or wrongful acts.



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- ii. Borrower shall, at its sole cost and expense, appear in and defend any action or proceeding purporting to affect the security of the Trust Deed, the title to the Property, or the lien priority, rights or powers of Lender or Trustee, by attorneys and other professionals approved by the Lender. Lender may, in its sole discretion, engage its own attorneys and other professionals to defend or assist Lender, and, at the option of the Lender, their attorneys shall control the resolution of any claim or proceeding. Borrower shall pay or, in the sole discretion of the Lender, reimburse the Lender, for the reasonable fees and disbursements of attorneys, engineers, environmental consultants, laboratories and other professionals, and the cost of obtaining evidence of title.
- f. Events of Default
- i. Monetary Event of Default: Borrower's failure to pay all or part of any installments of principal and interest or any other amount required when due and said default is not cured within fourteen (14) days after written notice is issued by Lender.
 - ii. Covenant Events of Default include:
 - 1. fraud, misrepresentation, or material omission by Borrower or any of its officers, directors, trustees, partners, members, managers or guarantors in connection with (i) the Loan Application for or documents creating the indebtedness, (ii) any financial statement, rent roll, or other report or information provided to Lender, or (iii) any request for Lender's consent to any proposed action under the Trust Deed or Note or relating to the Property;
 - 2. the commencement of a forfeiture action or proceeding, whether civil or criminal, which, in Lender's judgment, could result in a forfeiture of the Property or otherwise impair the lien created by the Trust Deed or Lender's interest in the Mortgaged Property.
 - 3. Borrower's insolvency, voluntary or involuntary bankruptcy, an assignment for the benefit of creditors, or any proceeding to enforce a judgment or writ or order of attachment against the Property, or petition for relief or readjustment of indebtedness filed by Borrower.
 - 4. the voluntary or involuntary termination or dissolution of Borrower's corporate existence.
 - 5. Borrower's agreement or acts taken to refinance, sell, convey, dispose, assign, or make any transfer of all or any part of the Property, vest the title in any other person or entity, or encumber all or any part of or interest in the Property without the prior written consent of Lender.
 - 6. Any failure by Borrower to perform any of its obligations as and when required under the Note, Deed Restriction and the Trust Deed, which continues for a period of fourteen days after Notice is issued to Borrower. No Notice is required for a material failure which could, in Lender's sole judgment, absent immediate exercise by Lender of a right or remedy, result in harm to Lender or impairment of the Note or the Trust Deed.



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7. the voluntary or involuntary termination or dissolution of Borrower's corporate existence.
 8. Borrower's agreement or acts taken to refinance, sell, convey, dispose, assign, or make any transfer of all or any part of the Property, vest the title in any other person or entity, or encumber all or any part of or interest in the Property without the prior written consent of Lender.
 9. Any failure by Borrower to perform any of its obligations as and when required under the Note, Deed Restriction and the Trust Deed, which continues for a period of fourteen days after Notice is issued to Borrower. No Notice is required for a material failure which could, in Lender's sole judgment, absent immediate exercise by Lender of a right or remedy, result in harm to Lender or impairment of the Note or the Trust Deed.
- g. Foreclosure
- i. After an Event of Default, Lender may declare all sums secured hereby immediately due and payable and foreclose the Trust Deed in the manner provided by law for the foreclosure of mortgages on real property. Lender is entitled to recover all incident costs and expenses, including reasonable attorneys' fees.
- h. Power of Lender or Trustee to Act
- i. Upon an Event of Default and anytime until cured, Lender or Trustee is entitled but not obligated, without notice to or demand upon Borrower and without releasing Borrower from any obligation, to: (i) institute proceedings to enforce the Loan Documents; (ii) expend funds to remedy the default, to be promptly reimbursed by Borrower; (iii) accelerate the maturity date of the Note and demand payment of all sums due; (iv) bring an action on the Note; (v) foreclose the Trust Deed and Property in any manner available under law; and (vi) exercise any other right or remedy it has under the Trust Deed, the Note, or other Loan Documents, or that is available at law or in equity.
 - ii. Upon an Event of Default, Lender may, without notice, enter and take possession of Property and sue for or collect rents, issues, and profits, including those past due and unpaid, and apply the same, less Lender's costs and expenses of operation and collection, including reasonable attorney's fees, to any indebtedness secured hereby
 - iii. The entering and taking possession of the Property, the collection of rents, issues, and profits, or the proceeds of fire and other insurance policies, or compensation or awards for any taking or damage of said property, does not cure or waive any default.



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- iv. The failure of Lender to promptly enforce any right does not operate as a waiver of such right and the waiver of any default does not constitute a waiver of any other or subsequent default.
- v. Borrower shall pay immediately and without demand all sums expended by Lender or Trustee, with interest from date of expenditure at the rate of ten percent per annum until paid. The repayment obligation is secured by the Trust Deed.
- vi. In the event the Property is sold, Lender or Trustee shall execute and deliver to the purchaser a Deed conveying Property without any covenant or warranty, express or implied. For clarity, the Deed Restriction is irrevocable and shall run with the land in accordance with its terms. Trustee shall apply the proceeds of the sale to payment of (1) the costs and expenses of exercising the power of sale and of the sale, including the payment of the Trustee's and attorneys' fees; (2) cost of any evidence of title procured in connection with such sale and revenue stamps on Trustee's Deed; (3) all sums expended under the terms hereof, not then repaid, with accrued interest at 10% per annum from date of expenditure; (4) all other sums then secured hereby; and (5) the remainder, if any, to the persons legally entitled thereto, or the Trustee may deposit the balance with the County Clerk of the county in which the sale took place.

3. Deed Restriction

a. Restrictions

- i. All Olene Walker Housing Loan Fund monies, regardless of the source of funds, must be used to assist families whose annual incomes do not exceed 80 percent of the median family income for the area as determined by HUD, with adjustments based on family size. In addition, at least 90 percent of Olene Walker Housing Loan Fund monies used for rental housing must be used to assist families whose annual incomes do not exceed 60 percent of the median family income for the area as determined by HUD.
- ii. Every Olene Walker Housing Loan Fund assisted unit, whether federally funded or State funded, is subject to rent limitations that ensure rents are affordable to low and very low-income families. HOME maximum rents are referred to as HOME rents as further defined in [24 CFR 92.252](#). HTF Maximum rents are referred to as HTF rents as further defined in [24 CFR 93.302](#).



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b. Enforcement

- i. The deed restriction constitutes an enforceable restriction, runs with the title to the Property, shall not be subordinated, and shall survive any foreclosure proceeding. If the deed restriction is violated, the Beneficiary will be irreparably damaged unless the deed restriction is specifically enforced. In the event of a violation of the deed restriction, the Beneficiary may institute and prosecute a proceeding to enforce the deed restriction, enjoin the continuing violation, and exercise any other rights and remedies provided by law or equity. Within thirty (30) days after the date of a written request from Beneficiary, Borrower shall provide to Beneficiary a report evidencing Borrower's compliance with the Restriction. The report must include project financials for each year of the affordability period, and any additional information requested by Beneficiary. Borrower shall allow Beneficiary to inspect the Property, and the Borrower's and the Property's records, in the event that Borrower fails and/or refuses to provide the report. Beneficiary may consider a failure and/or refusal by Borrower to provide the report and/or allow the inspection to be an admission by Borrower that Borrower is not in compliance with the Restriction.
- ii. If an enforcement action is initiated and Beneficiary prevails, Beneficiary shall be entitled to its costs and attorneys' fees from the owner of the property, and an order requiring that units reserved for low income housing shall be brought into and remain in conformity with the deed restriction throughout the affordability period and until the loan is paid off, whichever date is later.

c. Term

- i. The Deed Restriction is irrevocable, runs with the land, and is binding upon the successors, assigns, lenders, and beneficiaries of the parties. The Deed Restriction runs from the date of execution and remains in effect during the Affordability Period under Section 92.252 or Section 92.254 of 24 CFR Part 92 (HOME Investment Partnership Program) as amended, or 30 (or 40 years, depending on the amortization of the loan) years minimum, whichever is later. Upon such occurrence, the Deed Restriction will automatically terminate without need for any other documentation, notice or recorded material.

Federal Funds Repayment

If there is any deviation from what is presented and approved by the Board and subsequently approved in HUD's Environmental Review that results in a repayment of federal HOME or HTF funds to HUD, borrower will be held liable and will be required to repay the funds immediately.



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Multifamily Policies

Energy Star Policy

ENERGY STAR units and energy-saving features are typically 15% more energy efficient than units built to the standard IRC (International Residential Energy Code). ENERGY STAR units and products use substantially less energy, which has the following results:

- Long-term affordability of units.
- Lower maintenance costs.
- Lower heating, cooling and water heating utility bills.
- Better protection and greater durability against the elements.
- Quieter and more comfortable living space.
- Improved air quality for consumer's health.
- Helps prevent greenhouse gas emissions.

For these reasons, projects receiving OWHLF funding must be ENERGY STAR-qualified unless all cost effective measures have been implemented and a waiver is granted by HCD. All multi-unit facilities must be rated by an independent certified Home Energy Rater.

OWHLF funded units built and qualified as ENERGY STAR may use the HUD Baseline Utility Analysis for proposed rents and calculation of project cash flow during the first year of occupancy following construction or rehabilitation. When units are ENERGY STAR qualified, the Differential Utility Allowances can be shifted to rent and cash flow. Since OWHLF uses a joint application with Utah Housing Corporation (UHC) for the allocation of 4% tax credits, applicants may need to use UHC's Utility Allowance Baseline or work with the local housing authority to create an ENERGY STAR-based utility allowance.



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Safe Harbor Policy

Multifamily Applications will be underwritten following the UHC Qualified Allocation Plan's safe harbor minimums and/or maximums.



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Multifamily Subordination Policy (Board Approved 1.23.2020)**

The OWHLF MultiFamily deed restriction and related loan documents (including any proposed subordination agreements) shall clarify that the Beneficiary's deed restriction is irrevocable and shall run with the land. The deed restriction shall constitute an enforceable restriction, shall not be subordinated, and shall survive any foreclosure proceeding. If the deed restriction is violated, Beneficiary will be irreparably damaged unless the deed restriction is specifically enforced. In the event of a violation of the deed restriction, Beneficiary may institute and prosecute a proceeding to enforce the deed restriction, enjoin the continuing violation, and exercise any other rights and remedies provided by law or equity. If an enforcement action is initiated and Beneficiary prevails, Beneficiary shall be entitled to its costs and attorney's fees from the owner of the property, and an order requiring that units reserved for low income housing shall be brought into and remain in conformity with the deed restriction throughout the affordability period and until the loan is paid off, whichever date is later. *No exceptions may be made to this Policy unless presented to and approved by the Board.

When OWHLF is asked to subordinate to an FHA guaranteed loan, OWHLF will not require an exception to its deed restriction Policy if and only if the senior loan includes affordability requirements that meet or exceed those in the OWHLF Deed Restriction and OWHLF retains the right to enforce its affordability restrictions.

Housing Senior Loan Increase Policy (Board Approved 7.15.2021)

For all current and future loans or grants (collectively "loan") that the Board has approved or will approve, if the senior loan amount for a multifamily project increases to more than was approved by the Board, the borrower may submit to the multifamily program specialist a request for subordination to the increased senior loan amount, together with updated loan and project information. The program specialist will review the request to ensure the project still meets Safe Harbor guidelines as outlined in the Olene Walker Housing Loan Fund, Policies and Procedures (see Safe Harbor Policy), and to determine if there have been other material changes that have negatively impacted the project. If the increased senior lien amount puts the loan outside the safe harbor guidelines, then the borrower will be required to place the request on the Board's agenda and discuss the request with the Board in an open meeting. If the loan is still within the safe harbor guidelines despite the increased senior lien amount, then the OWHLF multifamily program specialist, the Housing Programs Manager, the Assistant Director, and the Division Director of Housing & Community Development Division may together decide whether to approve or deny the request.. A decision to approve such a request must be unanimous. If the borrower's request is not approved unanimously then the request will be placed on the Board's agenda for consideration. Subordination may not be approved for an increase of more than a total of \$1,500,000.00 for any one senior loan, regardless of the number of times a borrower submits a request.



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Multifamily Housing Loan Recapture Policy (Board Approved 4.22.2021)**

In the event that a multifamily project is no longer in compliance with HOME or OWHLF requirements, decisions will be made on a case-by-case basis on how to proceed to recapture the funds. All efforts, including legal action if necessary, will be used to recapture the funds. When all efforts have been exhausted and all or a portion of the obligation has not been repaid, the portion of the loan left outstanding will be considered a grant. For accounting purposes, this portion of the loan will be converted from a loan to a grant using [object code 7512](#). For projects that are funded with HOME funds that are no longer in compliance with HOME requirements, repayment to the HOME account for the portion of the loan that is converted to a grant will be made using state OWHLF funds.

The OWHLF Board will be notified for ratification when properties have sold in which more than \$5,000 of a loan has been converted to a grant.

For all projects, single-family or multifamily, the OWHLF Board has authority to forgive principal and interest. In the event that principal is forgiven on a loan, the amount that is forgiven will be converted from a loan to a grant. The amount of accrued interest that is forgiven will be reversed in CLCS, the loan servicing system. The interest that is forgiven will also be reduced from reported program income.

Relocation Guidelines

Introduction

HCD is the designated administrator of the Olene Walker Housing Loan Fund (“OWHLF”) for the State of Utah under [Utah Code Annotated Section 9-4-703 through 708](#), (the “Code”), and all regulations promulgated thereunder.

The objective of the OWHLF is to develop housing that is affordable to very low, low and moderate-income persons as defined by HUD using HOME funds and/or HTF funds governed by rent and income limits updated annually by HUD, as well as state legislative funds appropriated annually. A primary source of funds for OWHLF is annual HOME entitlement and program income (repayment) funds, which are subject to numerous other Federal requirements, including the [Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970](#), as amended (referred to hereafter as “URA”), and/or Section 104(d) of the Housing and Community Development Act of 1974 (referred to hereafter as “Section 104(d)").

These guidelines are intended to provide guidance on these two Federal regulations governing displacement of tenants. The applicable regulations are located at [49 CFR Part 24 for URA](#), and [24 CFR Part 42](#) for Section 104(d), while the [HUD Handbook 1378](#) provides guidance for HUD’s real estate acquisition and relocation policies.



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The URA establishes minimum standards for all Federally funded projects that acquire property and/or displaced persons from their homes, businesses or farms. Section 104(d) requires relocation assistance for low-income individuals displaced as a result of the demolition or conversion of a lower-income dwelling and requires one-for-one replacement of lower-income units demolished or converted to other uses. Applicants of projects utilizing HOME and/or HTF funds must provide the following four benefits to households that they displace:

1. Relocation advisory services;
2. A minimum of 90 days notice to vacate;
3. Reimbursement for moving expenses; and
4. Payments for the added cost of renting or purchasing comparable replacement housing.

Application Requirements

HCD recommends that all housing project applicants planning to acquire, rehabilitate, or demolish existing buildings create a plan to ensure compliance with all Federal relocation procedures and notice requirements that outlines the sequence of events. The relocation process follows a specific timeline in regard to actions as shown below:

- GIN Distribution
- HCD application submission and award
- Household assessment
- Initiation of Negotiations
- Distribution of Notice of Non-Displacement/Notice of Eligibility
- 90-Day Notice distribution
- Project rehabilitation/construction
- Permanent Displacement (12- and 18-Month deadlines)

The applicant must submit the *Relocation and Acquisition Disclosure to the Seller with a Voluntary Arm's Length Purchase Agreement*, if applicable, with any application for HOME and/or HTF funds covered by URA or 104(d) which involves relocation or existing residents or businesses. The applicant must distribute the *General Information Notice* (referred to hereafter as "GIN"), and document delivery to all affected occupants, prior to submission of an application to HCD for funding.

The HCD/OWHLF application package must contain a Certification of GIN distribution, with documentation verifying tenant receipt in the form of a signature verifying receipt or a certified mail return receipt.

The application must include a reasonable relocation budget. The HCD form *Total Relocation Budget Worksheet* helps the applicant determine reasonable costs for temporary or permanent moving and displacement. Applicants must minimize direct and indirect displacement by sequencing construction activities to allow tenants to remain in their homes as long as possible. Sequencing may involve



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rehabilitating empty units or buildings first. Where feasible, the project owner may choose to rehabilitate, rather than demolish units, to avoid displacement.

Applicants must issue a *Move-In Notice* to any tenants moving in to the subject property after the distribution of the GIN. The Move-In Notice informs potential tenants that they will not qualify for relocation assistance; the project may temporarily or permanently displace them; and their rent may increase.

Applicants receiving HOME and/or HTF funds must make reasonable accommodations to allow tenants access to all legal rights and benefits in the relocation process. Applicants must inform tenants of the availability of accessible housing and must provide necessary language assistance for persons with limited English proficiency, including auxiliary aides, written translation, oral interpretation, or other assistance when necessary to ensure the provision of legal rights.

Any application subject to Section 104(d) that does not propose one-for-one replacement of the existing housing mix at a minimum will not be eligible for HCD HOME funds.

Household Needs Assessment

The applicant receiving Federal HOME/HTF funds through an HCD agreement bears all responsibility for assessing each household's need for relocation assistance. When assessing household need, the applicant should confirm each household's benefit eligibility and their ability to return to the property. If the household is unable to return to the property due to higher shelter costs, they would be classified as "economically displaced" (see *Definitions*) and may be eligible for permanent relocation assistance.

The applicant identifies displaced and non-displaced households and calculates the total amount of assistance required for each household. The HCD form *Household Relocation Assistance Budget Worksheet* will calculate eligible assistance for each household. HUD categorizes tenants as "permanently displaced" persons, those persons possibly eligible to receive relocation assistance, even after project completion, when they vacate without receipt of required relocation notifications.

Initiation of Negotiations

A tenant's eligibility for relocation assistance, including moving costs and a replacement housing payment, begins with the Initiation of Negotiation ('ION') date. HUD regulations specify ION for each program (see below). The ION date triggers issuance of either Notice of Eligibility for Relocation Assistance or Notice of Non-displacement in accordance with 24 CFR 92.353(c)(3): "...to a tenant displaced from a dwelling as a result of private-owner rehabilitation, demolition, or acquisition of the real property, the term *initiation of negotiations* means the execution of the agreement [HCD contract] covering the acquisition, rehabilitation, or demolition".

The applicant must distribute the Notice of Non-displacement ("NND") or Notice of Eligibility ("NOE"), as



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applicable, before or by the ION date. At ION, applicant must provide to HCD the following items:

1. A relocation plan that:
 - a. Explains specific impacts for each affected tenant.
 - b. Identifies the Relocation Coordinator and/or individual(s) who will gather household data, prepare relocation notices, process payments, etc.
 - c. Categorizes household income and number of occupants.
 - d. Identifies a date for each tenant to temporarily or permanently vacate their unit and a date for re-occupancy.
 - e. Identifies date of delivery of 90 Day Notice and 30 Day Notice, if applicable.
 - f. Locates temporary and/or permanent comparable replacement units and describes strategies for tenants to secure temporary housing.
 - g. Estimates and itemizes all eligible and reasonable relocation costs.
2. Total relocation budget calculations;
3. A completed *Relocation Rent Roll with Relocation Benchmarks* containing data for all tenants as of the application submission date;
4. Copy of the NND and NOE issued, with confirmation receipt for each tenant; and
5. Household relocation assistance budget calculations for each displaced tenant household, temporary or permanent.

Temporary Relocation

The applicant must provide temporary relocation assistance to non-displaced households (households not permanently displaced) when they must vacate their unit during rehabilitation or reconstruction.

Temporary housing units must meet the definition of decent, safe and sanitary (DSS) housing as defined in the *Definitions* section of this guide. The law entitles households temporarily displaced to receive reimbursement for all reasonable out-of-pocket expenses incurred in connection with the temporary relocation.

Reimbursable expenses include the cost of moving to and from the temporary home and any increase in monthly rent or utility costs incurred while living in the temporary unit. If anticipating temporary relocation, the applicant must submit a budget which includes expected moving expenses, utility connection fees at both temporary housing and at the new permanent unit, and increases in household's rent and utility payments during temporary displacement. A 30-day vacate notice to tenants may be permitted if applicant has dutifully informed tenants of relocation rights and provision of temporary relocation assistance costs.

If temporary relocation might last less than 30 days, the household may stay in a hotel, if functionally equivalent to the vacated unit. For example, if the household occupied three bedrooms in one unit, the applicant must provide three hotel rooms or an extended-stay suite capable of meeting those household needs. If the hotel lacks kitchen facilities that conform to decent, safe and sanitary (DSS) standards, the applicant must provide a per diem meal allowance for each household member. HCD applicants can use



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the following per diem schedule, based on employee reimbursement regulations from the [Utah Department of Administrative Services](#) and the United States Department of Agriculture.

If the hotel provides any hot meals such as breakfast, that amount may be deducted from the daily per diem meal allowance unless the household has special dietary needs the hotel cannot accommodate:

<i>Breakfast</i>	<i>Lunch</i>	<i>Dinner</i>	<i>Total</i>
Adult and/or unaccompanied spouse (Utah DAS daily rate):			
\$11.00	\$14.00	\$20.00	\$45.00
Accompanied spouse or dependents 12 and older (75% of Utah DAS daily rate):			
\$8.25	\$10.50	\$15.00	\$33.75
Dependents under the age of 12 (50% of Utah DAS daily rate):			
\$5.50	\$7.00	\$10.00	\$22.50

If temporary location lasts more than 30 days, but not more than 60 days, the following per diem meal rates apply:

<i>Breakfast</i>	<i>Lunch</i>	<i>Dinner</i>	<i>Total</i>
Adult and/or unaccompanied spouse (Utah DAS daily rate):			
\$8.25	\$10.50	\$15.00	\$33.75
Accompanied spouse or dependents 12 and older (75% of Utah DAS daily rate):			
\$5.50	\$7.00	\$10.00	\$22.50
Dependents under the age of 12 (50% of Utah DAS daily rate):			
\$4.40	\$5.60	\$8.00	\$18.00

The temporary per diem will be paid for a maximum of 60 days.

Applicants may use the *Household Relocation Assistance Budget Worksheet* to estimate temporary relocation costs. HCD allows only reasonable and documented costs for temporary relocation. When selecting comparable units for the purposes of creating a relocation budget, applicants may use HUD Form 40061: *Selection of Most Representative Comparable Replacement Dwelling for Purposes of Computing a Housing Relocation Payment* (HUD forms, handbooks, and guidance can be found at www.hud.gov/relocation). Applicants must submit to HCD evidence of all relocation costs incurred prior to issuance of the final closeout payment.

A household residing in a temporary unit for more than 12 months becomes permanently displaced and may be eligible for permanent relocation assistance. Households will lose their displaced status and eligibility for permanent relocation assistance if they move following documented lease violations and/or eviction due to cause. A voluntary move by a household after receiving the GIN and NND will result in ineligibility for receiving permanent relocation assistance.

Permanent Relocation



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The applicant must meet all requirements of HUD Handbook 1378 to comply with legal protections for permanently displaced households. Displaced households qualify for reimbursement, either on a fixed schedule or based on actual costs related to moving. A household may qualify for either rental assistance payments or, if the displaced resident chooses to purchase a home, a lump sum for down payment assistance may be provided. The applicant cannot pay relocation assistance for a unit that does not meet the definition of decent, safe and sanitary (DSS) housing, whether the household rents or purchases.

The applicant anticipating relocation of a tenant must submit a budget, which includes expected moving expenses, utility connection fees, allowable security and utility deposits and housing assistance payments. The applicant may use the *Household Relocation Assistance Budget Worksheet* to determine amounts budgeted for each displaced household. When creating a budget, the applicant may use HUD Form 40061: *Selection of Most Representative Comparable Replacement Dwelling for Purposes of Computing a Housing Relocation Payment*. For a minority household, the applicant must offer at least one comparable unit in a non-minority concentrated area.

Vouchers issued as relocation assistance must adhere to URA and Section 104(d) mandates, and the replacement unit must pass any applicable HUD-required inspection instead of the DSS. Economic displacement refers to those who move permanently from a HOME-funded project after rehabilitation because they cannot afford the increased rent. This status entitles them to receive permanent displacement assistance under URA and Section 104(d).

Claims for Reimbursement

Claims for reimbursement of relocation expenses are generally in three categories, each requiring submission of different HUD forms:

1. Reimbursement for moving expenses requires households to submit HUD Form 40054: *Residential Claim for Moving and Related Expenses* to the applicant. The applicant provides the blank form, with the NOE or 90-day notice, to the household prior to temporary or permanent relocation. The applicant may submit completed forms to HCD to request reimbursement funded against the loan approved by HCD to the applicant for the project.
2. Reimbursement for temporary relocation expenses requires households to submit HUD Form 40030: *Claim for Temporary Relocation Expenses*. The applicant provides this form, with the 90-day notice, to the household prior to temporary relocation. The applicant may submit completed forms to HCD for reimbursement funded against the agreement approved by HCD to the applicant for the project. The applicant must inspect and certify that the unit meets DSS standards prior to payment. The recipient must fully execute the DSS Inspection Form.
3. Reimbursement for housing expenses requires displaced households to submit HUD Form 40058: *Claim for Rental Assistance or Down Payment Assistance* or HUD Form 40072: *Claim for Rental or Purchase Assistance (Section 104[d])*. The applicant provides this form, with the 90-day notice, to the household prior to displacement. The applicant may submit completed forms to HCD for



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reimbursement funded against the agreement approved by HCD to the applicant for the project.

Households have 18 months from the date of displacement to file a claim for relocation assistance and secure DSS housing. Federal regulations define the 18-month threshold as 12 months from displacement and 6 months to secure a DSS unit. HCD may, on a case-by-case basis, for good cause, extend the time limit for filing of a claim or occupying a replacement dwelling.

The applicant must inspect and certify that the unit meets DSS housing standards prior to issuing payment. If the unit does not meet DSS standards, the applicant should amend the budget to cover compliance costs to meet DSS standards. The applicant must fully execute the DSS Inspection Form for each dwelling unit.

The applicant must pay claims in a timely manner. For permanent relocation, applicants should issue rental assistance payments in at least three (3) installments over the 42- or 60-month period. Applicants may pay a lump sum for moving expenses or down payment on a DSS replacement home purchase. For temporary relocation, applicants can issue rental assistance payments in one or more installments.

Appeal Rights of Tenants

Federal law gives the tenant a right to appeal to HCD if they disagree with the displaced person designation, the amount of relocation assistance proposed, or the comparability of the replacement dwelling. The applicant must inform the tenant of their rights to appeal and provide the appropriate procedures and contact information. The applicant shall assist the low-income tenant and/or one who requires assistance to prepare an appeal, or refer the tenant to an appropriate third party who will provide such assistance at no cost. Appeals can be submitted to HCD at:

Daniel Herbert-Voss, Relocation Specialist
Dept. of Workforce Services – Housing and Community Development Division 140
East 300 South, First Floor
Salt Lake City, UT 84111
(385) 522-0645
Email: dhvoss@utah.gov



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Recordkeeping Requirements**

Applicants must maintain all records associated with relocation assistance (see HUD Guidelines 1378 for more information). Relocation files should include the following documentation:

- *Relocation File*: (overall and individual) items such as the relocation plan, documentation of relocation budget.
- *List of Occupants*: name, address, and occupant characteristics for all persons occupying the property at key relocation milestones (rent roll).
- *Persons Not Displaced*: copies of notices; evidence of delivery of notices; evidence of reimbursement of expenses; for tenants who elect to relocate, documentation supporting ineligibility for relocation payments as a displaced person; documentation to support lease violations and/or eviction for cause; documentation to determine illegal occupancy of the property; and copy of any appeal or complaint filed and response.
- *Displaced Persons*: copies of all notices; delivery receipts; verification of relocation needs, preferences, and eligibility for assistance; demographic data; income documentation; legal residence/citizenship; dwelling specifications; rent and utility costs for comparable units; record of advisory services provided; referrals to comparable replacement dwellings; DSS inspections; moving cost estimates; claim forms; evidence of payment; documentation of hardship claim; purchase documentation for tenants receiving down payment assistance; reasonable accommodations and payment; copy of any appeal or complaint filed and response.

Applicable HOME/HTF program regulations specify record retention periods, if more than the customary three years after the latest of:

1. Completion of project payments to displaced persons and for property acquisition;
2. Project completion (i.e., Certificate of Occupancy date or AIA Substantial Completion (G704));
3. Resolution or final action for all litigation, negotiation, audit, or other issues (e.g., civil rights compliance); or
4. Final disposition date for real property acquired with HUD funds (24 CFR 84.53 and 85.42).

Monitoring and Compliance

HCD monitors its applicants for compliance with the URA and Section 104(d) for all projects receiving HOME/HTF entitlement and/or program income funds. The HCD contract monitoring section verifies that HCD administers programs and expends funds in accordance with Utah state contract provisions and applicable state and Federal rules, regulations, policies, and related statutes, including but not limited to the requirements of URA and Section 104(d).

HCD may select contracts for monitoring based on other factors, such as complaints or special requests. URA and Section 104(d) testing includes applicant issuance of applicable notices, assessment of tenant needs for relocation services, relocation assistance eligibility and temporary or permanent housing inspections for decent, safe and sanitary conditions.



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HCD reviews expenditures of its funds and holds applicants responsible for following Federal and state rules and regulations governing expenditures allowed, considered reasonable, adequately supported by source documentation, properly procured, and the appropriate allocation of resources.

HCD will send a monitoring letter to the applicant after completing monitoring, which may contain findings of noncompliance. If the monitoring letter does not mention concerns or findings of noncompliance, the applicant need not respond. If the monitoring letter includes findings of noncompliance, the applicant will have thirty (30) days to provide a written response to the Relocation Specialist. The applicant's written response must demonstrate how, when, and to what degree the findings were resolved.

Definitions

1. *Applicant*: An organization or individual purchasing, owning or representing a housing project that has applied to HCD for OWHLF funds, and has received or will receive a completed *Commitment Agreement* for those funds. Funds are awarded to individual projects by HCD staff based on application review, funds availability, and applicable HUD HOME/HTF commitment/disbursement requirements and funds are not considered committed and available until a state contract for the awarded funds is fully executed.
2. *Agreement*: While a *Commitment Agreement* is completed at the time of OWHLF Board approval for funding a project, the Agreement is not considered to be complete until an HCD contract has been drawn up and executed by all parties after board approval.
3. *Commitment Agreement*: A document prepared by HCD showing the project's anticipated sources of funds, a brief description of the project, the terms proposed by HCD staff prior to OWHLF Board approval, and the final terms approved by the OWHLF Board at a quarterly OWHLF board meeting. The terms approved will be the basis of the HCD contract to be drawn up and executed by all parties after the approval of the project.
4. *Decent, Safe and Sanitary (DSS) Housing*: The term *decent, safe and sanitary dwelling* means a dwelling which meets local housing and occupancy codes. However, any of the following standards which are not met by the local code shall apply unless waived for good cause by HUD. The dwelling shall:
 - a. Be structurally sound, weather tight, and in good repair;
 - b. Contain a safe electrical wiring system adequate for lighting and other devices;
 - c. Contain a heating system capable of sustaining a healthful temperature (of approximately 70 degrees) for a displaced person, except in those areas where local climatic conditions do not require such a system;
 - d. Be adequate in size with respect to the number of rooms and area of living space needed to accommodate the displaced person. The number of persons occupying each



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habitable room used for sleeping purposes shall not exceed that permitted by local housing codes or, in the absence of local codes, the policies of the displacing applicant. In addition, the displacing applicant shall follow the requirements for separate bedrooms for children of the opposite gender included in local housing codes or in the absence of local codes, the policies of such Agencies;

- e. There shall be a separate, well lighted and ventilated bathroom that provides privacy to the user and contains a sink, bathtub or shower stall, and a toilet, all in good working order and properly connected to appropriate sources of water and to a sewage drainage system. In the case of a housekeeping dwelling, there shall be a kitchen area that contains a fully usable sink, properly connected to potable hot and cold water and to a sewage drainage system, and adequate space and utility service connections for a stove and refrigerator;
 - f. Contains unobstructed egress to safe, open space at ground level; and
 - g. For a displaced person with a disability, be free of any barriers which would preclude reasonable ingress, egress, or use of the dwelling by such displaced person.
5. *Economic Displacement:* HCD uses the definition in 24 CFR 570.606(b)(2)(D) for projects covered by both URA and Section 104(d). If a tenant cannot afford to pay the higher rent imposed after rehabilitation, and must permanently move out, the program deems that tenant economically displaced and entitles them to receive permanent relocation assistance.
6. *Low-Income Household:* There are two different definitions for relocation purposes depending on which type of relocation assistance a household is receiving:
- a. Under URA (49 CFR 24.2(a)(14)), a low-income household earns 80% of the Area Uniform Relocation Act Income Limits, as defined by the Department of Transportation, for the county in which they reside. This definition includes total gross income received for a 12-month period from all sources (earned and unearned) including, but not limited to wages, salary, child support, alimony, unemployment benefits, workers' compensation, Social Security, or the net income from a business. It does not include income received or earned by dependent children and full-time students less than 18 years of age.
 - b. Under Section 104(d), a low-income household, according to 24 CFR Part 5, earns 80% or less than the Area Median Income, as defined by HUD, for the county in which they reside.
7. *Persons Displaced:* A displaced person under the URA is an individual, family, partnership, association, corporation, or organization, which moves from their home, business, or farm, or moves their personal property, as a direct result of acquisition, demolition or rehabilitation for a



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Federally funded projects. Displaced persons are eligible for relocation assistance under the URA (see HUD 1378 for more information).

8. *Persons Not Displaced*: Persons not displaced are not eligible for relocation assistance under the URA. Examples of persons not displaced include, but are not limited, to the following (see HUD 1378 for more specific information):
 - a. Persons displaced temporarily from their dwelling for less than 12 months while it is being rehabilitated.
 - b. Persons evicted for actions that constitute a serious or repeated violation of the material terms and conditions of the lease that provide legal grounds for eviction under applicable Utah state or local laws.
 - c. Persons moving into the property after the HCD/OWHLF application for HOME funds was submitted and received a *Move-In Notice* as discussed in Section 1 – Application Requirements.
 - d. Illegal aliens – the URA prohibits providing relocation assistance to persons not lawfully present in the U.S.
9. *Standard Condition*: A residential dwelling unit which meets DSS standards as defined previously.
10. *Substandard Condition – Suitable for Rehabilitation*: A residential dwelling unit which does not meet DSS standards but is suitable for rehabilitation based on the definition in Utah’s *Consolidated Plan* for an estimated cost of rehabilitation equal to or less than fifty (50) percent of the after-rehabilitation value to bring the unit up to standard condition.
11. *Substandard Condition – Not Suitable for Rehabilitation*: A residential dwelling unit which does not meet DSS standards and is not suitable for rehabilitation based on the definition in Utah’s *Consolidated Plan* for an estimated cost of rehabilitation greater than fifty (50) percent of the after-rehabilitation value to bring the unit up to standard condition.
12. *Vacant Occupiable Unit*: HCD uses the definition in 49 CFR Part 24 for projects covered by both URA and Section 104(d). This includes a vacant dwelling unit in a standard condition; a vacant dwelling unit deemed substandard but suitable for rehabilitation; or a dwelling unit in any condition, occupied (except by a squatter) at any time within 90 days before the applicant executes the agreement to rehabilitate or demolish the unit.



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Multifamily Application Process

Persons or entities applying for OWHLF funding must comply with the procedures below. Failure to do so may result in the disqualification of the application. Applications are to be used by HCD staff in assembling, reviewing, qualifying, and recommending projects to the Board for allocation. Program Staff may assist applicants and answer questions regarding the application process and evaluation. Applicants are encouraged to use this resource. However, staff is not allowed to make suggestions, recommendations, or otherwise assist an applicant regarding the proposed project. It is the sole responsibility of the applicant to ensure that the application is submitted as required. If desired, a pre-application meeting can be arranged with staff.

An applicant may be allowed to submit forgotten or omitted information pertinent to their application, but not make any changes or adjustments to an application once submitted.

The staff will review the application to determine financial feasibility, which is critical to the long-term affordability of the project. If applicable, the application must satisfy the following criteria:

- Complete application with signature and all necessary exhibits
- Executive Summary that provides a description of the project
- Award letters received (HUD, LIHTC, USDA-RD, etc.) and specify which sources are federal
- Certified copies of organizational documents of all entities involved in this project (Articles of Incorporation, Operating Agreement, Partnership Agreements, etc.)
- Copies of developer resume/background information and certified financials; for existing projects, copies of most recent independently-audited financials
- Evidence of site control, Real Estate Purchase Contract, Warranty Deed, current (within 90 days) Title Commitment or Policy
- Completed Phase I/II Environmental Study on property with mitigation proposals
- Qualified non-profits must provide a copy of the IRS Determination Letter of Non-Profit Status, and a copy of the articles or bylaws evidencing that one of its exempt purposes is providing affordable housing
- CHDOs must provide a designation certificate or letter attesting CHDO status from the state or HUD
- Letters of intent or commitment from all financial sources (banks, lender, investors) detailing terms and conditions of commitment(s)
- Resume(s) and current independently audited or certified financial statement(s) of the developer(s)/sponsor(s), and from the project if an acquisition of an existing housing project
- Submit current utility allowance from applicable Public Housing Authority, HUD, RD, a signed statement from utility company(ies), or the Energy Star/HERS rater's estimate
- Evidence of property zoning from the applicable governmental authority and current status
- For acquisition/rehab projects only: If building is historic, provide documentation from the Utah Division of State History
- Certification that all profits and fees are reported (see Exhibit C or UHC equivalent)
- For new housing capacity: Independent third-party market study required



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- For acquisition/rehabilitation projects: Capital Needs Assessment (CNA) required for all projects with rehabilitation of existing units (see Exhibit A)
- If acquisition, demolition, and/or rehabilitation of existing occupied residential or commercial space, applicant must submit a relocation plan
- A current appraisal or update (not older than 12 months), shall be submitted for all acquisition, rehabilitation, and new construction projects; land-only appraisal is acceptable for new construction
- Copy of Community Revitalization Plan(s) ("CRP") and letter from applicable local government verifying that the project is consistent with CRP
- If project has set-aside units for special needs (ENTIRE project, not unit set-asides for LIHTC scoring purposes), a letter from the service provider(s) should be included
- A current MOU between the Owner and the local Public Housing Authority verifying acceptance of Section 8 vouchers
- Copy of proposed building elevations, site layout, unit floor plans, etc., if complete at the time of application

Once the application is submitted, no further information can be submitted unless requested by staff.

Staff will review the application for completeness. In the event staff requests additional information or clarification, the applicant has five (5) business days to respond. Failure to respond can result in the rejection of the application for the current round.

Staff shall conduct "subsidy layering" reviews on projects that directly or indirectly receive financial assistance from HUD including HOME, HTF, CDBG, or HOPWA assistance. These reviews shall be conducted in accordance with HUD guidelines and shall include, without limitation, a review of: (a) equity capital contributed to a project by investors, (b) the project costs including all fees, and, (c) the owner's/investor's profit, syndication costs and rates.

Staff may disclose or provide a copy of the application to RD or HUD and shall take any other action deemed necessary to satisfy HCD's obligations under the review requirements. For LIHTC projects, HCD staff may accept a review completed by Utah Housing Corporation.

Staff will rate the project using the policies, goals, and objectives established by the Board and prepare a *Multifamily Project Conditional Commitment Agreement*, which includes a staff recommendation. Developments must meet OWHLF qualifications, which include appropriate zoning for the facility and evidence of site control.



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Staff shall select complete applications for funding consideration and submission to the Board after the following review processes:

- Project Underwriting
- Documentation Requirements
- Market Study & Project Reasonableness
- Multifamily Scoring and Calculation of OWHLF Eligible Amount

The Board may consider any additional criteria it deems necessary in its discretion to achieve maximum benefit of the available resources.

If, after review by staff, there is disagreement or inconsistency with any information submitted, the applicant shall be notified by email outlining the difference(s). Applicants will have five (5) working days to respond to staff's findings. OWHLF reserves the right to disqualify any application for incompleteness or other failings. If disqualified, an e-mail or letter will be sent notifying the applicant.

Applicants will have the opportunity to present the details of their project to the Board. Only the applicant may make such presentations. The applicant can invite others to the meeting but unless asked a specific question by the Board, the guests may not add to the presentation. Applicants will only have a specified amount of time to make the presentation unless the Board extends the time. Every applicant has an obligation to notify the HCDD staff (hereafter referred to as staff), of any new or additional federal, state, or local funding utilized by a project, along with any changes in project configuration.

The Board reserves the right to reduce the loan amount from the amount requested in its sole discretion. The Board reserves the right to reject any application or impose additional conditions before approving an allocation. The Board reserves the right to rescind funding approval if it receives, subsequent to Board approval, information inconsistent or contrary to the representations made in the borrower's original or revised application(s).

Funding is allocated for specific projects. Applicants awarded funding may not transfer the award to other projects or persons. All costs incurred in the application or development process are the sole responsibility of the applicant.

All decisions of the Board are subject to additional conditions, restrictions and requirements as determined by the Board in its sole discretion, subject to the constraints of the Code, state law, and applicable rules or regulations. Applicants will be notified in writing or email of the additional requirements.

If funds are awarded but have not been disbursed within twelve (12) months of initial award date, those funds may be subject to de-obligation and re-allocation by HCD in the sole discretion of staff.



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Multifamily Application Checklist

MULTIFAMILY RENTAL PROJECT - APPLICATION CHECKLIST

Project Name: Developer:
 Project Address: City: County:

APPLICATION CHECKLIST FOR OWHLF FUNDS

Funding request: LIHTC? If "Yes", 9% or 4%? UHC/PAB Application?
 Application signed? OW Application?
 Type of project: # LI Units: Special Needs:
 If rehab, when constructed: Total Units: Applicable Fraction:

Category	Description		Date	Initial	Y/N/NA
<u>Executive Summary</u>	Brief summary of project, description of amenities, and any other pertinent information about the project.	OWHLF UHC/PAB			
<u>Award letters</u>	Application should include copies of any award letters received (HUD, LIHTC, USDA-RD, etc.)	OWHLF UHC/PAB			
<u>Organizational Documents</u>	Certified copies of organizational documents of all entities involved in this project.	OWHLF UHC/PAB			
<u>Financials</u>	Independently-audited or certified financials for development entity and project entity, if applicable.	OWHLF UHC/PAB			
<u>Site Control</u>	Real Estate Purchase Agreement and/or Warranty Deed, and Title Commitment (within 90 days)	OWHLF UHC/PAB			
<u>Environmental</u>	Completed Phase I and/or Phase II environmental study on property with mitigation proposals, if applicable.	OWHLF UHC/PAB			
<u>Non-Profit Status</u>	Qualified non-profits must provide the IRS Determination Letter of Non-Profit Status, and any articles or bylaws.	OWHLF UHC/PAB			
<u>Community Housing Development Org (CHDO), LOIs, Commitments</u>	CHDOs must provide a copy of the letter from the State of Utah or HUD attesting their current CHDO status.	OWHLF UHC/PAB			
<u>Resume/Background</u>	Letters of interest, commitment letters, and/or terms for each proposed source of funding.	OWHLF UHC/PAB			
<u>Utility Allowance, Energy Star/HERS Rater Estimate</u>	Resumes and other background information for all principals involved in the project.	OWHLF UHC/PAB			
<u>Zoning</u>	Submit current utility allowance or the Energy Star/HERS rater's estimate.	OWHLF UHC/PAB			
<u>Historic Character</u>	Evidence of zoning from the applicable governmental authority and current status.	OWHLF UHC/PAB			
<u>Related Party</u>	For <u>acq/rehab</u> only: If building is historic, please provide documentation from the Utah Division of State History.	Historic?			
<u>Market Study</u>	Certification that all profits and fees are reported (Exhibits F-1, F-2 or UHC equivalent).	OWHLF UHC/PAB			
<u>Capital/Comprehensive Needs Assessment (CNA)</u>	For <u>new housing capacity</u> : Independent third-party study required.	OWHLF UHC/PAB			
<u>Relocation (URA/Section 504)</u>	For <u>acq/rehab</u> or <u>rehab</u> only: Required for all projects with rehabilitation of existing units.				
<u>Appraisal</u>	If acquisition, demolition, and/or rehabilitation of existing occupied residential or commercial properties.	OWHLF UHC/PAB			
<u>Community Revitalization Plan</u>	Dated no more than 12 months prior to the application date; land-only appraisal is acceptable for new construction.	OWHLF UHC/PAB			
<u>Service Provider(s)</u>	If points are to be awarded, a copy of the CRP and letter from the applicable local government verifying project goals.	OWHLF UHC/PAB			
<u>Memorandum of Understanding (MOU)</u>	If project has set-aside units for special needs (ENTIRE project, <u>not</u> unit set-asides for LIHTC scoring purposes), a letter from the service provider(s) should be included.	OWHLF UHC/PAB SN Type			
<u>Building Elevations, Floor Plans</u>	A current MOA between the Owner and the local Public Housing Authority verifying acceptance of Section 8 vouchers.	OWHLF UHC/PAB			
<u>Submission of Required Documentation</u>	Proposed building elevations, site layout, floor plans, etc., if they are available at time of application.	OWHLF UHC/PAB			
	Were all required documents submitted?	OWHLF UHC/PAB			

Signature:

Date Reviewed:



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Application Priorities

Statutory Priorities

Utah Code annotated 35A-8-507 sets forth selection criteria to prioritize as follows:

- First, to minimization of homelessness;
- Second, to applications for projects that use existing privately owned housing stock, including privately owned housing stock purchased by a nonprofit public development authority; and
- To all other applications.
- Within each level of priority, preference will be given based on the following:
 - A high degree of leverage with other sources of financing;
 - High recipient contributions to total project costs, including allied contributions from other sources such as professional, craft and trade services, and lender interest rate subsidies;
 - High local government project contributions in the form of infrastructure improvements, or other assistance;
 - Projects that encourage ownership, management, and other project-related responsibility opportunities;
 - Projects that demonstrate a strong probability of serving the original target group or income level for a period of at least 15 years;
 - Projects where the applicant has demonstrated the ability, stability, and resources to complete the project;
 - Projects that appear to serve the greatest need;
 - Projects that provide housing for persons and families with the lowest income;
 - Projects that promote economic development benefits;
 - Projects that align with a local government to address housing and homelessness services plan; and
 - Projects that would mitigate or correct existing health, safety, or welfare problems



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Board Priorities

As required in R982-501-4, the Board shall consider for funding only those eligible projects as defined in Section 35A-8-505, Utah Code and meet one or more of the following priorities established by the Board:

- Efficiently utilize funds, through cost containment and resource leveraging,
- Provide that largest numbers of units shall charge the lowest monthly rental amount at levels that are attainable over the longest periods of time,
- Provide the most equitable geographic distribution of resources,
- Provide housing for special-needs populations including: (i) transitional housing, (ii) elderly and frail elderly housing, and (iii) housing for physically and mentally disabled persons,
- Strengthen and expand the abilities of local governments, non-profits organizations and for-profit organizations to provide and preserve affordable housing,
- Assist various Community Housing Development Organizations (CHDO) in designing and implementing strategies to create affordable housing,
- Promote partnerships among local government, non-profit and for-profit organizations, and CHDO, and
- Meet the goals of the Utah Consolidated Plan and any local area plans regarding affordable housing.

Loan Amounts

The project underwriting will determine the loan limits based on [HUD guidelines](#).

Applicants may apply for up to \$2,000,000 from two available sources of funding, which may include HOME, HTF, and State LIH (including Private Activity Bond (PAB) Match) with a total maximum loan amount of up to \$4,000,000. However, the maximum HOME/HTF/LIH investment permissible is the lesser of the three amounts, not to go above 11 HOME units: (1) the funding gap as determined in the project's underwriting, (2) the Cost of HOME/HTF/LIH Units, or (3) the Maximum Project Subsidy. A PJ cannot invest more HOME/HTF/LIH funds in any project than as described below:

1. Funding Gap: The needed amount of HOME/HTF/LIH investment, determined during a PJ's required underwriting and subsidy layering review under §92.250(b). This is the amount necessary to produce affordable housing that is financially viable for the period of affordability. In most cases, this was the initial input for the cost allocation analysis.
2. Cost of HOME/HTF/LIH Units: The eligible cost of the HOME/HTF/LIH units as required by §92.205(d)(1). This number is the result of either the Standard Method, Proration Method, or Hybrid Method
3. Maximum Project Subsidy: The Maximum Project Subsidy is based on the maximum per-unit



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subsidy limits established under §92.250(a).

The maximum loan amount shall not have more than 11 restricted HOME-assisted units in the project, which include all HOME-assisted units from all entities (e.g., County, City).



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Multifamily Applications

4% or 9% Low Income Housing Tax Credit (LIHTC) Funded Projects

If a project has 4% or 9% LIHTC as part of the capital stack, applicants wishing to submit a Multi-Family Application must apply through the Utah Housing Corporation application portal. Information regarding the submission of such applications can be found below. After submitting an application, OWHLF staff will score and prepare a recommendation that shall be presented to the Board.

Non-LIHTC Funded Projects

Applicants wishing to submit a Multi-Family Application must submit a completed OWHLF Multi-Family Application, including all required support and supplementary documentation, to HCD. Applications and supporting documentation shall be submitted to HCD electronically.

Utah Housing Corporation (For 4% & 9% LIHTC Projects)

The OWHLF Multi-Family Application is combined with the Utah Housing Corporation (UHC) Low-Income Housing Tax Credit 4% & 9% (LIHTC) Application. The application is available at utahhousingcorp.org/multifamily. Please visit the Utah Housing Corporation website for additional information and Qualified Allocation Plan requirements, or you may contact UHC directly at (801) 902-8200. Applicants are responsible to provide complete, accurate and verifiable information on the application. OWHLF applications are due for submission no later than 5:00 p.m. on the final date of submission. Only electronic submission submitted via UHC will be accepted. Late applications will not be accepted. Once the application is submitted, no further information can be submitted unless requested by staff. Staff will contact UHC to request all submitted applications that are requesting OWHLF funding.



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Scoring

The following criteria are to be used to score all multifamily applications:

HOME & LIH Scoring Definitions

HOME & LIH Scoring Criteria Definitions

1. Minimizing Homelessness

- a. Applications for projects and activities intended to minimize homelessness. Points awarded proportionally based on the percentage of units dedicated for homelessness in relation to the total units. Maximum 25 points

Example 1: Project A has 50 total units and is requesting \$1,000,000 in HOME funds. It has five (5) units set aside for homeless individuals. $5 \text{ homeless units} / 50 \text{ total units} = 10\%$ of the total units. 10% of 25 maximum points = 2.5 points.

Example 2: Project B has 25 total units, is also requesting \$1,000,000 in HOME funds, but all 25 units are set aside for homeless individuals, $25 \text{ units} / 25 \text{ total units} = 100\%$. 100% of 25 = 25 points.

2. Rehabilitation

- a. Projects and activities that use existing privately owned housing stock, including privately owned housing stock purchased by a nonprofit public development authority. Maximum 5 points

Projects and activities that meet the rehabilitation requirements will score 5 points

3. Loan Sources and Leveraging

a. Sources

- i. In order to be considered a source for the purposes of scoring, the source amount must be at least 15% of the total OWHLF funding amount and there must be at least three (3) sources, which includes OWHLF. If a project has at least three (3) sources above the 15% threshold, it will score a minimum of 10 points. Each additional source over the 15% threshold will score an additional 5 points per source. Maximum 50 points

Example 1: Project A applies for \$1,000,000 of HTF funds. It has the following four (4) sources:

- 1- \$8,000,000 from ABC Bank
- 2- \$500,000 from the county
- 3- \$150,000 general partner note
- 4- \$100,000 grant from the city



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15% of \$1,000,000 = \$150,000. Three sources are greater than or equal to \$150,000. It will score 10 points.

Example 2: Project B applies for \$2,000,000 of HOME and HTF funds. It has the following six (6) sources:

- 1- \$8,000,000 from 9% LIHTC
- 2- \$6,000,000 from XYZ Bank
- 3- \$825,000 deferred developer fee
- 4- \$1,000,000 from the county
- 5- \$150,000 general partner note
- 6- \$100,000 grant from the city

15% of \$2,000,000 = \$300,000. Four sources are greater than \$300,000. It will score 20 points.

Example 3: Project C applies for \$1,000,000 of HTF funds. It has the following one (1) source:

- 1-\$6,000,000

Only two sources total. Does not meet the three-source minimum. It will score 0 points.

b. Loan Leveraging

- i. Points awarded based on the ratio of OWHLF funds relative to the total project cost. The lower ratio of OWHLF funds relative to the total project cost the higher points are awarded. Maximum 50 points

Example 1: Project A is applying for \$1,000,000 in HOME funds. The total project costs is \$15,000,000. $\$1,000,000/\$15,000,000 = 0.07$. $50 \text{ points}(.93) = 46.67$. It would receive 46.67 points.

Example 2: Project B is applying for \$1,000,000 in HOME funds. The total project cost is \$8,000,000. $\$1,000,000/\$8,000,000 = 0.13$. $50 \text{ points} (.87) = 43.75$. It would receive 43.75 points.

4. Construction or Lending Concessions

- a. Project will be scored based on contributions from professional services or lender subsidies equal to or greater than \$25,000. Maximum 25 points

Projects that provide a letter from professional service or lender detailing concessions will receive 25 points.



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5. Community Concessions

- a. Projects will be scored based on concessions made by the community, which is out of the ordinary and benefits the project. Maximum 45 points

Projects that provide a letter from community detailing concession(s) will receive 50 points.

6. Project-related Responsibility Opportunities

- a. Projects that encourage ownership, management, and other project-related responsibilities as defined below. Maximum 5 points

Ownership: A mechanism where a renter has the ability to become an owner of the unit.

Management: Tenants who are able to participate in a community-based management group.

Other project-related responsibilities: Property manager who is also a tenant of the structure, tenants who are to participate in a build-related maintenance program.

Projects that provide a letter detailing opportunities will receive 5 points.

7. Project Longevity

- a. Projects will be scored based on a strong probability of serving the original target group or income level for a period of at least 15 years. Maximum 25 points

Projects that have units restricted for at least 15 years will receive 25 points.

8. Experience

- a. Projects where an applicant has demonstrated the ability, stability, and resources to complete project. A project will receive points if the primary applicant or secondary applicant(s) have previously developed a multi-family project using OWHLF funds and received a Certificate of Occupancy. Maximum 100 points

Example: Applicants with previous and successful projects with OWHLF funding will receive points per project, up to three projects. One project = 33 points, two projects = 66 points, and three projects = 100 points.

9. Aggregate Area Median Income (AMI) and Unit Sizes

- a. Projects that provide housing that serves the greatest need for persons and families with lowest incomes will receive points. Maximum 100 points
 - i. AMI Levels. Maximum 90 points
 - 1. < 30% AMI = 100% of total possible points
 - 2. <= 30% – 34.99% AMI = 83.33%
 - 3. <= 35% – 39.99% AMI = 66.67%



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4. $\leq 40\%$ – 44.99% AMI = 50.00%
 5. $\leq 45\%$ – 49.99% AMI = 33.33%
 6. $\leq 50\%$ – 54.99% AMI = 16.67%
 7. $\geq 55\%$ AMI = 0% of total possible points
- ii. Bedroom Sizes. Maximum 10 points
 1. Are at least 10% of the total units comprised of the following number of rooms (points are awarded for the highest category):
 - a. Studios = 0% of the total score
 - b. 1 bedroom = 25%
 - c. 2 bedroom = 50%
 - d. 3 bedroom = 75%
 - e. 4 bedroom = 100% of the total score.

10. Economic Development

- a. Projects that promote economic development benefits. Maximum 15 points
Projects that promote economic development benefits will receive 15 points.

11. Community Support

- a. Projects that align with local government plan to address housing and homeless services. Maximum 30 points
 - i. If the City in which the project is located is required to have an Affordable Housing Plan (AHP) and a letter of support is provided by the city, the project will receive 30 points.
 - ii. If the City in which the project is located is NOT required to have an AHP, project will receive 30 points.

12. Safety, Health, Welfare

- a. A project or site that has documented environmental issues may receive points if all the following requirements are met: 1) define the environmental issues to be addressed; 2) submit a firm written commitment to mitigate the issues; and 3) submit a process schedule to correct all environmental issues along with a financial analysis/cost estimate. Maximum 25 points

Projects that submit documented environmental issues, written commitment, and process will receive 25 points.

Overall total points possible: 500



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HTF Scoring Definitions**

HTF Scoring Criteria Definitions

1. Minimizing Homelessness

- a. Applications for projects and activities intended to minimize homelessness. Points awarded proportionally based on the percentage of units dedicated for homelessness in relation to the total units. Maximum 25 points

Example 1: Project A has 50 total units and is requesting \$1,000,000 in HOME funds. It has five (5) units set aside for homeless individuals. $5 \text{ homeless units} / 50 \text{ total units} = 10\%$ of the total units. 10% of 25 maximum points = 2.5 points.

Example 2: Project B has 25 total units, and is also requesting \$1,000,000 in HOME funds, but all 25 units are set aside for homeless individuals, $25 \text{ units} / 25 \text{ total units} = 100\%$. 100% of 25 = 25 points.

2. Rehabilitation

- a. Projects and activities that use existing privately owned housing stock, including privately owned housing stock purchased by a nonprofit public development authority. Maximum 5 points

Projects and activities that meet the rehabilitation requirements will score 5 points

3. Loan Sources and Leveraging

a. Sources

- i. In order to be considered a source for the purposes of scoring, the source amount must be at least 15% of the total OWHLF funding amount and there must be at least three (3) sources, which includes OWHLF. If a project has at least three (3) sources above the 15% threshold, it will score a minimum of 10 points. Each additional source over the 15% threshold will score an additional 5 points per source. Maximum 47.5 points

Example 1: Project A applies for \$1,000,000 of HTF funds. It has the following four (4) sources:

- 1- \$8,000,000 from ABC Bank
- 2- \$500,000 from the county
- 3- \$150,000 general partner note
- 4- \$100,000 grant from the city

15% of \$1,000,000 = \$150,000. Three sources are greater than \$150,000. It will score 10 points.



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Example 2: Project B applies for \$2,000,000 of HOME and HTF funds. It has the following six (6) sources:

- 1- \$8,000,000 from 9% LIHTC
- 2- \$6,000,000 from XYZ Bank
- 3- \$825,000 deferred developer fee
- 4- \$1,000,000 from the county
- 5- \$150,000 general partner note
- 6- \$100,000 grant from the city

15% of \$2,000,000 = \$300,000. Four sources are greater than \$300,000. It will score 20 points.

Example 3: Project C applies for \$1,000,000 of HTF funds. It has the following one (1) source:

- 1-\$6,000,000

Only two sources total. Does not meet the three-source minimum. It will score 0 points.

b. Loan Leveraging

- i. Points awarded based on the ratio of OWHLF funds relative to the total project cost. The lower ratio of OWHLF funds relative to the total project cost the higher points are awarded. Maximum 47.5 points

Example 1: Project A is applying for \$1,000,000 in HOME funds. The total project costs is \$15,000,000. $\$1,000,000/\$15,000,000 = 0.07$. 50 points(.93) = 46.67. It would receive 46.67 points.

Example 2: Project B is applying for \$1,000,000 in HOME funds. The total project cost is \$8,000,000. $\$1,000,000/\$8,000,000 = 0.13$. 50 points (.87) = 43.75. It would receive 43.75 points.

4. Construction or Lending Concessions

- a. Project will be scored based on contributions from professional services or lender subsidies equal to or greater than \$25,000. Maximum 25 points

Projects that provide a letter from professional service or lender detailing concession will receive 25 points.



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5. Community Concessions

- a. Projects will be scored based on concessions made by the community, which is out of the ordinary and benefits the project. Maximum 45 points

Projects that provide a letter from community detailing concession(s) will receive 50 points.

6. Project-related Responsibility Opportunities

- a. Projects that encourage ownership, management, and other project-related responsibilities as defined below. Maximum 5 points

Ownership: A mechanism where a renter has the ability to become an owner of the unit.

Management: Tenants who are able to participate in a community-based management group.

Other project-related responsibilities: Property manager who is also a tenant of the structure, tenants who are to participate in a build-related maintenance program.

Projects that provide a letter detailing opportunities will receive 5 points.

7. Project Longevity

- a. Projects will be scored based on a strong probability of serving the original target group or income level for a period of at least 15 years. Maximum 25 points

Projects that have units restricted for at least 15 years will receive 25 points.

8. Experience

- a. Projects where an applicant has demonstrated the ability, stability, and resources to complete project. A project will receive points if the primary applicant or secondary applicant(s) have previously developed a multi-family project using OWHLF funds and received a Certificate of Occupancy. Maximum 95 points

Applicants with previous and successful projects with OWHFL funding will receive points per project, up to three projects. One project = 31.35 points, two projects = 62.7 points, and three projects = 95 points.



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9. Aggregate Area Median Income (AMI) and Unit Sizes
 - a. Projects that provide housing that serves the greatest need for persons and families with lowest incomes will receive points. Maximum 100 points
 - i. AMI Levels. Maximum 90 points
 1. < 30% AMI = 100% of total possible points
 2. <= 30% – 34.99% AMI = 83.3%
 3. <= 35% – 39.99% AMI = 66.7%
 4. <= 40% – 44.99% AMI = 50%
 5. <= 45% – 49.99% AMI = 33.3%
 6. <= 50% – 54.99% AMI = 16.7%
 7. >= 55% AMI = 0% of total possible points
 - ii. Bedroom Sizes. Maximum 10 points
 1. Are at least 10% of the total units comprised of the following number of rooms (points are awarded for the highest category):
 - a. Studios = 0% of the total score
 - b. 1 bedroom = 25%
 - c. 2 bedroom = 50%
 - d. 3 bedroom = 75%
 - e. 4 bedroom = 100% of the total score.
10. Economic Development
 - a. Projects that promote economic development benefits. Maximum 15 points
Projects that promote economic development benefits will receive 15 points.
11. Community Support
 - a. Projects that align with local government plan to address housing and homeless services. Maximum 30 points
 - i. If the City in which the project is located is required to have an Affordable Housing Plan (AHP) and a letter of support is provided by the city, the project will receive 30 points.
 - ii. If the City in which the project is located is NOT required to have an AHP, project will receive 30 points.



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12. Safety, Health, Welfare

- a. A project or site that has documented environmental issues may receive points if all the following requirements are met: 1) define the environmental issues to be addressed; 2) submit a firm written commitment to mitigate the issues; and 3) submit a process schedule to correct all environmental issues along with a financial analysis/cost estimate. Maximum 25 points

Projects that submit documented environmental issues, written commitment, and process will receive 25 points

13. Non-Federal Funding Sources

- a. Projects that have non-federal funding sources. Maximum 5 points
Projects that have non-federal funding sources will receive 5 points.

14. Project-Based Rental Assistance

- a. Projects that have federal, state, or local project-based rental assistance. Maximum 10 points

Projects that have federal, state, or local project-based rental assistance will receive 10 points.

Overall total points possible: 500



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Exhibits

- Exhibit A – Capital Needs Assessment Requirements
- Exhibit B – Multifamily Project Owner Identity of Interest Certification
- Exhibit C – Multifamily Fee Summary Sheet and Certification
- Exhibit D-1 – National Housing Trust Fund – Summary Terms
- Exhibit D-2 – Multifamily Pricing, Loan Products and Loan Definitions
- Exhibit E – Multifamily Loan Document Templates
- Exhibit F – Multifamily General Requirements
- Exhibit G – Multifamily Subsidy Limits
- Exhibit H – HUD Environmental Review Requirements
- Exhibit I – Multifamily Architect Certification
- Exhibit J – Multifamily General Contractor Certification
- Exhibit K – Multifamily Service Provider Questionnaire
- Exhibit L – Multifamily Compliance Report (Example Only)
- Exhibit M – Multifamily Scope of Work Template
- Exhibit N – Multifamily Uniform Relocation
- Exhibit O – Community Housing Development Organization (CHDO) Qualification Checklist
- Exhibit P – Emergency Transfer Plan for Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking
- Exhibit Q – Multifamily Loan Closeout



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Exhibit A – Capital Needs Assessment Requirements

OWHLF applicants for acquisition/rehabilitation must submit a Physical Condition Assessment (PCA) or recent Capital Needs Assessment (CNA) and replacement reserves analysis. The PCA/CNA must have been performed within six months of the submission date of this application.

The PCS/CNA shall include the following four (4) components:

- **Critical Repair Items:** All health and safety deficiencies or violations of Section 8 housing quality standards, including any/all Federal Lead Based Paint and, asbestos requirements and FHA’s regulatory agreement standards that require immediate remediation.
- **Twelve-Month Physical Needs.** An estimate of repairs, replacements and significant deferred and other maintenance items that will need to be addressed within 12 months. Includes the minimum market amenities needed to restore the property to the affordable housing standard adequate for the rental market for which the project is approved.
- **Long Term Physical Needs.** An estimate of the repairs and replacement items beyond the first year that are required to maintain the project’s physical integrity over the next 20 years, such as major structural systems that will need to be replaced during this period.
- **Analysis of Reserves for Replacement.** An estimate of the initial and monthly deposit to the Reserves for Replacement Account needed to fund the project’s long term physical needs (20 years), accounting for inflation, the existing Reserves for Replacement balance (if any), and the Expected Useful Life of the major building systems. This analysis should include the cost of the twelve-month physical needs, but not any work items that would be treated as operating expenses.

Statement of Work

1. The CNA shall be written with detailed narrative and accompanying color photographs and shall describe the property’s exterior and interior physical condition, including architectural and structural components and mechanical systems.
2. The report shall:
 - a. Identify in detail any repair items that represent an immediate threat to health and safety. Identify all other significant defects, deficiencies, items of deferred maintenance, and material building code violations, (individual and collectively, physical deficiencies) that would limit the expected useful life of major components or systems.
 - b. Provide estimated costs to remedy the detailed physical deficiencies. Identify immediate needs and estimate the needs for the next 20 years, accounting for inflation, the existing Reserves for Replacement balance (if any), and the Expected Useful Life of the major building systems. This analysis should include the cost of the twelve-month capital improvement needs, excluding operating expenses.



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- c. Provide Replacement Reserve Schedule including an estimate of the initial and annual deposits, (projected to increase at the operating cost adjustment factor), based on the useful life of the major building systems. The term of the analysis should correspond to the mortgage period plus two years.
3. The report shall identify physical deficiencies as a result of:
 - a. A visual survey.
 - b. A review of any pertinent documentation.
 - c. Interviews with the property owner, management staff, tenants, interested community groups and government officials.
4. The report shall provide a description of directly observed potential onsite environmental hazards.
5. The report shall assess the twelve-month physical needs. The standard is a non-luxury standard adequate for the rental market. The physical needs identified should be those necessary for the project to retain its market position as an affordable project in a decent, safe, and sanitary condition (recognizing any evolution of standards appropriate for such a project). The twelve-month physical needs should include those improvements the project requires to compete in the market. Where a range of options exists, the most effective options for rehabilitation should be chosen, when both capital and operating costs are taken into consideration.

The report shall determine the cost-benefit of each significant work item in the rehabilitation plan (i.e. greater than \$5,000 per work item) that represents an improvement to the product, an upgrade to current elements or that could be considered to reduce the operating expenses. Examples: individual utility metering, extra insulation, thermal pane windows, water savers on showers and toilets, automatic setback thermostats, and durable siding. Compare the cost of the item with the long-term impact on rent and expenses, taking into account the remaining useful life of the building systems as needed.

6. An independent consultant, an architect, general contractor or engineer, any of who must be licensed in the state of Utah, shall prepare the report.
7. The report shall explain how the project will meet the requirements for accessibility and visibility to persons with disabilities, to the extent applicable.
8. The CNA report or PCA report, in addition to the four major aforementioned components, at a minimum shall include the following subcomponents:
 - a. Project Summary Sheet.
 - b. Executive Summary (discussion of the physical condition of the property and any major repair/rehab items observed).
 - c. An index.
 - d. Introduction of the report.
 - e. Building evaluation (property identification-survey, legal description of property).
 - f. Site improvement evaluation/analysis (utilities, parking, paving, sidewalks, sewer and drainage, landscaping, trash enclosures/compactors and general site improvements).



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- g. Building Architectural and Structural Systems Evaluation (foundation superstructure and floors, roof structures and roofing, exterior walls and stairs, siding, downspouts, and common areas energy efficiency, tenant amenities, playgrounds and playground equipment).
- h. Building Mechanical and Electrical Systems Evaluation (building HVAC, plumbing, electrical, elevators, fire protection/security systems).
- i. Interior Dwelling Units Evaluation (interior finishes, walls, ceilings, paint, kitchen and appliances, carpet, vinyl, interior doors, shelves, cabinets, vanities, closets, interior HVAC, plumbing, bathroom fixtures, electrical fire protection systems, security systems).
- j. Evaluation/Analysis of Other Structures.
- k. Environmental Evaluation.
- l. Estimated Useful Life Analysis (computation of Repairs and Replacement Reserves).
- m. The basis for identifying any item for repair or replacement.
- n. Unit cost breakdown shall be provided for multiple items (i.e. stoves, refrigerators, cabinets, bathroom fixtures, etc.).
- o. Acknowledgements (who prepared report, when report was prepared, who received report, and when report was reviewed).
- p. Appendices (photographs, site plans, maps title report etc.).
- q. Identification of any observed hazards, flammable or explosive facilities/ operations in the immediate area of the project; and State whether the project is located in a Flood Plain.
9. The firm or person who prepared or supervised the preparation of the report must sign the Report.
10. Submit one (1) original of the report to HCD.
11. The architectural report must include the following:
 - a. Total floor area in square feet for the entire development, units and common area.
 - b. Units will provide the furnishings as stated in the application (range, hood, refrigerator, exhaust fans, grab bars, etc.).
 - c. A final report itemizing the extent of renovation and replacement and summary comparing the CNA report submitted to HCD and final results.



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Exhibit B – Multifamily Project Owner Identity of Interest Certification

Project Name: _____

Address: _____

City: _____

The Board requires a full disclosure of all related party transactions affecting the payment of fees to the developer or contractor. The staff must be notified of any changes in such relationships during the life of the Project.

Applicant hereby certifies that the following comprise all related party transactions for the project and the amount/fee involved in the transaction:

Name of Related Party	Relation	Role	Amount of Renumeration or Fee to be Paid Related Party

The undersigned certifies that the above represent all fees and profit from the development of the project that will be obtained by related parties and that there are no undisclosed related party transactions involving the project owner/applicant, developer, contractor, officers, consultants, landowners, intermediaries, Realtors, etc.

Project Owner / Applicant Name

Name _____

Date _____

Title



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Exhibit C – Multifamily Fee Summary Sheet and Certification

Project: _____

Developer/Sponsor: _____

1. Is a **Developer Fee** associated with the project?
Yes No
 - a. To whom will the Developer Fee be paid?
 - b. How much is the Developer Fee?
 - c. When is the Developer Fee to be paid?
 - d. What is the source of funds that will be used to pay the Developer Fee?_____

2. Is a **Development Consulting Fee** associated with the project?
Yes No
 - a. To whom will the Consulting Fee be paid?
 - b. How much is the Consulting Fee?
 - c. When is the Consulting Fee to be paid?
 - d. What is the source of funds that will be used to pay the Consulting Fee?_____

3. Is a **Contractor/Builder Fee** associated with the project?
Yes No
 - a. To whom will the Contractor/Builder Fee be paid?
 - b. How much is the Contractor/Builder Fee?
 - c. When is the Contractor/Builder Fee to be paid?
 - d. What is the source of funds that will be used to pay the Contractor/Builder Fee?_____

4. Is an **Administration Fee** associated with the project?
Yes No
 - a. To whom will the Administration Fee be paid?
 - b. How much is the Administration Fee?
 - c. When is the Administration Fee to be paid?
 - d. What is the source of funds that will be used to pay the Administration Fee?_____

5. Is an **Asset Management Fee** associated with the project?
Yes No
 - a. To whom will the Asset Management Fee be paid?
 - b. How much is the Asset Management Fee?
 - c. When is the Asset Management Fee to be paid?
 - d. What is the source of funds that will be used to pay the Asset Management Fee?



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6. Is a **Management Fee** associated with the project?

Yes No

- a. To whom will the Management Fee be paid?
 - b. How much is the Management Fee?
 - c. When is the Management Fee to be paid?
 - d. What is the source of funds that will be used to pay the Management Fee?
-

7. Is an **Incentive Fee** associated with the project?

Yes No

- a. To whom will the Incentive Fee be paid?
 - b. How much is the Incentive Fee?
 - c. When is the Incentive Fee to be paid?
 - d. What is the source of funds that will be used to pay the Incentive Fee?
-

8. Is a **Realtor Fee/Commission** associated with the project?

Yes No

- a. To whom will the Realtor Fee/Commission be paid?
 - b. How much is the Realtor Fee/Commission?
 - c. When is the Realtor Fee/Commission to be paid?
 - d. What is the source of funds that will be used to pay the Realtor Fee/Commission?
-

If there are additional Fees related to the Project that are not included in the above list, attach a separate sheet of paper which lists the additional Fees and provides the requested information relative to each additional Fee.

The undersigned hereby certifies that all the Fees related to the Project are listed above, or in the attached additional sheet(s).

Date: _____

Company: _____

By: _____

Title: _____



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OLENE WALKER HOUSING LOAN FUND

Exhibit D-1 - National Housing Trust Fund – Summary Terms

- Loan Terms:** The following terms outline the repayment terms for HTF funds awarded to a project to reduce the rent to 30% AMI. These funds will be secured by a Subordinate Deed of Trust. A Deed Restriction shall be recorded against the property for a minimum of thirty (30) years. These terms will be reviewed on a regular basis by the OWHLF Board (the “Board”).
- Loan Amount:** The maximum amount awarded to any project will be determined by the Board.
- Units:** Minimum and maximum units funded in a project will be determined by the Board.
- Interest Rate:** The interest rate will be zero percent (0%) unless the loan is in default, in which case the interest rate will increase to eight percent (8%).
- Payments:** Principal and interest payments may not be required prior to maturity of the loan unless the property is sold, refinanced, or transferred in whole or in part. At the earlier of the sale, refinance, transfer, or loan maturity, Bonus Interest will be paid in accordance with the following loan repayment procedures (under “Loan Payments”).

Repayment Terms

1. Interest Rates
 - a. Interest (sometimes referred to as “Fixed Interest”) shall accrue on the unpaid Principal Amount from the date hereof at the fixed interest rate of zero percent (0%) per annum. Interest shall accrue daily on the outstanding principal balance until paid, regardless of maturity or judgment, and shall be calculated on the basis of a 360-day year simple interest basis by applying the ratio of the annual interest rate over a year of 360 days (365/360), multiplied by the outstanding principal balance, multiplied by the actual number of days the principal is outstanding.
 - b. In addition to Fixed Interest described above, Borrower shall pay to Lender as “Bonus Interest” an amount equal to the “Applicable Percentage” (as hereinafter defined) multiplied by the “Net Proceeds” (as hereinafter defined) received from every financing other than the original Loan (as hereinafter defined) obtained to develop the Project (hereinafter defined), refinancing, transfer, conveyance, sale or exchange of or secured by all or any portion of or any interest in the Project (hereinafter collectively referred to as a “Transfer”), prior to the “Permanent Loan Maturity Date”. Any such Transfer will be conditioned upon Borrower receiving the prior written approval of Lender, which approval may not be unreasonably withheld.



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- c. Notwithstanding anything to the contrary contained in this Promissory Note, if an Event of Default occurs, interest at eight percent (8%) per annum shall thereafter accrue on the unpaid Principal Amount and upon any Bonus Interest (as defined herein) which shall become due and is not timely paid after such Event of Default.
2. Loan Payments
- a. Bonus Interest will be paid in accordance with the following procedures:
 - i. Simultaneously with the receipt of Net Proceeds resulting from any Transfer, the total amount of Bonus Interest shall be computed and paid to Lender.
 - ii. If no sale, exchange, or other disposition of the entire Project occurs prior to the Permanent Loan Maturity Date (whether that date results from acceleration not cured as authorized by statute or as provided by agreement or otherwise), Borrower shall pay to Lender, Bonus Interest based upon the fair market value of the Project, or the portion thereof that has not been sold or disposed of, as of that date, determined as follows:
 1. from the fair market value figure shall be deducted an amount equal to reasonable out-of-pocket expenses that would have been incurred as part of an actual sale of the Project or the remaining portion of the Project;
 2. next, any outstanding principal balance of any loan secured by the Project, plus any current and payable interest accrued thereon since the last regularly scheduled interest payment date for such loan, which Lender has previously agreed will have priority to this Loan will be deducted;
 3. next, previously received by Borrower from the proceeds of transfers in reimbursement or payment of Borrower's Equity will be deducted; and the Applicable Percentage of the remainder will be paid to Lender as Bonus Interest together with:
 - a. The amount of any accrued and unpaid interest and other charges due under the terms of this Promissory note; and
 - b. The amount of the unpaid Principal Amount.
- Notwithstanding the foregoing, no portion of Borrower's Equity shall be payable to Borrower until the Principal Amount and accrued Fixed Interest is paid in full. In the event that this Promissory Note is accelerated and the Project is sold through foreclosure of the Deed of Trust or exercise of the power of sale exercised in the Deed of Trust, there shall become due and payable to Lender upon such acceleration Bonus Interest calculated in the manner provided in this Paragraph (and not based on the price bid or paid at such foreclosure sale) and such Bonus Interest shall be due and payable to Lender prior to any payment or return of Borrower's Equity or other payment to Borrower. If Borrower and Lender are unable to properly agree upon the fair market value of the Project or the remaining portion of the Project, or the fair market value of the property received in an exchange,



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either determination will be resolved by an appraisal by an MAI appraisal mutually acceptable to the Borrower and Lender.

3. Prepayment

The undersigned shall have the right to prepay any amount of the Fixed Interest or Principal Amount without penalty; provided Borrower shall give Lender written notice of its intent to prepay not later than ten (10) days prior to intended payment date.

4. Definitions

- a. Applicable Percentage. "Applicable Percentage" shall mean on the date that any Bonus Interest is payable, a fraction (expressed as a percentage to the nearest tenth of a percent), the numerator of which is the original Principal Amount of this Promissory Note, and the denominator of which is the sum of the original Principal Amount of this Promissory Note and the Borrower's Equity.
- b. Borrower's Equity. "Borrower's Equity" shall mean the sum of (i) all capital contributions made to Borrower by its Members, including but not limited to contributions made by any and all investors, excluding tax credit investors; and (ii) the sum of all development fees which are deferred and payable only in the event of a Transfer.
- c. Net Proceeds. "Net Proceeds" from a Transfer, shall mean the entire consideration paid for or received as a result of the Transfer, less only the following amounts which shall be paid in the priority listed:
 - i. All direct, out-of-pocket expenses attributable to the Transfer transaction; provided that no expense paid to an affiliated company of Borrower or its Manager in excess of amounts which would be reasonably comparable for similar services shall be included in such allowable expenses;
 - ii. Any amounts then due or required to be paid as a result of the Transfer under any loan to which Lender has previously agreed will have priority to this Loan;
 - iii. Any amounts due Borrower's tax credit investor; and
 - iv. An amount to Borrower equal to "Borrower's Equity" (as defined herein below) less any amount previously received by Borrower from the proceeds of a Transfer in reimbursement or payment of Borrower's Equity; provided, however, no portion of Borrower's Equity shall be paid to Borrower until the outstanding Principal Amount of this Promissory Note, Fixed Interest thereon, and accrued but unpaid Bonus Interest is fully paid.
 - v. An amount to Borrower equal to "Borrower's Equity" (as defined herein below) less any amount previously received by Borrower from the proceeds of a Transfer in reimbursement or payment of Borrower's Equity; provided, however, no portion of Borrower's Equity shall be paid to Borrower until the outstanding Principal Amount of this Promissory Note, Fixed Interest thereon, and accrued but unpaid Bonus Interest is fully paid.



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- d. The remaining proceeds shall constitute “Net Proceeds” and the “Applicable Percentage” of that amount will be paid to Lender as Bonus Interest. Simultaneous with the payment of such Additional Interest and in the event of a sale, exchange or other disposition of the entire Project, the total outstanding Principal Amount and all other accrued but unpaid interest shall be due and payable. The foregoing allocation of proceeds will apply to one of several Transfers on a cumulative basis.

The transferee in any partial Transfer of the Project that may be consented to by Lender shall take title to its interest subject to the terms of the Security Instruments unless the portion of the Project subject to the Transfer is released from the lien of the Security Instruments.

In the event the Transfer is in exchange for other property, the “entire consideration” resulting from the Transfer, for purposes of determining Net Proceeds, will be the fair market value at the time of the Transfer of the property received plus any “Boot” received by the Borrower, less any “Boot” payable by Borrower. If any consideration received by Borrower is in a form other than cash, the Additional Interest due hereunder will, nevertheless, be payable to Lender in cash.

Any proceeds of a Transfer that are received by Lender before commencement of or during the appraisal process, which proceeds, relate to the Transfer or Permanent Loan Maturity Date triggering the appraisal, will be deposited in a joint escrow account until such time as the appraisal is issued in accordance with the above. These proceeds will be invested during the appraisal process as mutually directed and any additional amounts earned will be added to and become a part of the entire consideration received from such Transfer.



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Exhibit D-2 - Multifamily Pricing, Loan Products and Loan Definitions

Pricing Policy

Interest Rate:	<u>Average Project % AMI Served: Eligible* Interest Rate:</u>	
	56 – 60%	3.0%
	51 – 55%	2.5%
	46 - 50	2.0%
	41 - 45	1.5%
	36 - 40	1.0%
	35 and less	TBD

*Interest rates are subject to adjustment based on project cash flow and debt coverage ratio calculated at time of application and underwriting performed by OWHLF staff as detailed below.

DCR: If DCR is above the maximum of 1.25 as noted in Safe Harbor Policy, the interest rate on the loan is subject to adjustment to bring DCR within the specified range.

Cash Flow: If aggregate per-unit cash flow is greater than 200% of the minimums as noted in the Safe Harbor Policy, the interest rate on the loan may be subject to adjustment.

Deferred Developer Fee: If the project’s funding sources include an interest-bearing Deferred Developer Fee, the interest rate listed for that source must be equal to or less than the proposed OWHLF loan interest rate.

Other Entity Funding: If the project’s funding sources include a deferred or other loan from a related entity, such as a development arm or other non-profit division of the development organization, the interest rate listed for that source must be equal to or less than the proposed OWHLF interest rate.

Late Fee: Five percent of total amount due.

Default Rate: The greatest of ten percent per annum or the default rate of priority lien in effect at time of default.

Fees: None.



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Loan Products

All loans will be secured by a Promissory Note, a Trust Deed, a Deed Restriction, and a Request for Notice, which will be recorded in the county where the property is physically located.

Amortizing Loan

Term/Amortization: The lesser of 30 years or five years less than the remaining useful life of collateral as determined by appraisal review on new construction, and the evaluation of staff for acquisition and/or rehabilitation.

Repayment: Mandatory monthly payments of principal and interest are required after the project is placed-in-service.

Interest rate: See Pricing Policy above.

Deferred Loan

Term: The lesser of 30 years or five years less than the remaining useful life of collateral, as determined by appraisal review.

Repayment: Deferment and/or extensions may be granted at the discretion of the Board on a case-by-case basis. Due to loan servicing and compliance monitoring costs incurred by OWHLF on all multifamily projects, all cash flow loans awarded will require a minimum \$1,000 annual payment.

Interest rate: See Pricing Policy above.



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Grant

For an applicant to be considered for a Grant the targeted AMI must be 30 percent or less. A deed restriction will be recorded which requires repayment of the Grant with a change of use, change in targeted population, sale of the property, or any violation of the Deed Restriction.

Cash Flow Loan

In most cases, cash flow loans are discouraged except for projects with AMI 30% or below that are geared for the homeless or other special needs groups.

Due to loan servicing, financial review, and compliance monitoring costs incurred by OWHLF on all multifamily projects, all cash flow loans awarded will require a minimum \$1,000 annual payment, and a maximum payment equivalent to a fully-amortizing annual payment based on loan terms.

Servicing of loan debt from Surplus Cash, defined as:

Surplus Cash: Any cash from all sources remaining at the end of the applicable fiscal period, (i) after the payment (on a thirty day current basis) of (a) all sums due or currently required to be paid under the terms of the mortgage loan, (b) any amounts required to be deposited in the reserve fund for replacements established with respect to the Project, and (c) all obligations of the Project, including operating expenses and escrow deposits for taxes and insurance, (other than the mortgage loan) and excluding company administration fees (unless required by HUD); and (ii) after the segregation of (a) an amount equal to the aggregate of all Special Funds required to be maintained by the Project, and (b) all tenant security deposits held, together with accrued interest thereon payable to the tenant pursuant to the laws of the state.

As part of the application, or prior to approval, the Applicant shall provide a list of all items/expenses/funds that will be attributed to the Project and which Applicant intends to segregate and deduct as “Special Funds” in its calculation of surplus cash.

If a Project will be going through a HUD Mark-To-Market restructure, then the Applicant must provide a “Cash Flow Projection for Sizing the Second Mortgage” from the Participating Administrative Entities (“PAE”). In the event the PAE does not complete a “Cash Flow Projection for Sizing the Second Mortgage”, applicant will provide a proforma identifying the anticipated surplus cash flow available to service the OWHLF loan. The “Cash Flow Project for Sizing the Second Mortgage” and/or the proforma shall be submitted by applicant at the time of application, or prior to loan approval.

NOTE: Cash flow language and/or definition will not be changed to accommodate private investor requirements.



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Loan Specifics

- Loan Types:** Permanent loans for newly constructed projects, refinancing for the purpose of preserving affordability, or acquisition/rehab projects. Loans shall be of a minimum amount necessary to achieve affordability targets when combined with available private resources.
- Predevelopment grants of up to \$50,000 each are available from the OWHLF as of July 1, 2021 (SB 164).
- Project Types:** Rental, mixed use, supportive housing and/or special needs housing serving residents with average project restricted rents at or below 50 percent of the area median income as determined by HUD unless otherwise approved by the Board.
- Disbursement:** OWHLF funds are generally available for drawdown upon loan closing, with 5% or \$5,000 minimum “hold-back” of total awarded funds held back until completion reporting for final closeout in IDIS and/or WebGrants is submitted by the project developer. Different types of multifamily projects are paid out as follows:
- a. New Construction – all but the minimum hold-back will be paid out at the time of loan closing.
 - b. Acquisition/Rehabilitation and Rehabilitation-Only – funds will be paid out on a reimbursement basis as submitted with the exception of the minimum hold-back as described above.
 - c. Acquisition Only – all funds will be paid out at the time of loan closing.
- Security:** Trust Deed with Assignment of Rents.
- Loan Term:** 40-year maximum term unless otherwise approved by the Board.



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Pre-Payment: No prepayment penalty. Pre-payment does not disallow the criteria outlined in the loan documents guaranteeing the continued use and period of affordability as outlined in the documents.

Loan Amount: Minimum: \$1,000 per unit.
Maximum: \$4,000,000 per project (\$2M from two sources: LIH or HOME or HTF)

Match Funds: With Other Participating Jurisdiction Funds: Projects located in other PJs are required to secure match funds from the PJ of not less than .50:1 with OWHLF. Sources include entitlement funds, fee waivers, or other local government funds and services.

Penalties

Good Standing: All applicants not presently in good standing with the OWHLF will not be allowed to apply for available funds or draw down previously approved funds until the outstanding issues have been resolved and cleared. Issues affecting an organization's standing with the OWHLF include:

- Overdue payments on current OWHLF loans
- Failure to submit annual compliance reports and financial documentation as required
- Previously-funded and completed projects that have not been closed out in OWHLF systems within a reasonable period of time

Late Charges: All OWHLF loans and payments are presently serviced by the Department of Administrative Services – Division of Finance, through which all billing and loan servicing takes place. Loan payments are due the first of the month, and payments received after the 15th day of the month are subject to a 5% late charge of the billable principal amount (see "Late Fee" under Pricing Policy).



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Exhibit E - Multifamily Loan Documents Templates

PROMISSORY NOTE

DO NOT DESTROY THIS NOTE: When paid, this Note, with Trust Deed securing the same, must be surrendered to Trustee for cancellation before re-conveyance will be made.

Loan No.: _____ DATE: _____
\$ _____

_____ (“Borrower”), promises to and shall pay to the Utah Department of Workforce Services Housing and Community Development Division, Olene Walker Housing Loan Fund (Lender), at 140 East 300 South, First Floor, Salt Lake City, UT 84111, or at such other place as Lender may designate, the principal sum of _____ AND _____/100 DOLLARS (\$ _____) together with interest from _____ at the rate of _____ percent (_____%) per annum and all other sums due on the terms and subject to the conditions contained in this Promissory Note (“Note”). Borrower and Lender are collectively referred to as “parties”.

1. **Payment.**
The principal and interest are payable on or before the 1st day of _____, in the sum of _____ AND _____/100 DOLLARS (\$ _____), and an equal amount on or before the 1st day of each successive month for a period of _____ payments, until the entire principal balance, interest and any accrued late charges are paid in full. Payments will be applied first to principal, then to interest, and then to unpaid late charges. Borrower may prepay without penalty all or a portion of this loan prior to its scheduled maturity date.
2. **Maturity.**
The unpaid balance of this Note and all interest and late payment charges are due and payable in full on _____ (“maturity date”).
3. **Late Payment Charges.**
Borrower shall pay a late payment charge of five percent (5%) of the loan balance for each payment received by Lender after the maturity date or after the date of an event of acceleration or an event of default, whichever comes first.
4. **Additional Conditions.**
 - a. This Note is secured by a Trust Deed with Assignment of Rents (“Trust Deed”) and the Property described therein (“the “Property”), and is subject to a Deed Restriction, both of which are entered on or about the date of this Note, filed and recorded, and encumber real property located in _____ County, State of Utah, as more particularly described in the Trust Deed. For reference, the Property is commonly known by the address or Tax Parcel Number: _____.
 - b. The Trust Deed contains terms and conditions for the acceleration of the indebtedness evidenced by this Note together with additional remedies in the event of default.
 - c. Failure of Lender to exercise any right granted herein or in the Trust Deed will not constitute a waiver of such right or preclude the subsequent exercise and enforcement thereof.
 - d. This Note, the Trust Deed, the Deed Restriction and all other Lender documents executed in connection with the indebtedness evidenced by this Note are collectively referred to as the “Loan Documents.”
 - e. If any obligations evidenced by this Note are placed in the hands of an attorney for collection, Borrower shall be liable to and reimburse Lender for all costs and expenses incurred, including, without limitation, reasonable attorneys’ fees.
 - f. Borrower shall fully defend, indemnify, and hold harmless Lender and the State of Utah (including their employees, Boards, agents and officers) from any and all liabilities, obligations, losses, damages, penalties,



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claims, actions, suits, costs and expenses assessed or incurred, including without limitation reasonable attorneys' fees, relating to or arising in connection with any claim related to Borrower's (including Borrower's agents, employees, contractors at any level, officers, and partners) acts, omissions, development, construction, ownership, use, maintenance or occupancy of the Property, and including any misrepresentation or breach of any representation or covenant of Borrower in any of the Loan Documents.

- g. Notwithstanding anything to the contrary in this Note and the Trust Deed, or any other Note or Trust Deed executed by Borrower in favor of Lender and affiliated with the financing of this project (collectively "Other Loan Documents"), a breach or default by the Borrower of any term, covenant, or condition contained in this Note, the Trust Deed, or any Other Loan Documents shall, at the option of Lender, constitute a default under this Note, the Trust Deed, and all Other Loan Documents. Lender is entitled to apply all of its rights and remedies under the terms of this Note, Trust Deed and any Other Loan Documents for a default by Borrower occurring hereunder or under any Other Loan Documents.
- h. Borrower represents and warrants that it has, or will have no later than loan closing, marketable title to the Property, free and clear of all liens except for those liens securing financing for the Property and approved by Lender.

5. Default.

A. The following are events of default:

- (a) Borrower's failure to pay any installments of principal and interest, or any part thereof, when due and said default is not cured within **fourteen (14)** days after written notice is issued by Lender;
- (b) Any representation or warranty made by Borrower in any of the Loan Documents is inaccurate or incomplete in any adverse respect as of the date made;
- (c) Borrower's failure to maintain its current legal or corporate existence;
- (d) Borrower's failure to fully comply with any term or provision in any of the Loan Documents and such failure continues for **fourteen (14)** days after written notice is issued by Lender;
- (e) Borrower refinances, sells, conveys, transfers, disposes or assigns any of Borrower's interest in the Property, or title to the Property is vested in any other person or entity, or Borrower further encumbers any part of or interest in the Property, without the prior express written consent of Lender, which may be granted or withheld in Lender's sole discretion; or
- (f) Borrower becomes insolvent, does not pay its debts as they become due (including without limitation taxes or payments to contractors or suppliers), admits in writing its inability to pay its debts, makes an assignment for the benefit of creditors, or insolvency, receivership, reorganization or bankruptcy proceedings are commenced against Borrower and such proceedings are not dismissed within sixty days, or insolvency, receivership, reorganization or bankruptcy proceedings are commenced by Borrower.

Notwithstanding anything to the contrary herein, Lender agrees that the following shall not constitute an event of default hereunder and shall not require Lender's prior consent: (i) the admission of an investor member into Borrower and the transfer of investor member interests in Borrower, provided that such transfers are permitted under Borrower's operating agreement; (ii) the removal of the managing member of Borrower and the replacement of the managing member of Borrower with the investor member or an affiliate thereof, provided that such removal and replacement is done in accordance with Borrower's operating agreement; (iii) the making of a bridge loan, or an additional bridge loan to Borrower by the investor member or a third party; (iv) the pledge to the investor member by the managing member of the managing member's interest in the Operating Agreement, as security for the performance of all of the managing member's obligations under the Borrower's operating agreement; and (v) the pledge to construction or permanent lender, by the Borrower, managing member, or investor member of each of their respective interests pursuant to the Borrower's operating agreement, as security for the performance of all of the Borrower's obligations under the construction or permanent loan.



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STATE OF UTAH)

ss:

COUNTY OF _____)

On the ____ day of _____, in the year _____ personally appeared before me before me, _____ a notary public, personally appeared _____, who being by me duly sworn did say that _____ the _____ for _____, _____, _____, proved on the basis of satisfactory evidence to be the person(s) whose name(s) _____ subscribed to in this document, and acknowledged _____ executed the same.

Notary Public



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When recorded mail to:
Utah Department of Workforce Services
Housing and Community Development Division
Olene Walker Housing Loan Fund
140 East 300 South, First Floor
Salt Lake City, UT 84111

Space Above This Line For Recorder's Use

Loan No.: _____

**TRUST DEED
With Assignment of Rents**

THIS TRUST DEED is made this _____ day of _____, 20____ between _____, as Trustor (hereafter referred to as "Borrower"), whose address is _____, as Trustee, and Utah Department of Workforce Services Housing and Community Development Division, Olene Walker Housing Loan Fund, as Beneficiary (hereafter referred to as "Lender").

Borrower, in consideration of the indebtedness evidenced by a Promissory Note (the "Note"), irrevocably grants, conveys and assigns to Trustee and Trustee's successors and assigns, in trust with power of sale and right of entry and possession, for the benefit of Lender, all of Borrower's rights, title and interest in the following property, situated in _____ County, State of Utah, together with all buildings, fixtures and improvements thereon and all water rights, rights of way, easements, rents, issues, profits, income, tenements, hereditaments, privileges and appurtenances, now or hereafter used or enjoyed with said property, or any part thereof, subject to the right, power and authority given to Lender to collect and apply such rents, issues, and profits:

LEGAL DESCRIPTION:

Tax Parcel Nos.: _____

Subject Property ("Property") is also known by property address: _____.

This Trust Deed secures to Lender: (a) repayment of the debt evidenced by the Note in the principal amount of \$ _____, with interest, and any renewals, extensions, and modifications; (b) the payment of all sums, with interest, advanced to protect the security of this Trust Deed; and (c) the performance of Borrower's covenants and agreements under this Trust Deed, the Note and the Deed Restriction. In consideration of the indebtedness secured by this Trust Deed, Borrower covenants and agrees:

1. Payment.

Borrower shall pay the indebtedness when due in accordance with the terms of the Note and this Trust Deed and shall comply with all other provisions of the Note, this Trust Deed and Deed Restrictions. Lender expressly agrees that Borrower's investors, guarantors, members or others may in their discretion make a payment on Borrower's behalf, however no such payment will modify Borrower's obligations under the Loan Documents.

2. Exculpation.

Except for personal liability expressly provided for in this Trust Deed or the Note, the execution of the Note and Trust Deed impose no personal liability upon Borrower. In the Event of Default, Lender shall look solely to the Property, including all buildings, fixtures, improvements, water rights, rights of way, easements, rents, issues, profits, income, tenements, hereditaments, privileges and appurtenances, and will not seek any deficiency or



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personal judgment against Borrower, except such judgment or decree necessary to foreclose its interest in the Property and all other property mortgaged, pledged, conveyed or assigned to secure payment of the indebtedness.

3. Charges and Liens.

- a. Borrower shall timely pay all costs, fees, and expenses of this Trust Deed, and all taxes, assessments, charges, fines, encumbrances, liens and interest attributable to the Property. Borrower shall pay these obligations directly to the person or entity owed payment. Borrower shall promptly furnish to Lender receipts evidencing these payments on a quarterly basis.
- b. Except for senior loans preapproved in writing by Lender, Borrower shall promptly and without Notice from Lender discharge each lien that has priority over this Trust Deed unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender; (b) contests in good faith and successfully defends against enforcement of the lien in legal proceedings which prevent the enforcement of the lien or forfeiture of any part of the Property; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Trust Deed. If Lender determines that any part of the Property is subject to a lien that may attain priority over this Trust Deed, Lender may give Borrower Notice identifying the lien and Borrower shall take one or more of the actions set forth above within 45 days of Notice.

4. Assignment of Rents.

- a. Upon the occurrence of an Event of Default, Borrower authorizes Lender to collect, with or without taking possession of the Property, and if necessary sue for, rents and Borrower shall provide written direction to each tenant of the Property to pay all rents to Lender. Until the occurrence of an Event of Default, Lender grants Borrower a revocable license to collect and receive all rents for use in accordance with the provisions of this Trust Deed and Deed Restrictions, and apply the rents to pay the installments of interest and principal when due under the Note and other amounts due under this Trust Deed. Upon default of any of Borrower's obligations contained in the Promissory Note, Trust Deed or Deed Restriction, Borrower's license to collect rents will automatically terminate and Lender will without notice be entitled to all rents as they become due, including rents then due and unpaid. Borrower shall pay to Lender upon demand all rents to which Lender is entitled.
- b. As additional security, Borrower shall assign and transfer to Lender all rents, issues, royalties, and profits of the Property and Borrower's personal property located thereon. Borrower shall establish a present, absolute and irrevocable transfer and assignment to Lender of all rents and authorize Lender to collect and receive all rents without the necessity of further action by Lender. Promptly upon request by Lender, Borrower shall execute and deliver such assignments as Lender may require. Until the occurrence of an Event of Default, Borrower retains the right to collect all rents, issues, royalties, and profits earned and payable prior to the Event of Default.
- c. Except for senior loans preapproved in writing by Lender, Borrower represents and warrants that Borrower has not executed any prior assignment of rents, and Borrower covenants and agrees it shall not perform any acts, has not executed, and will not execute, any instrument that would prevent Lender from exercising its rights.

5. Construction, Preservation, Management and Maintenance of Property.

- a. Borrower shall commence and complete construction of all improvements promptly and in accordance with the construction contract, plans and specifications in a manner satisfactory to Lender. Borrower shall allow Lender to inspect the Property and records relating to the Property at all times.
- b. Borrower shall: (a) not commit or permit waste, (b) not abandon the Property, (c) promptly complete, restore and repair, in a good and workmanlike manner, any damaged part of the Property, whether or not litigation or insurance proceeds or condemnation awards are available to cover costs, (d) maintain the Property in a habitable, safe, and sanitary condition, and in good repair, including the replacement of fixtures with items of equal or better function and quality, (e) provide qualified management of the Property by a residential rental property manager, and (f) give Notice to Lender of, and unless otherwise directed in writing by Lender, appear in and defend, any action or proceeding that could impair the Property.



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6. Compliance with laws.

- a. Borrower shall comply with, and ensure its employees, contractors, officers, agents and tenants comply with, all applicable state and federal laws, ordinances, regulations, requirements of applicable governmental authorities, and covenants, restrictions and agreements recorded against the Property. Borrower shall maintain detailed records demonstrating compliance with the provisions of this Section.
- b. Borrower shall take appropriate measures to prevent, and shall not engage in or permit, any illegal activities at the Property, including those that may endanger tenants or visitors, cause damage to the Property, result in forfeiture of the Property, or impair the lien created by this Trust Deed or Lender's interest in the Property.

7. Insurance.

- a. Borrower shall provide and maintain insurance from insurance companies authorized to do business in the State of Utah on and relating to the Property and improvements, each with an AM Best rating of A- or higher that are satisfactory to Lender and include Lender as an additional insured with loss payable clauses in favor of Lender. Certificates of Insurance, showing up-to-date coverage, shall be submitted to Lender no later than 5 business days of execution of the loan documents. Failure to provide and maintain the required insurance in compliance with this section is deemed a material breach of this Trust Deed. At the minimum:
 - i. Workers' compensation insurance that covers full liability at the statutory limits.
 - ii. Commercial general liability [CGL] insurance with limits no less than one million dollars (\$1,000,000.00) per person per occurrence and three million dollars (\$3,000,000.00) aggregate.
 - iii. Commercial automobile liability [CAL] insurance covering bodily injury and property damage liability, applicable to all vehicles whether owned, non-owned, leased, or hired. The minimum liability limit must be \$1 million per occurrence, combined single limit.
 - iv. Professional liability insurance.
- b. In the event of loss, Borrower shall give immediate notice to Lender, who may make proof of loss and settle and adjust all claims under the policy. Borrower authorizes and directs each insurance company involved to make payment for such loss directly to Lender instead of to Borrower and Lender jointly, and the insurance proceeds may be applied by Lender in its sole discretion to reduction of the secured indebtedness or to the restoration or repair of the Property. Lender agrees not to apply insurance proceeds to the secured indebtedness if all of the following conditions are met: (1) no Event of Default has occurred and is continuing; (2) Lender determines that there will be sufficient funds to complete the restoration; (3) Lender determines that the net operating income that will likely be generated by the Property after completion of the restoration will be sufficient to support a debt service coverage ratio not less than the greater of (A) the debt service coverage ratio as of the date of this Trust Deed (based on the final underwriting of the Property) or (B) the debt service coverage ratio immediately prior to the loss, in each case including all operating costs, deposits to reserves and loan repayment obligations relating to the Property; (4) Lender determines that the restoration will be completed before the earlier of (A) one year before the maturity date of the Trust Deed Note or (B) one year after the date of the loss or casualty; and (5) Lender receives evidence of the insurance coverage during and after the restoration.

8. Evidence of Title.

Borrower shall pay for, maintain, and deliver to Lender upon request such evidence of title as Lender may require, including abstracts of title and policies of title insurance and any extensions, renewals, or supplements.

9. Indemnification.

- a. Borrower shall, at its sole cost and expense indemnify, release and hold harmless Lender and its officers, directors, employees, and agents from and against any and all contemporary and future claims, suits, proceedings, obligations, assessments, damages, losses, costs, expenses (including, without limitation, reasonable attorneys', architects', and engineering fees), demands, liabilities, penalties, fines, judgments, settlements, and forfeitures of any nature suffered or incurred by Lender or its officers, directors, employees, and agents arising out of, relating to, or in any manner occasioned by (i) this Trust Deed or the related Loan Documents; (ii) a breach by Borrower of this Trust Deed or the related Loan Documents; (iii) Lender's exercise of the rights and remedies under this Trust Deed or the related Loan Documents; (iv) the use, generation, manufacture, storage, disposal, release, or threatened release of a hazardous substance on, under, about, or from the Property in violation of environmental laws; (v) any accident, injury to or death of persons or loss of or damage to property occurring in, on or about the Property or the adjoining sidewalks, curbs, adjacent property or adjacent parking areas, streets or ways; (vi) any use, nonuse or



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condition in, on or about the Property or on the adjoining sidewalks, curbs, adjacent property or adjacent parking areas, streets or ways; (vii) performance of any labor or services or the furnishing of any materials or other property in respect of the Property; (viii) any failure of the Property to be in compliance with any applicable laws; or (ix) any and all claims, demands or undertakings on Borrower's part to perform or discharge any of the terms, covenants, or agreements contained in any lease. Lender retains the right but is not obligated to commence, appear in, or defend any action or proceeding purporting to affect the rights, duties, or liabilities of the parties hereto or the related Loan Documents. Lender may settle or compromise any asserted claims against it, and such settlement shall be binding upon Borrower. The provisions of this section survive the payment of the indebtedness and the expiration, cancellation, or termination of the Loan Documents, and are not affected by Lender's acquisition of any interest in any of the Property. This indemnification provision does not require Borrower to indemnify Lender or hold Lender harmless to the extent of Lender's, its officers, employees or agents' gross negligence, willful misconduct, or wrongful acts.

b. Borrower shall, at its sole cost and expense, appear in and defend any action or proceeding purporting to affect the security of this Trust Deed, the title to the Property, or the lien priority, rights or powers of Lender or Trustee, by attorneys and other professionals approved by the Lender. Lender may, in its sole discretion, engage its own attorneys and other professionals to defend or assist Lender, and, at the option of the Lender, their attorneys shall control the resolution of any claim or proceeding. Borrower shall pay or, in the sole discretion of the Lender reimburse the Lender, for the reasonable fees and disbursements of attorneys, engineers, environmental consultants, laboratories and other professionals, and the cost of obtaining evidence of title.

10. Survey.

A survey of the Property must be prepared and certified at Borrower's expense by a professional engineer or registered land surveyor satisfactory to Lender. The survey must meet the requirements of the American Land Title Association.

11. Events of Default.

The occurrence of any of the following constitutes an Event of Default:

a. **Monetary Event of Default:** Borrower's failure to pay all or part of any installments of principal and interest or any other amount required when due and said default is not cured within **fourteen (14)** days after written notice is issued by Lender.

b. **Covenant Events of Default include:**

(1) fraud, misrepresentation, or material omission by Borrower or any of its officers, directors, trustees, partners, members, managers or guarantors in connection with (i) the Loan Application for or documents creating the indebtedness, (ii) any financial statement, rent roll, or other report or information provided to Lender, or (iii) any request for Lender's consent to any proposed action under this Trust Deed or Note or relating to the Property;

(2) the commencement of a forfeiture action or proceeding, whether civil or criminal, which, in Lender's judgment, could result in a forfeiture of the Property or otherwise impair the lien created by this Trust Deed or Lender's interest in the Mortgaged Property.

(3) Borrower's insolvency, voluntary or involuntary bankruptcy, an assignment for the benefit of creditors, or any proceeding to enforce a judgment or writ or order of attachment against the Property, or petition for relief or readjustment of indebtedness filed by Borrower.

(4) the voluntary or involuntary termination or dissolution of Borrower's corporate existence.

(5) Borrower's agreement or acts taken to refinance, sell, convey, dispose, assign, or make any transfer of all or any part of the Property, vest the title in any other person or entity, or encumber all or any part of or interest in the Property without the prior written consent of Lender.

(6) Any failure by Borrower to perform any of its obligations as and when required under the Note, Deed Restriction and this Trust Deed, which continues for a period of **fourteen** days after Notice is issued to Borrower.



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No Notice is required for a material failure which could, in Lender's sole judgment, absent immediate exercise by Lender of a right or remedy, result in harm to Lender or impairment of the Note or this Trust Deed.

Notwithstanding anything to the contrary herein, Lender agrees that the following shall not constitute an event of default hereunder and shall not require Lender's prior consent: (i) the admission of an investor member into Borrower and the transfer of investor member interests in Borrower, provided that such transfers are permitted under Borrower's operating agreement; (ii) the removal of the managing member of Borrower and the replacement of the managing member of Borrower with the investor member or an affiliate thereof, provided that such removal and replacement is done in accordance with Borrower's operating agreement; (iii) the making of a bridge loan, or an additional bridge loan to Borrower by the investor member or a third party; (iv) the pledge to the investor member by the managing member of the managing member's interest in the Operating Agreement, as security for the performance of all of the managing member's obligations under the Borrower's operating agreement; and (v) the pledge to construction or permanent lender, by the Borrower, managing member, or investor member of each of their respective interests pursuant to the Borrower's operating agreement, as security for the performance of all of the Borrower's obligations under the construction or permanent loan. Investor member may but is not required to cure any monetary or non-monetary default, which cure Lender shall be subject to the same contractual and statutory restrictions as if made by Borrower and accepted or rejected on the same basis as if made or tendered by Borrower.

12. Foreclosure.

After an Event of Default, Lender may declare all sums secured hereby immediately due and payable and foreclose this Trust Deed in the manner provided by law for the foreclosure of mortgages on real property. Lender is entitled to recover all incident costs and expenses, including reasonable attorneys' fees.

13. Successor Trustee.

Lender may appoint a successor trustee by filing a substitution of trustee for recording in the office of the County Recorder of each county in which the Property is situated. The successor trustee shall succeed to all powers, duties, authority and title of the Trustee named herein. Each substitution shall be executed and acknowledged, and notice given, as provided by law.

14. Power of Lender or Trustee to act.

(a) Upon an Event of Default and anytime until cured, Lender or Trustee is entitled but not obligated, without notice to or demand upon Borrower and without releasing Borrower from any obligation, to: (i) institute proceedings to enforce the Loan Documents; (ii) expend funds to remedy the default, to be promptly reimbursed by Borrower; (iii) accelerate the maturity date of the Note and demand payment of all sums due; (iv) bring an action on the Note; (v) foreclose the Trust Deed and Property in any manner available under law; and (vi) exercise any other right or remedy it has under this Trust Deed, the Note, or other Loan Documents, or that is available at law or in equity.

(b) Upon an Event of Default, Lender may, without notice, enter and take possession of Property and sue for or collect rents, issues, and profits, including those past due and unpaid, and apply the same, less Lender's costs and expenses of operation and collection, including reasonable attorney's fees, to any indebtedness secured hereby.

(c) The entering and taking possession of the Property, the collection of rents, issues, and profits, or the proceeds of fire and other insurance policies, or compensation or awards for any taking or damage of said property, does not cure or waive any default.

(d) The failure of Lender to promptly enforce any right does not operate as a waiver of such right and the waiver of any default does not constitute a waiver of any other or subsequent default.

(e) Borrower shall pay immediately and without demand all sums expended by Lender or Trustee, with interest from date of expenditure at the rate of ten percent per annum until paid. The repayment obligation is secured by this Trust Deed.

(f) In the event the Property is sold, Lender or Trustee shall execute and deliver to the purchaser a Deed conveying Property without any covenant or warranty, express or implied. For clarity, the Deed Restriction is irrevocable and



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shall run with the land in accordance with its terms. Trustee shall apply the proceeds of the sale to payment of (1) the costs and expenses of exercising the power of sale and of the sale, including the payment of the Trustee's and attorneys' fees; (2) cost of any evidence of title procured in connection with such sale and revenue stamps on Trustee's Deed; (3) all sums expended under the terms hereof, not then repaid, with accrued interest at 10% per annum from date of expenditure; (4) all other sums then secured hereby; and (5) the remainder, if any, to the persons legally entitled thereto, or the Trustee may deposit the balance with the County Clerk of the county in which the sale took place.

15. Transfer of Property.

Borrower shall not refinance, sell, convey, dispose, assign, or make any transfer of all or any part of the Property, vest the title in any other person or entity, or encumber all or any part of or interest in the Property, without written approval from the Lender.

16. Condemnation.

If any part of the Property is damaged, diminished in value or taken through condemnation or eminent domain proceedings, or if a consent settlement is entered or a transfer is made under threat of such proceedings, then any and all compensation, awards, damages and other payments or relief to which Borrower is entitled, including the proceeds of any policies of insurance, shall be assigned and paid to Lender. Lender is entitled but not obligated to commence, appear in and prosecute in its own name any action or proceedings or make any compromise or settlement, in connection with such taking or damage.

17. Binding Effect.

This Trust Deed, the Note and all other Loan Documents are binding upon the Parties, the signatories, and their respective successors, representatives and administrators.

18. Evidence of Authority.

Borrower shall, at Lender's request, provide properly certified resolutions, authorizations and documents that: i) authorize the acquisition of the Property, the construction of the project, the obtaining of loans and the execution of the Loan Documents; ii) designate those persons authorized to sign and deliver this Trust Deed, the Note, and the Loan Documents on behalf of Borrower; and, iii) ratify and confirm actions previously taken on behalf of Borrower.

19. Trustees Acceptance of Trust.

Lender accepts this Trust when this Trust Deed, duly executed and acknowledged, is made a public record as provided by law.

20. Governing Law.

This Trust Deed and all Loan Documents shall be construed solely according to the laws of the State of Utah. Each party irrevocably consents to the jurisdiction and exclusive venue of the District Courts of the State of Utah.

21. Notice.

Notices shall be in writing and personally delivered or mailed by first class postage paid mail to each Party at the addresses set forth above. Borrower retains sole responsibility for sharing notices with its investors, guarantors, and other lenders.

22. Tax Credits.

In the event Borrower intends the mortgaged Property to qualify for an allocation of low-income housing tax credits under Section 42 of the Internal Revenue Code ("Tax Credits"), Borrower will record in the real property records of the applicable Counties an "extended low-income housing commitment" as defined in USC Section 42(h)(6)(B) (the "Extended Use Agreement"). If federal law requires that the lien of the Trust Deed be subordinate to the Extended Use Agreement, then Lender will subordinate this Trust Deed to the Extended Use Agreement. The Subordination Agreement will, in a form acceptable to Lender, provide that if Lender or its successors or assigns acquires the mortgaged property by foreclosure or instrument in lieu of foreclosure, the "extended use period" (as defined in Code Section 42 (h)(6)(D)) will terminate, except



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for the obligation to comply with the limitations on evictions of tenancy and increase in rents for the three year period following the acquisition of the mortgaged property.

Dated this ____ day of _____, 20____.

(Borrower)

By: _____

By: _____

Name: _____

Title: _____

STATE OF UTAH)

ss:

COUNTY OF _____)

On the ____ day of _____, in the year _____ personally appeared before me before me, _____ a notary public, personally appeared _____, who being by me duly sworn did say that _____ the _____ for _____, _____, _____, proved on the basis of satisfactory evidence to be the person(s) whose name(s) _____ subscribed to in this document, and acknowledged _____ executed the same.

Notary Public



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WHEN RECORDED MAIL TO:
Utah Department of Workforce Services
Housing and Community Development Division
Olene Walker Housing Loan Fund
140 East 300 South, First Floor
Salt Lake City, UT 84111

Space Above This Line for Recorder's Use

LOAN NO: _____

DEED RESTRICTION

THIS DEED RESTRICTION ("Restriction") is made and effective as of the ____ day of _____, 20____ by _____, ("Borrower"), for the benefit of the Utah Department of Workforce Services Housing and Community Development Division, Olene Walker Housing Loan Fund, ("Beneficiary"). For good and valuable consideration, Borrower agrees:

A. PROPERTY ENCUMBERED. The restriction shall be recorded against real property ("Property") located in _____ COUNTY as more fully described as follows:

LEGAL DESCRIPTION:

Tax Parcel Nos.: _____

Property is also known by property address: _____.

B. RESTRICTIONS.

- (1) All Olene Walker Housing Loan Fund monies, regardless of the source of funds, must be used to assist families whose annual incomes do not exceed 80 percent of the median family income for the area as determined by HUD, with adjustments based on family size. In addition, at least 90 percent of Olene Walker Housing Loan Fund monies used for rental housing must be used to assist families whose annual incomes do not exceed 60 percent of the median family income for the area as determined by HUD.
- (2) Rental housing will qualify as affordable only if the project:
 - (a) has at least 20 percent of the Olene Walker Housing Loan Fund assisted rental units occupied by families who have annual incomes that are 50 percent or less of median income as defined by HUD. These units must sustain the Low HOME rents as described in the following section.
 - (b) has at least 70 percent of the Olene Walker Housing Loan Fund assisted rental units occupied by families who have annual incomes that are 60 percent or less of median income as defined by HUD. These units must sustain the High rents as described in the following section.
 - (c) has the remainder of the Olene Walker Housing Loan Fund assisted rental units occupied by families who have annual incomes that are 80 percent or less of median income as defined by HUD. These units must sustain the High rents as described in the following section.



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- (3) Every Olene Walker Housing Loan Fund assisted unit, whether federally funded or State funded, is subject to rent limitations that ensure rents are affordable to low and very low-income families. Maximum rents are referred to as HOME rents as further defined in 24 CFR 92.252.
- (a) High HOME rents: 80% of assisted rental units must have rents that are the lesser of: A) Section 8 Fair Market Rents or area-wide exception rents for existing housing, minus tenant paid utilities, or B) rents which are 30% of adjusted income for households at 65% of median income, minus tenant paid utilities.
- (b) Low HOME rents: 20% of assisted rental units must have rents which equal 30% of annual income for households at 50% of median income, minus tenant paid utilities.
- (c) Projects with five or more HOME-assisted rental units shall reserve 20% of those units for very low-income families.
- (4) In projects where Low-Income Housing Tax Credits are part of the financing:
- (a) Qualified tax credit units must not exceed tax credit rent limits, while HOME-assisted units must meet HOME rent requirements. If a unit is being counted under both programs, the stricter rent limit applies.
- (i) Low HOME rent units are subject to the lower of the Low HOME rent or the tax credit rent.
- (ii) High HOME rent units are subject to the lower of the High HOME rent or the tax credit rent.
- (b) When tenants receive additional subsidy through rental assistance programs such as Section 8, additional requirements apply:
- (i) If the rental assistance program rent limit exceeds the tax credit rent, the unit rent may be raised to the higher limit as long as tenants pay no more than 30 percent of their adjusted monthly income for housing costs.
- (ii) Rent may be raised to the rental assistance program limit only if the tenant pays no more than 30 percent of adjusted income, the subsidy is project-based (not tenant-based), and tenant's income is less than 50 percent of the area median income.
- (iii) In a joint tax credit/HOME-assisted unit, the stricter HOME requirements apply.
- (5) Every Olene Walker Housing Loan Fund assisted unit, whether federally funded or State funded, is subject to rent limitations that ensure rents are affordable to low and very low-income families. Maximum rents are referred to as HTF rents as further defined in 24 CFR 93.302.
- (i) Extremely low-income tenants: The HTF rent plus utilities of an extremely low-income tenant shall not exceed the greater of 30 percent of the federal poverty line or 30 percent of the income of a family whose annual income equals 30 percent of the median income for the area, as determined by HUD, with adjustments for the number of bedrooms in the unit. HUD will publish the HTF rent limits on an annual basis.
- (ii) Very-low income tenants: The HTF rent plus utilities of a very low-income tenant shall not exceed 30 percent of the income of a family whose annual income equals 50 percent of the median income for the area, as determined by HUD, with adjustments for the number of bedrooms in the unit. HUD will publish the HTF rent limits on an annual basis.
- (iii) If the unit receives Federal or State project-based rental subsidy, and the tenant pays as a contribution toward rent not more than 30 percent of the tenant's adjusted income, the maximum rent is the rent allowable under the Federal or State project-based rental subsidy program.

(5) **Property shall include no less than _____**
(must specify which unit sizes will be designated as High or Low HOME units and how many Low HOME units must be designated; REMOVE this from drafts after insert the language)

C. ENFORCEMENT.

- (1) This deed restriction constitutes an enforceable restriction, runs with the title to the Property, shall not be subordinated, and shall survive any foreclosure proceeding. If the deed restriction is violated, the Beneficiary will be irreparably damaged unless the deed restriction is specifically enforced. In the event of a violation of the deed restriction, the Beneficiary may institute and prosecute a proceeding to enforce the deed restriction, enjoin the continuing violation, and exercise any other rights and remedies provided by law or equity. Within thirty (30) days after the date of a written request from Beneficiary, Borrower shall provide to Beneficiary a report evidencing Borrower's compliance with the Restriction. The report must include project financials for each year of the affordability period, and any additional information requested by Beneficiary. Borrower shall



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allow Beneficiary to inspect the Property, and the Borrower's and the Property's records, in the event that Borrower fails and/or refuses to provide the report. Beneficiary may consider a failure and/or refusal by Borrower to provide the report and/or allow the inspection to be an admission by Borrower that Borrower is not in compliance with this Restriction.

- (2) If an enforcement action is initiated and Beneficiary prevails, Beneficiary shall be entitled to its costs and attorneys' fees from the owner of the property, and an order requiring that units reserved for low income housing shall be brought into and remain in conformity with the deed restriction throughout the affordability period and until the loan is paid off, whichever date is later.

D. TERM

This Deed Restriction is irrevocable, runs with the land, and is binding upon the successors, assigns, lenders, and beneficiaries of the parties. This Deed Restriction runs from the date of execution and remains in effect during the Affordability Period under Section 92.252 or Section 92.254 of 24 CFR Part 92 (HOME Investment Partnership Program) as amended, or until the Trust Deed Note of like date is paid in full, whichever is later. Upon such occurrence, this Deed Restriction will automatically terminate without need for any other documentation, notice or recorded material.

Dated this ____ day of _____, 20 ____.

(Borrower)

By: _____

By: _____

Name: _____

Title: _____

STATE OF UTAH)

ss:

COUNTY OF _____)

On the ____ day of _____, in the year _____ personally appeared before me before me, _____ a notary public, personally appeared _____, who being by me duly sworn did say that _____, the _____ for _____, _____, proved on the basis of satisfactory evidence to be the person(s) whose name(s) _____ subscribed to in this document, and acknowledged _____ executed the same.

Notary Public



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Exhibit F – Multifamily General Requirements

Applicants may include the following items under General Requirements for the purpose of determining eligible basis and fee limits:

- Supervision and job site engineering.
- Job office expenses including clerical wages, whether onsite or offsite, if for the project.
- On-site temporary buildings, tool sheds, shops and toilets.
- Temporary heat, water, light and power for construction.
- Temporary walkways, fences, roads, siding and docking facilities, sidewalk and street rental.
- Construction equipment rental not in trade item costs.
- Clean up and disposal of construction debris.
- Medical and first aid supplies and temporary facilities.
- Watch person's wages, security cost, and theft and vandalism insurance.

Items not listed above, including, but not limited to, salaries of owners, partners or officers of the general contracting firm are not allowed under General Requirements.



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Exhibit G – Multifamily Maximum Subsidy Amounts

HUD published a notice (CPD-15-003 issued March 17, 2015) establishing an interim policy that directs PJs to use the Section 234-Condominium Housing basic mortgage limits until a new rule can be published. These [limits](#) are updated annually. The most recent update was effective April 7, 2023 as shown below:

Subsidy Limits (234-Condo)		
Unit Size	Elevator	Non-Elevator
SRO/Studio	\$ 72,088	\$ 68,500
1 BR	\$ 82,638	\$ 78,983
2 BR	\$ 100,490	\$ 95,256
3 BR	\$ 130,002	\$ 121,932
4+ BR	\$ 142,701	\$ 135,837

The maximum HOME/HTF/LIH per-unit subsidy limits used is calculated by multiplying the 234-Condo limits by the High Cost Multiplier (“HCM”) of a maximum of 240% as approved by HUD as shown below:

Maximum Per Unit Subsidy (w/240% HCM)		
Unit Size	Elevator	Non-Elevator
SRO/Studio	\$ 173,011	\$164,400
1 BR	\$ 198,331	\$189,559
2 BR	\$ 241,176	\$228,614
3 BR	\$ 312,005	\$292,637
4+ BR	\$ 342,482	\$326,009



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Exhibit H - HUD Environmental Review Requirements

**WebGrants
Environmental Review Record (ERR)
Olene Walker – HOME/HTF fund request**

- You must be registered to use the WebGrants system. Anyone utilizing the system **MUST** have their own User ID and password.
- Never use another’s user ID, or share your User ID and password.
- If anyone has an issue with registering or problems logging in, they should contact their program specialist for assistance.
- It’s recommended to use the navigation buttons within the WebGrants Browser Window (Back, Add, Delete, Edit, Save, etc.) instead of using the web browser buttons.
- All fields marked with a red asterisk are required.
- You can still edit all forms after clicking “Mark as Complete”.
- Some fields like email and phone number are pre-formatted.
- Phone number fields will insert hyphens for you. If you enter hyphens, it will cause too many characters to be entered, and you will have to enter them again.

Register for WebGrants to complete the Environmental Review Record.

<https://webgrants.utah.gov/home.do>

Choose the “Register here” link highlighted below



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WebGrants3

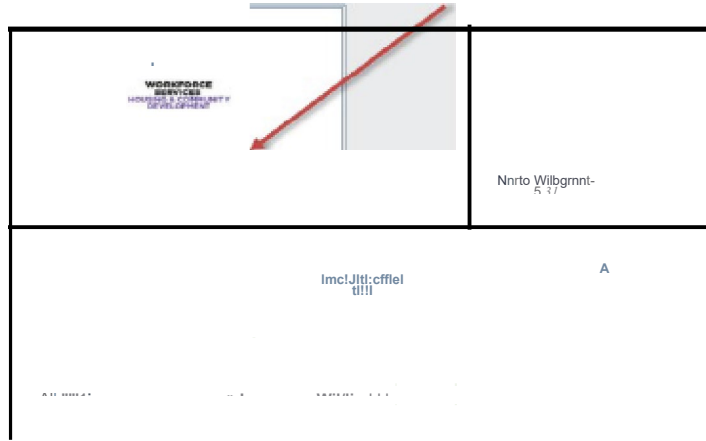


User ID:

Password:

[Forgot User ID?](#)

[Reset Password](#)



The *Register Here* link opens a page asking for information on the User (Personal Information) and the Organization (Organization Information). Required fields are marked with a red asterisk.

Always identify the what Program Area are you interested in (as Multi-Family Housing). When submitted using the *Register* link in the upper right hand corner, registration requests goes to the WG management team, who sends it to program staff to 'approve'. If another Program Area is identified, the receiver of the request may not be familiar with the purpose of the registration and may 'reject' the request.



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Personal Information section – The email address entered on the registration will receive 2 emails – one with a user ID and one with a temporary password that will need to be entered into the login screen. The system will ask that a new password be set with at least 8 characters, including one upper and lower case letter, one number and one special character. It will also be the email that receives status changes and system notifications.

The screenshot displays a registration form with two main sections: "Personal Information" and "Organization Information".

- Personal Information:** Includes fields for Name (with a dropdown menu set to "Mr."), Email, Confirm Email, Address, City (with a dropdown menu set to "Utah"), State (with a dropdown menu set to "Utah"), Phone (with fields for Home, Cell, and Fax), and a dropdown menu for "What Program Area are you interested in?" with options like "Community Development Block Grant", "Division Special Projects 2", "Emergency Rental Assistance", "Home Energy Assistance Target", and "Housing Stabilization Fund".
- Organization Information:** Starts with a section titled "Are you affiliated with an organization?". Below this are fields for Organization Type (with a dropdown menu set to "Federal"), Chief Official's Name and Title, Organization Website, Address, City (with a dropdown menu set to "Utah"), State (with a dropdown menu set to "Utah"), Phone (with fields for Home, Cell, and Fax), Email Address, Tax ID/EIN Number, Vendor Number, and checkboxes for "NOCRA/da Recipient" and "Has the organization received an award".

A yellow "Register" button is visible in the top right corner of the form.

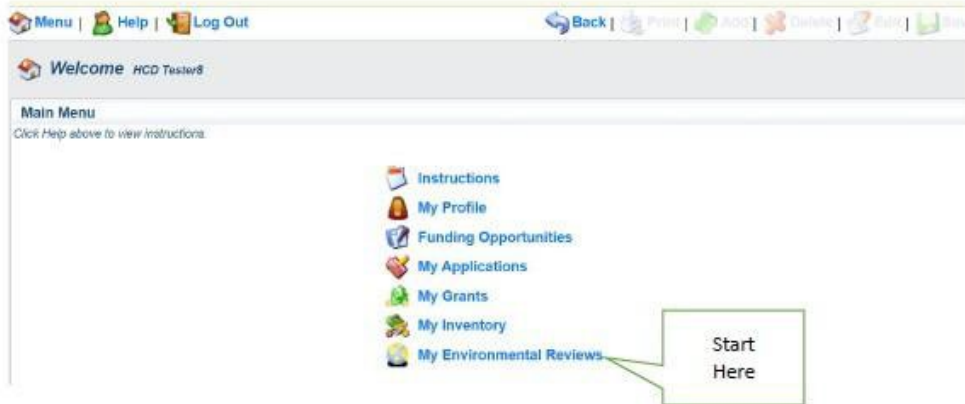
When registering, the user should be associated with an organization. For WebGrants purposes, think about the role/relationship the user will have. If the registration is for a staff person of a developer, that person should register as an employee of the Developer Organization.



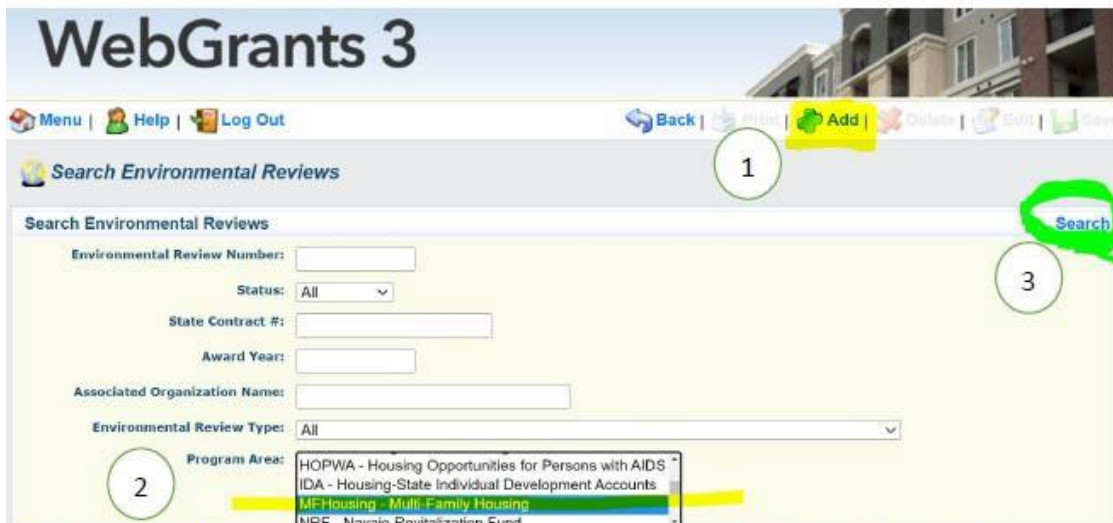
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If the registration is for a user in a capacity directly related to the project being funded by the HOME/HTF grant, then identify that project as the organization.



Whether a new ERR is being created, or the work on one previously started needs to continue, always choose “My Environmental Reviews”



1. To begin a NEW ERR, click “Add” in the upper right hand TASK BAR.
To continue working on one previously started:



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2. Choose MF Housing – Multi-Family Housing and any other identifying information

3. click “Search” in the WebGrants (WG) section box.

After clicking “Add” the fields on what will become the “General Information” screen need to be completed correctly, specifically the “Program Area”, which cannot be changed and may cause delays in review and clearance. Internal staff are only assigned to the Program Area they work in.

1. General Information component

Program Area: Choose “MF Housing – Multi-Family Housing” – very important!



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Environmental Review Title: This is the name of the project that received funding.

Type: Choosing one of these categories will bring up the correct environmental review form/checklists:

RED - Exempt Activity – 24CFR Part 58.34

GREEN – Categorically Excluded (CAT X) Activity – 24CFR Part 58.35 (a)

BLUE – Categorically Excluded (CAT X) NST Activity – 24CFR Part 58.35 (b)

BROWN – Environmental Assessment (EA) Activity – 24CFR Part 58.36

Studies/plans

Administrative and Management Activities

Public Services – counseling, education, etc.

Inspection/Testing of Properties

Engineering/Design Costs

Technical Assistance/Training

Re-construction – water/sewer line (in original trench)

Re-construction – curb/gutter/sidewalks/streets

Housing Rehab – Single Family Home

Housing Rehab – Duplex/Tri-plex/4 Plex

Housing Rehab – Apartments (no change in density)

Building Rehab – Non Residential (no change in use)

Acquisition - Building (no change in use)

New Construction/Acquisition – 1 Single Family Home or Lot

New Construction/ Acquisition – Up to 4 Units on a Site

New Construction – 5 or more Single-Family units – 2000 ft apart

Tenant Based Rental Assistance

Supportive Services- Health Care, Housing Services, Day Care

Short Term Rent or Mortgage Payments

Operating Costs – Operations/Maintenance

Fire Trucks/Ambulances/Meals on Wheels Trucks

Economic Development – Equipment/Inventory/Operating Expenses

Homebuyer Assistance – Purchase of Existing Homes/Closing Costs, etc.

New Construction – 5+ Unit Apartment Complex

Acquisition – Building (Change in Use)

Acquisition or Development – 5+ Single Family lots in Subdivision

Other New Construction Not Listed Above



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Total Funding Amount: this is the HCD HUD Funded amount, you should know this from what Daniel Herbert-Voss sent in the underwriting document:

SECTION	Project Total Costs-HCD Funds Requested-Type of Project			Project Aggregate AMI	DATE OF BOARD MEETING				Thursday, January 19, 2023		SOURCES OF FUNDING							
	COMPLETE	IN PROGRESS	PAST		Total Units- LI Units- App Fraction	New Const OW 8-Year Project Avg	Total Strik- OW \$/LI Unit- Land Strik-	LIHTC? Price/\$1 TC Investor	Fed: 9%	State: 6%	Local: 0%	Other: 85%						
by	\$52,577,895			00.00%														
info	Yes	No	Yes	OW Total	176	\$195,968	\$298,738	Yes										
per	New Construction			Leveraging	176	\$17,423	\$5,682											
	Total Assisted Units			52.58	100.00%	\$8,142	\$4,306	NEP										
Detail	HOME	NHTF	STLH	Scores	Total Cost/FT	HCC/FT	HCC/FT	MF Op \$/Unit	Total Debt Svc	CCR (all loans)	CF Per Unit	% of TDC						
	7	0	0	48	\$181.87	\$119.23	\$119.23	\$4,930				9.16%						
Source	Loan Type	Loan Amount	Amort (years)	Int Rate	Total Debt Svc	CCR (all loans)	CF Per Unit	% of TDC										
HOME	DFI	\$2,000,000	40	3.00%														
LIH		\$0			\$1,650,673	1.155	\$1,261.89											
HFF		\$0																
HOME	CF	\$1,000,000	40	3.00%														
LIH		\$0			\$1,441,028	1.153	\$1,256.21											
HTF		\$0																
Yes		\$43,740,850																

- Grant/Loan Recipient:** ALWAYS enter Utah Department of Workforce Services, HCDD
- Sub-Recipient:** This is the main organization who applied for the funds, the org that the user completing the ERR is associated with.
- Contract Year:** enter the Fiscal Year in which HCD funds were awarded. CLICK SAVE at the top task bar, right hand side. WG system Navigation automatically returns you to the 'Components' screen after clicking "Save".

Environmental Review: 194269

Title: Building

Status: Editing

Program Area: Community Development Block Grant

Components Preview | Submit | Withdraw

Name	Complete?	Last Edited
General Information	✓	04/26/2022
Description of Proposed Action		
Project Area/Location (Attach Map)		
Statement of Purpose		
Checklist Part 1		
Checklist Part 2		
Checklist Part 3		
Land Development		
Socioeconomic		
Community Facilities & Services		
Natural Features		
Conclusions, Comments, Mitigation		
Attachments		
Attach Signed Environmental Review		

Page navigation is simple. Click on the next component, Click 'Edit' - complete the requested information. Click 'Save'. Click 'Mark as Complete'.

2. Description of Proposed Action component: This component collects:



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Chief Executive Officer of Contracting Entity and Title- ALWAYS enter Christina Davis, HCDD Director, Utah State Dept. Workforce Services

Environmental Review prepared by - (preparer name and phone number)

Project Summary – a detailed description of what the whole project will be when complete, regardless of what funding or phase this is. A good project description sets the foundation of an environmental review. Provide a project description that captures the maximum anticipated scope of the proposal. It should include all contemplated actions that logically are, either geographically or functionally, a composite part of the project, regardless of the funding source.

Describe all physical aspects of the project, such as plans for multiple phases of development, size, and number of buildings, and activities to be undertaken. Include details of the physical impacts of the project, including whether there will be ground disturbance. If applicable, indicate whether the project site will require acquisition or if the sponsor already has ownership.

Project Address- Where the project is located

City/State/Zip- Where the project is located

Other HUD Funding – Indicate if there is other HUD funding so our offices can coordinate.

Other HUD Source– Indicate the source of other HUD funding so our offices can coordinate.

Total Projected Project Cost– Required to be completed.

In each page, click “Edit” in the top task bar. Complete or update the fields, and click “Save” at the top:



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The screenshot shows the 'Environmental Reviews' form. At the top, there is a navigation bar with 'Menu', 'Help', and 'Log Out' on the left, and 'Back', 'Print', 'Add', 'Delete', 'Edit', and 'Save' on the right. The main content area is titled 'Environmental Reviews' and contains the following sections:

- Environmental Review: 194269**
 - Title: Building New Apartments
 - Status: Editing
 - Program Area: Community Development Block Grant
- Executive Information**
 - Chief Executive Officer of Contracting Entity & Title:
 - Environmental Review prepared by*: Preparer
 - Preparer's Telephone Number
- Project Information**
 - Project Summary*: This field is limited to 1500 characters.
 - Project Address*:
 - City/State/Zip*:
 - Other HUD Funding Amount:
 - Other HUD Funding Source:
 - Total Projected Project Cost*:

A callout box points to the corner of the 'Project Summary*' text box, stating: "The 'drag bar' at the corner of some text boxes can be used to resize the window as you are typing, if desired."

Notice the section's title/task bar with options: Mark as Complete / Return to Components.

This screenshot shows the same 'Environmental Review' form, but with the 'Mark as Complete' and 'Return to Components' buttons highlighted in yellow in the top right corner of the 'Executive Information' section.

As each Component is completed, click "Mark as Complete" to save the information entered. This creates a Checkmark under the "Complete?" column on the Components page.



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Components		Preview	Submit	Withdraw
Name	Complete?	Last Edited		
General Information	✓	04/26/2022		
Description of Proposed Action	✓	01/30/2023		
Project Area/Location (Attach Map)				
Statement of Purpose				
Checklist Part 1				
Checklist Part 2				
Checklist Part 3				
Land Development				
Socioeconomic				
Community Facilities & Services				
Natural Features				
Conclusions, Comments, Mitigation				
Attachments				
Attach Signed Environmental Review				

All components must be marked “Complete” before the ERR can be submitted. Even after “Mark as Complete” is chosen, the fields in the component page can still be edited.

3. Project Area/Location (Attach Map)

This component is simple. Create a single document that has:

1. street view and any surrounding landmarks
2. Ariel view with project boundaries, building boundaries, sq. ft. marked, streets names, etc
3. if needed, clear indicator of proximity to transportation, shopping, etc.
4. projected site appearance when completed, i.e., building blueprints, parking, open spaces, information that HUD can understand the potential impacts.

Describe what is contained in the single document upload. Click “Save”:

The screenshot shows a web interface for 'Environmental Reviews'. The 'Project Area/Location (Attach Map)' section is highlighted. It contains a 'Description' field with the text 'Ariel view/street view/project boundaries' and a 'Map Attachment' field with a 'Choose File' button and the filename 'Great West... markup PDF'. Navigation buttons like 'Back', 'Save', and 'Return to Top' are visible.

4. Statement of Purpose component: The underlying purpose and need to which the agency is responding in proposing the action and its alternatives. Describe how the proposed action is intended to address housing and/or community development needs.



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Existing Conditions and Trends: Determine existing conditions and describe the character, features and resources of the project area and its surroundings; identify the trends that are likely to continue in the absence of the project.

5-11. Checklist Components = All applicable related Federal laws and Authorities:

1. National Environmental Policy Act of 1969
2. Airport Hazards–Runway Protection Zones and Accident Potential Zones; 24 CFR Part 51 Subpart D
3. Coastal Barrier Resources–Coastal Barrier Resources Act, as amended by the Coastal Barrier Improvement Act of 1990
4. Flood Insurance–Flood Disaster Protection Act of 1973 and National Flood Insurance Reform Act of 1994
5. Air Quality–Clean Air Act, as amended
6. Coastal Zone Management–Coastal Zone Management Act
7. Contamination and Toxic Substances–24 CFR 50.3(i) & 58.5(i)(2)
8. Endangered Species–Endangered Species Act of 1973
9. Explosive and Flammable Facilities–24 CFR Part 51 Subpart C
10. Farmlands Protection–Farmland Protection Policy Act of 1981
11. Floodplain Management–Executive Order 11988 and 24 CFR Part 55
12. Historic Preservation–National Historic Preservation Act of 1966
13. Noise Abatement and Control–Noise Control Act of 1972, as amended by the Quiet Communities Act of 1978
14. Sole Source Aquifers–Safe Drinking Water Act of 1974, as amended
15. Wetlands Protection–Executive Order 11990 and 24 CFR Part 55
16. Wild and Scenic Rivers–Wild and Scenic Rivers Act of 1968
17. Environmental Justice–Executive Order 12898

The following components may or may not be part of your project’s record, but they encompass an opportunity to address all applicable regulations as part of HUD funding.



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Components	Name	Complete?	Preview	Submit	Withdraw
General Information		✓			
Description of Proposed Action		✓			
Project Area/Location (Attach Map)		✓			
Statement of Purpose					
Checklist Part 1					
Checklist Part 2					
Checklist Part 3					
Land Development					
Socioeconomic					
Community Facilities & Services					
Natural Features					
Conclusions, Comments, Mitigation					
Attachments					
Attach Signed Environmental Review					

Some of the items in the checklists may be addressed from other agencies ERRS, or as part of a Phase I and/or II review and can be used to respond and provide evidence to some of the items, but will not provide a response to all. Other agencies ERRs may not include or address HUD mandated items. All narrative provided should explain why there is ‘No Impact’ of the project for the selected item clearly and succinctly. Adding Evidence to the attachment features is encouraged as much as reasonable.

Click on “Edit” to address the items as applicable. For assistance in understanding what the items are representing, use the “click HERE” link at the top of each checklist section, highlighted below.

Menu | Help | Log Out | Back | Print | Add | Delete | Edit | Save

Environmental Review

Environmental Review: 194269

Title: Building
Status: Editing
Program Area: Community Development Block Grant

Checklist Part 1 [Mark as Complete](#) | [Return to Components](#)

Click HERE for checklist instructions and other resources.

Row	Impact	Comments (required for each item, N/A will not be accepted)	Attachment	Attachment
1. HISTORIC PRESERVATION (24 CFR Part 800)				
2. FLOODPLAINS MANAGEMENT (24 CFR Part.55, E.O. 11998)				
3. WETLANDS PROTECTION (E.O. 11990)				
4. COASTAL BARRIERS RESOURCES				
5. SOLE SOURCE AQUIFERS (40 CFR Part 149)				

The link will take you to our HCD resource page for ERRs, containing links, forms, and web resources that will assist in understanding the regulations for each item, and ways to respond to them.



WORKFORCE SERVICES HOUSING & COMMUNITY DEVELOPMENT

OLENE WALKER HOUSING LOAN FUND



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Job Seekers Employers Assistance Economic Data

HUD Environmental Review

Overview

As part of the Department of Workforce Services, the Housing and Community Development Division (HCDD) provides funding for a variety of projects such as: fire trucks, food banks, low income housing, senior centers, homeless shelters, community centers, housing rehabilitation and infrastructure projects. All grant and loan recipients are required to complete the HUD environmental review process if their project/activity is funded in whole or part with HUD dollars. This web page provides the resources needed to complete the appropriate review.

The HUD environmental review process is regulated by the Code of Federal Regulations found at 24 CFR Part 58. The size/scope of the environmental review required depends on the size and nature of the project and the HUD program that is funding the project. The following programs are funded by the Department of Housing & Urban Development (HUD) and administered by the Housing & Community Development Division.

- Home Investment Partnership Program (HOME)
- Emergency Solutions Grant (ESG)
- Housing Opportunities for People with Aids (HOPWA)
- Community Development Block Grant (CDBG)

Environmental Regulations

There are two groups of laws, policies and regulations that must be addressed in order to comply with 24 CFR Part 58:

- 1) NEPA – National Environmental Policy Act of 1969 (40CFR Parts 1500-1508) This law established a national policy, goals and procedures for protecting, restoring and enhancing environmental quality.
- 2) Related Federal Laws and Authorities (24 CFR 58.5) These laws include the following:

- Environmental Checklist Instructions
 - WebGrants Navigation Instructions
 - Categorically Excluded (CAT X) Checklist Instructions
 - Environmental Assessment (EA) Checklist Instructions
 - Housing Trust Fund (HTF) Checklist
- Environmental Checklist Resources
 - HUD Environmental Regs - 24CFR Part 58
 - State History Programmatic Agreement (PA)
 - Historic District Information
 - Historic Site Short Form
 - How to submit Short Form e106
 - When to Consult with the Tribes
 - Tribal Consultation Contacts
 - FEMA Flood Zone Designations
 - NFIP - Participating Communities
 - How to Make a Flood Plain Map
 - Wetlands Mapper
 - Sole Source Aquifers Letter
 - Utah Endangered Species List
 - Utah Endangered Species Habitats
 - Utah Wild and Scenic Rivers

Specifically, the Environmental Checklist Instructions, the first section on the right hand column. Categorically Excluded (Cat X) covers details for items 1-16, in the first 3 checklists and the Environmental Assessment (EA) covers items 17-45.

12. Conclusions, Comments, Mitigation Measures component: this component is for reflection of all items and their responses, and the final determination of 'No Impact'. Provide a synopsis of the project's review as it pertains to the items, and indicate no impact, if applicable. If it's a determination that there is or may be impact, then contact the HCD ERR specialist on guidance for an EIS.



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Menu | Help | Log Out | Back | Print | Add | Delete | Edit | Save

Environmental Reviews

Environmental Review: 194269

Title: Building
Status: Editing
Program Area: Community Development Block Grant

Conclusions, Comments, Mitigation
Yes = Impact/Requires Mitigation No = No Impact

Impact? Yes No

Conclusions*

Other Compliance Items, Issues or Narratives

The field is limited to 750 characters.

Minimum of 50 characters

13. The “Attachments” component is for additional evidence for items already full of attachments, it also stores FONSI, RROF and AUGF documents.

14. Attach Signed Environmental Review component: Once all the rest of the components are marked as complete, click ‘Print’ at the top task bar of the main page. This opens a new browser window with a printable review record, which needs to be printed and signed by the preparer.

Menu | Help | Log Out | Back | Print | Add | Delete | Edit | Save

Environmental Review

Environmental Review: 194269

Title: Building
Status: Editing
Program Area: Community Development Block Grant

Components	Name	Complete?	Preview	Submit	Withdraw
General Information		✓		04/26/2022	
Description of Proposed Action		✓		01/30/2022	
Project Area/Location (Attach Map)		✓		01/30/2022	
Statement of Purpose					
Checklist Part 1					
Checklist Part 2					
Checklist Part 3					
Land Development					
Socioeconomic					
Community Facilities & Services					
Natural Features					
Conclusions, Comments, Mitigation					
Attachments					
Attach Signed Environmental Review					



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The screenshot shows a web browser window with the URL webgrants.utah.gov/getEnvironmentalReviewPrintReview.do?documentId=1030930193764. The page header identifies the organization as the State of Utah - Department of Workforce Services, Housing & Community Development Division (HCD), located at 140 E 300 S - First Floor, Salt Lake City, UT 84111.

Key information from the page includes:

- Environmental Review ID:** 194209
- Title:** Building New Apartments
- Status:** Editing
- Type:** Other New Construction Not Listed Above
- Total Funding Amount:** \$1,000,000.00
- Grant/Loan Recipient:** Utah Department of Workforce Services, H
- Sub-Recipient:** This is the main organization who applied for
- Contract Year:** 2023

The right-click context menu is open, showing options such as Back, Forward, Reload, Save as..., Print..., and Adobe Acrobat PDF edit, convert, sign tool. The 'Print...' option is highlighted.

Below the main content, there is a section for **Associated Organizations** with a table header including Name, Type, Phone, City, and State.

When the new browser window opens, right click and choose Print. Print to either to a printer, or a PDF document.

DETERMINATION

- Finding of No Significant Impact (24 CFR 58.40(g)(1); 40 CFR 1508.27) - The project will not result in a significant impact on the quality of the human environment. Responsible Entity (RE) shall publish the Finding of No Significant Impact / Notice of Intent to Request Release of Funds (FONSI/NOIRROF) per regulations found at 24 CFR 58.43(a).

NOTE: This original, signed document and related supporting material must be retained on file by the Responsible Entity in an Environmental Review Record (ERR) for the activity/project (24 CFR Part 58.38) and in accordance with recordkeeping requirements for the HUD program.

CERTIFICATION:

PREPARER SIGNATURE: _____

DATE: _____

NAME/TITLE (printed): _____

On the last page of the document, sign as the Preparer, and date the document. The date must be prior to the FONSI publication, mentioned below. Send to the HCD ERR specialist, who will get the HCD’s Ex. Director’s signature, and attach to the last component, “Attach Signed Environmental Review”. The preparer will be notified when this is complete.



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Once the last component is marked Complete, the preparer will click 'Submit'.

Next steps after submitting:

1. Publishing the Finding of No Significant Impact (FONSI) in a newspaper local to the project that starts a 15-day Public Comment Period, required by HUD. The template is provided on the HCD resource page, but will likely be provided by the HCD ERR specialist, who needs to review and approve of the dates entered in the template before publication.
2. The next step, the Request to Release Funds (RROF) submission to HUD by HCD. This is a second 15-day Public Comment Period.
3. HUD returns the Authorization to Use Grant Funds (AUGF) which is the clearance for the project.

BE AWARE:

NO Activities may take place after funding application and before receiving the AUGF. This invalidates the ERR process and HUD funding cannot apply to a project that has "Choice Limiting" actions taken before Clearance.

ERR Items suggested to receive immediate focus when discussing a project, or preparing application. Due to the complexity of these items, they could prolong and complicate an ERR:

1. Wetlands Identification – if in or neighboring a wetland, U.S. Army Corps could need to be involved, and/or an 8 step decision making process needs to be completed, and requires specialized service provider from
2. Floodplain Identification – if in a floodplain, there could potentially be issues that bars any federal funding from being used for the proposed project.



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3. Tribal Consult Requests – Letters sent to tribes requesting review of the potential project area that may have cultural or historical significance. Should NOT be emails, but hard copy letters that need to use the Templates provided by the HCD ERR specialist on State Letterhead. Contact the ERR specialist for this template. This is a required 30 day comment period.
4. SHPO Consult Requests – Letters sent to the State Historic Preservation Office requesting review of the potential project area that may have cultural or historical significance. Template letter for HOME is on the HCD resource page and needs to contain enough information about the project that a determination can be made. Complete and sign the template on Organization’s letterhead and send with any maps and other evidence that support a request for SHPO to concur with a finding of No Impact, return to HCD ERR specialist to submit through SHPO’s online system.



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Exhibit I – Multifamily Architect’s Certification

The undersigned, being a duly licensed architect registered in the State of Utah, has prepared for _____ (Project Owner) final plans, working drawings and detailed specifications (and addenda) dated _____ in connection with certain real property located at _____ known as (the Project).

I hereby certify that I am a licensed Architect, License No. _____, with the requisite skills and experience to provide the professional services necessary to assist in the product of the units proposed by Project Owner and that I have experience on development(s) of similar magnitude and construction type as this Project. I am knowledgeable of all federal, state, and local requirements and the requirements of:

- Architectural Barriers Act
- Section 504
- Fair Housing Act Title VIII
- Americans with Disabilities Act Title II
- State of Utah fair housing laws and building codes compliant with ANSI 117A.

I certify that the final design, plans, and specifications will comply with these requirements.

I hereby certify that _____ (#) fully accessible Type “A” ADA residential unit(s) has been designed for long-term mobility-impaired tenants which meet(s) the minimum federal and state law requirements in those plans and specifications listed above.

The undersigned hereby certifies to the Project Owner and the Olene Walker Housing Loan Fund that the Plans and Specifications for the Project have been duly filed with and have been approved by all appropriate governmental and municipal authorities having jurisdiction over the Project and that the Project as shown on the Plans and Specifications is in compliance with all requirements and restrictions of all applicable zoning, environmental, building, fire, health and other governmental ordinances, rules and regulation. All conditions to the issuance of building permits have been satisfied. In the opinion of the undersigned, the Project has been constructed in a good and workmanlike manner substantially in accordance with the Plans and Specifications and is free and clear of any damage or structural defects that would in any material respect affect the value of the Project. In the further opinion of the undersigned, all of the preconditions have been met justifying the issuance of:



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- The permanent certificate(s) of occupancy for the Project (or the letter or certificate of compliance or completion stating that the construction complies with all requirements and restrictions of all governmental ordinances, rules and regulations), and
- Such other necessary approvals, certificates, permits and licenses that may be required from such governmental authorities having jurisdiction over the Project pertaining to the construction of the Project.

The Project will be in compliance with all current zoning, environmental and other applicable laws, ordinances, rules and regulations, restrictions and requirements, including without limitation Title III of the Americans with Disabilities Act of 1990 and the Fair Housing Act.

There are no buildings or other municipal violations filed or noted against the Project. All necessary gas, steam, telephone, electric, water and sewer services and other utilities required to adequately service the Project, are now available to the Project. All street drainage, water distribution and sanitary sewer systems have been accepted for perpetual maintenance by the appropriate governmental authority or utility.

Dated: _____

PROJECT ARCHITECT:

By: _____
(signature)

Print Name: _____

Title: _____



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Exhibit J – Multifamily General Contractor’s Certification

The undersigned has served as general contractor of the real property constructed at _____
_____ known as _____ (Project name) for _____
_____ (Project Owner).

The undersigned hereby certifies to the Project Owner and the Olene Walker Housing Loan Fund, that
the Project was constructed or rehabilitated in conformity with the Plans and Specifications dated _____
_____. [PLEASE NOTE: THIS DATE MUST MATCH THE PLANS AND SPECIFICATIONS
DATE IN ARCHITECT’S CERTIFICATE]

Dated: _____

GENERAL CONTRACTOR FOR PROJECT:

By: _____

(signature)

Print Name: _____

Title: _____



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Exhibit K – Multifamily Service Provider Questionnaire

This form is used by HCD to determine the capacity of the applicant to meet the needs of residents as described in the Policies and Procedures. All applicants for resident services for Special Needs Housing, Support for Families in Transition, or Elderly Housing with Supportive Services must complete and include this form with the application.

Project Name: _____

Project Owner Name: _____

Service Provider Name: _____

Please attach answers to questions 1 through 11 in narrative form.

General Information

1. Summarize the service provider's mission and goals for the current fiscal year.
2. How many years has the service provider been active in delivering social services? If the service provider has no prior experience in delivering social services, describe the service provider's experience with and knowledge of the community that the service provider will serve. Identify other community agencies with whom the service provider will collaborate.
3. Describe other relevant activities, aside from social services, in which the service provider is engaged.
4. Is the service provider currently involved in service enriched housing programs? If yes, summarize experience in providing supportive services onsite for residents. Include name of housing development(s), property Management Company, and type of services provided. If not currently involved, please describe methods that will be used to increase your company's knowledge and understanding of providing service-enriched housing.
5. Describe collaborative efforts that demonstrate the service provider's capacity to deliver supportive services. Please identify organizations or companies involved in the collaboration and the nature of the organization's involvement.
6. How many people are employed by the service provider organization?
7. List the job titles of personnel who will work directly with residents of the proposed property. Attach an organizational chart.
8. Attach resume(s) of key personnel who will be responsible for providing services in this proposed development. If new staff must be hired in order to implement the work at this



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property, attach job description(s), including qualifications and identify resources to pay for cost of salaries.

9. Are key personnel currently involved in service-enriched housing programs at other properties? If yes, explain how many properties, how many total units, where they are located, and how staff's time will be divided between current responsibilities and responsibilities at the new development.
10. List the names of the professional training courses/workshops/seminars that staff who will be involved with this project have completed over the past 3 years. (List job title of staff, training attended, and date of training.)
11. Will participation in this service-enriched housing program require additional staff professional development? If yes, describe training and/or skills that will need to be developed or improved.

Service Provider's Office Location(s)

Address of Principal Office: _____

Name/Title of Contact Person: _____

Telephone: _____

Email _____

Areas Served (County, Neighborhood, etc.) _____

Other office closest to proposed development: _____

Address: _____

Telephone: _____

Address: _____

Telephone: _____

- A. Is the service provider a subsidiary of another organization? **Yes** **No** (circle one)
- B. Indicate the total number of clients served during the last fiscal year. Identify the amounts and sources of funding.

Client/Service Type	Number Served	Funding Level	Funding Source



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Senior/Elderly Services			
Adult/Family Services			
Children/Youth Services			
Addictions			
MH/MR			
Education/Job Readiness			
Long Term Mobility- Impaired Services			
Other			

- C. Has the service provider or any of its current personnel ever been involved in governmental investigation or judicial action or settlement concerning charges of a violation of local, state or federal laws or regulations concerning discrimination, fair housing violations or other civil rights laws, or concerning violations of federal, state or local regulations regarding use of funds?
Yes No (circle one)
- D. Have any service grants or contracts held by the service provider over the past five years been terminated prior to their expiration dates? **Yes No** (circle one)
- E. Have any grants or contracts held by the service provider over the past five years not been renewed upon expiration? **Yes No** (circle one)

If you answered yes to questions C, D, or E, attach an explanation or any supporting documentation necessary to explain the circumstances surrounding these situations.

I certify that the information contained herein and attached is accurate and complete.

Name of CEO/Executive Staff _____
 Signature _____
 Title _____
 Organization Name _____
 Date _____



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Exhibit M – Multifamily Scope of Work Template

I. PURPOSE/BACKGROUND

A. Contractual Intent

The intent of this contract is to provide housing to low-income Utahans and to further State law as outlined in **Utah Code 35A-8-501 et seq.** and **Utah Administrative Code R982-501, as amended**, and to further the purposes of **Title II of the Cranston-Gonzales National Affordable Housing Act (Public Law 101-625 42 USC 12701-12839), as amended.**

B. Project Name and Representation

The [NAME APARTMENTS] was approved for funding at the Olene Walker Housing Loan Fund (OWHLF) board meeting held on [DAY], [DATE], as represented by [NAME APARTMENTS, LLC].

C. Project Funding from OWHLF

Project will be funded with Federal HOME funds in the amount of \$1,000,000.00, and/or Federal HTF funds in the amount of \$1,000,000.00, and/or state low-income housing (“LIH”) funds in the amount of \$1,000,000.00 for total OWHLF funding of \$2,000,000.00.

II. AUTHORITY

A. Provisions of this contract are pursuant to the authority granted by **Utah Code 35A-8-501 et seq.** and **Utah Administrative Code R982-501, as amended**; and

B. The **State of Utah Consolidated Plan** approved by HUD on **November 18, 2021**, as amended from time to time; and

C. **24 CFR Part 92 (HOME Investment Partnership Program), as amended**; and/or

D. **24 CFR Part 93 (Housing Trust Fund – Interim Rule), as amended.**

III. CONTRACTOR RESPONSIBILITIES

A. Program Services

1. Project Demographics

The project consists of the new construction of xxx units, with xx one-bedroom, xx two-bedroom, and xx three-bedroom units.

2. Affordable and Market Units

Of the xxx units, all units are affordable and none are market-rate units.

3. Physical Location of Project

Project will be located at [ADDRESS], [CITY], [COUNTY] County, Utah 84xxx.

4. Special Needs Set-Asides

Project does not serve any specific special-needs categories, but only the general public for qualified low- income households and tenants.

B. Project Funding Terms Proposed (in order of lien position)



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1. **LIHTC Equity** – [EQUITY INVESTOR] - \$[AMOUNT] total Federal LIHTC equity.
2. **Construction Loan** – [BANK NAME] - \$[AMOUNT] at x.xx% interest as a deferred loan for xx months. Construction loan lien will be released upon completion of project and receipt of all funding sources, including LIHTC equity, if applicable. Unless a construction-to-permanent loan conversion was planned originally at the time of application, if funds are not paid off in full and a portion of the construction loan remains as permanent debt, the OWHLF Board will need to approve any changes.
3. **First Mortgage** – [BANK NAME] - \$[AMOUNT] at x.xx% interest as a fully-amortizing loan for xx years.
4. **Second Mortgage** – [BANK NAME] - \$[AMOUNT] at x.xx% interest as a fully-amortizing loan for xx years.
5. **Third Mortgage** – [BANK NAME] - \$[AMOUNT] at x.xx% interest as a fully-amortizing loan for xx years.
6. **OWHLF Loan #ABC1234** - \$[AMOUNT] at x.xx% interest as a fully-amortizing loan for xx years.
7. **HTF Loan #DEF7890** - \$[AMOUNT] at x.xx% interest as a fully-amortizing loan for xx years.

C. HOME Agreement

HOME and HTF funds awarded will also require the completion and execution of a **HOME/HTF Agreement** prior to any commitment of project funds in HUD’s IDIS system or disbursement of said funds by HCD for the project upon loan closing. If project is awarded only state LIH funds, then the **HOME/HTF Agreement** is not required.

D. Affordable Units

The project’s xxx affordable units are contained in the following AMI tiers as listed in the Application:

- 25% AMI – x studio, x 1-bedroom, x 2-bedroom, x 3-bedroom units – xx total units
- 30% AMI – x studio, x 1-bedroom, x 2-bedroom, x 3-bedroom units – xx total units
- 45% AMI – x studio, x 1-bedroom, x 2-bedroom, x 3-bedroom units – xx total units
- 50% AMI – x studio, x 1-bedroom, x 2-bedroom, x 3-bedroom units – xx total units
- 60% AMI – x studio, x 1-bedroom, x 2-bedroom, x 3-bedroom units – xx total units

E. Assisted Units

Project will have a total of x **HOME-assisted units** on a floating basis, which will consist of x studio, x one-bedroom, x two-bedroom, and x three-bedroom units. Of the x **HOME-assisted units**, at least 20%, or x, will be at **Low HOME rent levels**.

Project will also have a total of x **HTF-assisted units** on a floating basis, which will consist of x studio, x one-bedroom, x two-bedroom, and x three-bedroom units all **at or below 30% AMI**.

Project will have a total of x **LIH-assisted units** on a floating basis, which will consist of x studio, x one-bedroom, x two-bedroom, and x three-bedroom units.

Project will also have a minimum of x units designed to be Type A fully-accessible for physically handicapped, and x units [2%] must be accessible to individuals with sensory impairments, in



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accordance with Federal Fair Housing/HOME regulations.

F. Repayment of Olene Walker Housing Loan Funds

All repayments, interest, and other return on the investment of OWHLF funds shall be remitted to the State of Utah, Department of Administrative Services, Division of Finance, and shall be retained by the State for funding of future eligible projects by the OWHLF.

G. Notice

The Contractor shall immediately notify the Department of any change or reorganization which affects the purpose of this Contract or the Contractor's ability to perform all terms of this Contract. Changes or reorganizations which require notification to the Department include, but are not limited to: a change in the amount or type of facilities, assistance, employees, staff or faculty provided by Contractor to perform this Contract.

H. Environmental Review Compliance

The Contractor shall comply with all applicable State and Federal environmental laws, including but not limited to the **National Environmental Policy Act of 1968, Section 288 of the Cranston-Gonzales National Affordable Housing Act**, and regulations issued by HUD. Contractor shall prepare and submit a **HUD Environmental Review Record (ERR)** to the Department for review. The Department will submit a **Request for Release of Funds and Certification** (HUD Form 7015.5) to HUD and receive **Authority to Use Grant Funds (AUGF)**, HUD Form 7015.16 prior to Contractor committing to or expending any HOME/NHTF funds for acquisition, rehabilitation, or new construction. Contractor's failure to obtain AUGF prior to the commitment or expenditure of HOME/NHTF funds will result in the rescission of previously-approved HOME and/or NHTF funds. If this contract is being funded solely with State funds, as identified in CONTRACT COSTS on page 1, an environmental review is not required unless this contract has been identified as a STATE MATCH on **Attachment C – Budget**, in which case an environmental review and approval is required prior to committing or expending any funds for acquisition, rehabilitation, or new construction.

HOME and NHTF funds, including state funds designated as HOME match funds, awarded to the project, will require the completion of an environmental review through HCD's WebGrants 3 system and release of those funds from HUD in the form of an AUGF letter (HUD-7015-16) or equivalent prior to any commitment of project funds in HUD's IDIS system or disbursement of said funds by HCD for the project upon loan closing. If project is awarded state low-income housing non-match funds, then the environmental review process is not required.

IV. DOCUMENTS INCORPORATED INTO THIS CONTRACT

Documents incorporated into this contract by reference but not attached hereto:

- A.** All documents specified in any attachment to this contract; and



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- B.** All other governmental laws, regulations, or actions applicable to services provided herein; and
- C.** The **State of Utah Consolidated Plan approved by HUD on November 18, 2021**, as amended from time to time; and
- D.** **24 CFR Part 92 (HOME Investment Partnership Program)**, as amended; and
- E.** **24 CFR Part 93 (Housing Trust Fund – Interim Rule)**, as amended.

V. FUNDING REQUIREMENTS

A. Required Reporting of Financial Performance

In accordance with **2 CFR 2400 101, 24 CFR Part 85 and 2 CFR 200, et seq.**, State Governments, Local Governments and Non-Profit Organizations that expend \$750,000 or more in total Federal financial assistance from all sources in the recipient’s fiscal year shall perform Single Audit requirements.

Determining the amount of Federal funds received shall be based on actual cash spent, not notice of an award or execution of this or any other contracts. Subrecipients that expend less than the Federal assistance threshold are exempt from the Single Audit requirement; however, the recipient’s financial records shall be available for review, monitoring, and audit by appropriate officials of the Federal granting agency, the Department of Workforce Services, the State of Utah, any pass-through entity and the General Accounting Office. Recipients may be asked to confirm in writing that their expenditure of Federal funds did not exceed the designated threshold in the appropriate fiscal year.

At a minimum, the following audits and reviews are required:

- 1.** Financial, once during each fiscal year of the agency, by an Independent Auditor. The audit shall be submitted to the Utah State Auditor’s Office and to the Department of Workforce Services no later than six (6) months from the last date of the organization’s fiscal year. The entity responsible for the contract audit and review functions is the subrecipient or contractor.
- 2.** Program audit requirements will be determined by the State’s assessment of level of risk. In its sole discretion: For low- and moderate-risk entities, industry standard monitoring will be used, typically by stage of completion of the project. For high-risk entities, monitoring will be increased with more onsite visits and more contact with the entity/developer.

B. Payment of Olene Walker Housing Loan Funds

All repayments, interest, and other return on the investment of OWHLF funds shall be remitted to the State of Utah, Department of Administrative Services, Division of Finance, and shall be retained by the State for funding of eligible projects by the OWHLF.

C. Conflict of Interest

Any conflicts of interest of the parties, related parties or other persons and entities involved with this contract must be disclosed to HCD and reviewed by HUD, in accordance with **24 CFR 92.356**.

D. Affordability Period

Contractor shall execute a **Deed Restriction**, which will run with the title to the Property and shall be binding upon the successors, assigns, lenders and beneficiaries of the parties. The **Deed Restriction** shall



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run from the date of execution of the **Deed Restriction** and remain in effect during the period of affordability under **24 CFR Part 92.252 or 92.254 (HOME Investment Partnership Program)** as amended, whichever is later. The affordability period begins when the project is fully completed and all closeout information has been entered into HUD's IDIS system by the Department.

E. Energy Star/Minimum HERS

Units constructed under this contract shall be **ENERGY STAR** qualified or receive a minimum **Home Energy Rating System (HERS)** scoring that the project will be at least 15% more efficient than the current building energy code unless waived in writing by the Department.

F. Project Quality and Design Commitment – New Construction OR Acquisition/Rehabilitation:

- 1. Appliances** – Stainless steel GE appliances in kitchen and white GE laundry appliances. Dishwasher and refrigerator will be Energy Star.
- 2. Exterior Finish** – Fiber cement paneling, adhered stone and brick veneer, storefront window glazing, and window wall glazing.
- 3. Fencing** – Wrought-iron, perforated metal or mesh, welded wire fabric.
- 4. Windows** – Vinyl frames for residential, aluminum storefront for ground floor, and fiberglass composite framing.
- 5. Plumbing** – Water-conserving showerheads and faucets with low-flow toilets.
- 6. Roofing** – Synthetic rubber-like thermoplastic polyolefin (TPO) or EPDM.
- 7. HVAC** – Individual mini-split units, most likely Carrier.
- 8. Security** – To be determined.
- 9. Energy Efficiency** – Energy Star and Enterprise Green Communities Certified. Resilient tile flooring, FSC wood products.
- 10. Cabinetry** – Composite wood cabinetry, stone countertops.
- 11. Insulation** – R-4 rigid insulation for exterior walls, R-4 fiberglass batts for interior walls, R-20 rigid insulation roofing, and R-5 sprayed insulation above garage floor.
- 12. Landscaping** – Native plant species with drip irrigation and zoned systems. WaterSense labeled Weather Based Irrigation Controller (WBIC).
- 13. Design** – Single multistory building with design elements taken from “mountain urbanism design philosophy” as described in Salt Lake City’s Downtown Plan. Designed to incorporate elements from the physical architecture of the adjacent power plant as well as urban TOD concepts.
- 14. Parking** – Two-level parking garage with 136 spaces total, of which 36 will be dedicated to commercial space users.
- 15. Site Layout** – No parking required by TSA-MUEC-C District, Transit Station Area Mixed Use Employment Center zoning; single multistory building with two-level 136 parking garage.
- 16. Zoning and Unit Density** – No limit.

VI. REPORTING



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Project Completion and HUD/HCD Affordability Period – New Construction – HOME and HTF
A **Deed Restriction** will be required as described under **Subsection V.D.**

A. Closeout and Affordability Period

Upon closeout in HUD's/HCD's IDIS/WebGrants system, the HUD/HCD affordability period as noted below will begin and run for a **minimum of 30 years**.

B. Compliance

HCD compliance staff will contact you or your project management in regards to reviewing the compliance of qualified low-income residents that reside in your project on an annual basis. Compliance documentation will be required of all HUD/HCD-assisted projects on an annual basis until the end of the HUD/HCD affordability period as noted above, or as long as the OWHLF loan(s) remain outstanding, whichever is longer.

VII. MONITORING

Project owner or designated management representative will be required to complete the following monitoring steps as designated below throughout the affordability period as previously specified in **Subsection V.D.** above:

- 1. Reporting** – Project will provide annual compliance reports to HCD staff consisting of project financials, occupancy reports, and contact information updates throughout each year of the affordability period as designated above under **Subsection V.D.**
- 2. Monitoring** – Project monitoring may include, but is not limited to, site visits, technical assistance, desk reviews, expenditure document review, or monitoring by a third party.

VIII. BUDGET – DWS/HCD FUNDING

Project will be funded with Federal HOME housing funds of \$[AMOUNT], and Federal HTF housing funds in the amount of \$[AMOUNT], for total OWHLF funding of \$[AMOUNT].

- A.** Project is new construction, so all but 5% of the funds will be issued at project loan closing OR Project is acquisition/rehabilitation, so all but 5% of the funds will be issued a project loan closing OR Project is rehabilitation only, so funds will be issued on a reimbursement basis.
- B.** 5% of funds, or \$[AMOUNT] of the total OWHLF funding, will be held back until the completed project closeout packet has been received, reviewed, and approved by HCD staff.
- C.** Other estimated project funding sources and amounts are listed under **Section III – Contractor Responsibilities.**
- D.** For projects that are rehabilitation only, expense reimbursement is dependent upon timely submission of deliverables and grant compliance.



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E. Processing time for payments are determined by accuracy of invoices and approval by the DWS Finance Division.

IX. HUD REQUIREMENTS

Rent and Income Limits

Upon the execution of this contract, **HOME, HTF, and State LIH rents and income limits** are set at the following for SALT LAKE County effective June 15, 2023:

RENTS	LOW HOME	HIGH HOME	HTF	LIH 50%
Studio	\$927	\$1,051	\$557	\$927
1BR	\$993	\$1,258	\$596	\$993
2BR	\$1,192	\$1,504	\$716	\$1,192
3BR	\$1,378	\$1,758	\$826	\$1,378
4BR	\$1,537	\$1,941	\$1,007	\$1,537

INCOME	LOW HOME	HIGH HOME	HTF	LIH 50%
1 person	\$37,100	\$59,400	\$22,300	\$37,100
2 persons	\$42,400	\$67,850	\$25,450	\$42,400
3 persons	\$47,700	\$76,350	\$28,650	\$47,700
4 persons	\$53,000	\$84,800	\$31,800	\$53,000
5 persons	\$57,250	\$91,600	\$34,350	\$57,250
6 persons	\$61,500	\$98,400	\$36,900	\$61,500
7 persons	\$65,750	\$105,200	\$39,450	\$65,750
8 persons	\$70,000	\$111,950	\$42,000	\$70,000

Each year HCD/HUD releases updated rent and income limits, so upon project completion the limits in effect at that time will be in force. A HOME-/HTF-/LIH-assisted rental project will never be required to charge less than the initial rents established, even if HOME/HTF/LIH rents decrease over time, so this establishes a floor.

If applicable, other funding sources such as low-income housing tax credits (LIHTC) or USDA-Rural Development may use their applicable program rent and income limits as updated. HOME/HTF/LIH rent and income limits will only be applicable to HOME-/HTF-/LIH-assisted units as designated previously.



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Exhibit N – Multifamily Uniform Relocation

This checklist should be completed for all projects involving acquisition, demolition, or rehabilitation in any phase to ensure compliance with Federal relocation requirements.

I. Uniform Relocation Assistance and Real Property Acquisition Act of 1970

i. Site Acquisition Section

1. Did the applicant own the site prior to the initiation of the current project? If “yes”, indicate when the property was acquired and skip to question 4.

Yes ___ No ___

When was property acquired? _____

2. Does the purchase meet one of the voluntary acquisition exceptions of 49 CFR 24.101(b)(1)-(5)? If “yes”, list which exception is being met; if “no”, complete a basic acquisition policies review (49 CFR 24.102-24.108) and skip to question 4.

Yes ___ No ___ N/A ___

3. In obtaining site control, did applicant/buyer provide seller with voluntary, arm’s length transaction information?

Yes ___ No ___ N/A ___

4. Does the project site represent undeveloped land or has the property been unoccupied for at least 90 days prior to the purchase offer, with no person having been made to move for the project? If “yes”, skip the Tenant Information/Relocation Section.

Yes ___ No ___

ii. Tenant Information/Relocation Section

1. Has the applicant identified all persons who moved from the site within the past three months and explained the reason for such moves?

Yes ___ No ___ N/A ___

2. Has the applicant identified all persons who moved from the site within the past three months and explained the reason for such moves?

Yes ___ No ___ N/A ___

3. Has the applicant identified all persons (families, individuals, businesses and nonprofit organizations) by race/minority group, and status as owners or tenants occupying the property on the date of submission of the application or initial site control?

Yes ___ No ___ N/A ___

4. Has applicant indicated the estimated cost of relocation payments and other services and the basis for the estimate?

Yes ___ No ___ N/A ___



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Source of funds: _____

- 5. Are the estimated costs for relocation reasonable (national average is approximately \$10,000 per household)?
Yes ___ No ___ N/A ___
- 6. Has the applicant indicated the source of funds to be used to pay relocation costs?
Yes ___ No ___ N/A ___
- 7. If relocation costs will be funded from sources other than HOME or CDBG, has the applicant provided evidence of a firm commitment of the funds?
Yes ___ No ___ N/A ___
- 8. Has the applicant identified the staff organization that will carry out the relocation activities?
Yes ___ No ___ N/A ___

Organization/Individual and Contact Information:

- 9. Were all persons occupying the site issued a General Information Notice at the time of application submission?
Yes ___ No ___ N/A ___
- 10. Is the applicant prepared to issue each tenant at contract award either a Notice of Eligibility for relocation assistance, including information on comparable replacement housing, or a Notice of Non-Displacement?
Yes ___ No ___ N/A ___
- 11. Is the applicant/property owner prepared to issue move-in notices to all new tenants?
Yes ___ No ___ N/A ___

II. Section 104(d) of the Housing and Community Development Act of 1974

- i. Will the project in any phase demolish housing units that rent, or would rent, at or below HUD Fair Market Rent, or convert such units to a use other than low-income housing?
Yes ___ No ___
If "no", project is not subject to 104(d) and no further action required – mark "N/A" on remaining questions.
- ii. Do any of the housing units meet the definition of vacant occupiable dwellings in accordance with 24 CFR 42.305? If "no", explain basis for conclusion and skip to question 4.
Vacant occupiable dwelling unit means a vacant dwelling unit that is in a standard condition; a vacant dwelling unit that is in a substandard condition, but is suitable for rehabilitation; or a dwelling unit in any condition that has been occupied (except by a squatter) at any time within the period beginning 3 months before the date of execution of the agreement by the recipient covering the rehabilitation or demolition.
Yes ___ No ___ N/A ___



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iii. Has the information required by 24 CFR 42.375(c) been made public, with a copy submitted to HCD prior to contract execution:

1. *A description of the proposed assisted activity;*
2. *The location on a map and number of dwelling units by size (number of bedrooms) that will be demolished or converted to a use other than for lower-income dwelling units as a direct result of the assisted activity;*
3. *A time schedule for the commencement and completion of the demolition or conversion;*
4. *The location on a map and the number of dwelling units by size (number of bedrooms) that will be provided as replacement dwelling units. If such data are not available at the time of the general submission, the submission shall identify the general location on an area map and the approximate number of dwelling units by size, and information identifying the specific location and number of dwelling units by size shall be submitted and disclosed to the public as soon as it is available;*
5. *The source of funding and a time schedule for the provision of replacement dwelling units;*
6. *The basis for concluding that each replacement dwelling unit will remain a lower-income dwelling unit for at least 10 years from the date of initial occupancy; and*
7. *Information demonstrating that any proposed replacement of dwelling units with smaller dwelling units (e.g., a 2-bedroom unit with two 1-bedroom units) is consistent with the needs assessment contained in its HUD-approved consolidated plan. A unit of general local government funded by the State that is not required to submit a consolidated plan to HUD must make public information demonstrating that the proposed replacement is consistent with the housing needs of lower-income households in the jurisdiction.*

Yes No N/A

If “yes”, please provide a copy with the completed checklist.

iv. Is any tenant low- to moderate-income?

Yes No N/A

v. Is the applicant prepared to offer all low-income tenants to be displaced the choice of relocation assistance at 104(d) levels or URA levels (see 24 CFR 42.350 and Chapter 7 of HUD Handbook 1378)?

A displaced person may choose to receive either assistance under the URA and implementing regulations at 49 CFR part 24 or assistance under section 104(d) of the HCD Act of 1974, including: (a) Advisory services. Advisory services at the levels described in 49 CFR part 24. A displaced person must be advised of his or her rights under the Fair Housing Act (42 U.S.C. 3601-19). If the comparable replacement dwelling to be provided to a minority person is located in an area of minority concentration, as defined in the recipient's consolidated plan, if applicable, the minority person must also be given, if possible, referrals to comparable and suitable decent, safe, and sanitary replacement dwellings not located in such areas.(b) Moving expenses. Payment for moving expenses at the levels described in 49 CFR part 24.(c) Security deposits and credit checks. The reasonable and necessary cost of any security deposit required to rent the replacement dwelling unit, and for credit checks required to rent or purchase the replacement dwelling unit.(d) Interim living costs. The recipient shall reimburse a person for actual reasonable out-of-pocket costs incurred in



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connection with a displacement, including moving expenses and increased housing costs, if:(1) The person must relocate temporarily because continued occupancy of the dwelling unit constitutes a substantial danger to the health or safety of the person or the public; or(2) The person is displaced from a “lower-income dwelling unit,” none of the comparable replacement dwelling units to which the person has been referred qualifies as a lower-income dwelling unit, and a suitable lower-income dwelling unit is scheduled to become available in accordance with § 42.375.(e) Replacement housing assistance. Persons are eligible to receive one of the following two forms of replacement housing assistance:(1) Each person must be offered rental assistance equal to 60 times the amount necessary to reduce the monthly rent and estimated average monthly cost of utilities for a replacement dwelling (comparable replacement dwelling or decent, safe, and sanitary replacement dwelling to which the person relocates, whichever costs less) to the “Total Tenant Payment,” as determined under part 813 of this title. All or a portion of this assistance may be offered through a certificate or voucher for rental assistance (if available) provided under Section 8. If a Section 8 certificate or voucher is provided to a person, the recipient must provide referrals to comparable replacement dwelling units where the owner is willing to participate in the Section 8 Tenant-Based Assistance Existing Housing Program (see part 982 of this title). When provided, cash assistance will generally be in installments, in accordance with 42 U.S.C. 3537c; or(2) If the person purchases an interest in a housing cooperative or mutual housing association and occupies a decent, safe, and sanitary dwelling in the cooperative or association, the person may elect to receive a payment equal to the capitalized value of 60 times the amount that is obtained by subtracting the “Total Tenant Payment,” as determined under part 813 of this title, from the monthly rent and estimated average monthly cost of utilities at a comparable replacement dwelling unit. To compute the capitalized value, the installments shall be discounted at the rate of interest paid on passbook savings deposits by a federally insured financial institution conducting business within the recipient’s jurisdiction. To the extent necessary to minimize hardship to the household, the recipient shall, subject to appropriate safeguards, issue a payment in advance of the purchase of the interest in the housing cooperative or mutual housing association.

Yes No N/A

I certify that I have read and am aware of the foregoing HUD relocation agreement requirements as applicable to my project.

Authorized Agency Representative

Date



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Exhibit O – Community Housing Development Organization (CHDO) Qualification Checklist

Community housing development organizations (CHDOs): All CHDOs applying for OWHLF funds must be a community-based private nonprofit organization that:

- I. Is organized under State or local laws;
- II. Has no part of its net earnings inuring to the benefit of any member, founder, contributor, or individual;
- III. Is neither controlled by, nor under the direction of, individuals or entities seeking to derive profit or gain from the organization. A CHDO may be sponsored or created by a for-profit entity, but:
 - a. The for-profit entity may not be an entity whose primary purpose is the development or management of housing, such as a builder, developer, or real estate management firm; and
 - b. The for-profit entity may not have the right to appoint more than one-third of the membership of the organization's governing body. Board members appointed by the for profit entity may not appoint the remaining two-thirds of the board members; and
 - c. The CHDO must be free to contract for goods and services from vendors of its own choosing; and
 - d. The officers and employees of the for-profit entity may not be officers or employees of the CHDO.
- IV. Has a tax exemption ruling from the Internal Revenue Service under section 501(c)(3) or (4) of the Internal Revenue Code of 1986 (26 CFR 1.501(c)(3)-1 or 1.501(c)(4)-1)), is classified as a subordinate of a central organization non-profit under section 905 of the Internal Revenue Code of 1986, or if the private nonprofit organization is an wholly owned entity that is disregarded as an entity separate from its owner for tax purposes (e.g., a single member limited liability company that is wholly owned by an organization that qualifies as tax-exempt), the owner organization has a tax exemption ruling from the Internal Revenue Service under Section 501(c)(3) or (4) of the Internal Revenue Code of 1986 and meets the definition of a CHDO;
- V. Is not a governmental entity (including the PJ, other jurisdiction, Indian tribe, public housing authority Indian housing authority, housing finance agency, or redevelopment authority) and is not controlled by a governmental entity. An organization that is created by a governmental entity may qualify as a CHDO; however, the governmental entity may not have the right to appoint more than one-third of the membership of the CHDO's governing body and no more than one-third of the board members may be public officials or employees of the governmental entity. Board members appointed by a governmental entity may not appoint the remaining two-



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- thirds of the board members. The officers or employees of a governmental entity may not be officers or employees of a CHDO;
- VI. Has standards of financial accountability that conform to 2 CFR 200.302, “Financial Management” and 2 CFR 200.303, “Internal Controls”;
 - VII. Has among its purposes the provisions of decent housing that is affordable to low-income and moderate-income persons, as evidenced in its charter, articles of incorporation, resolutions, or bylaws;
 - VIII. Maintains accountability to low-income community residents by:
 - a. Maintaining at least one-third of its governing board’s membership for residents of low-income neighborhoods, other low-income community residents, or elected representatives of low-income neighborhood organizations. For urban areas, “community” may be a neighborhood or neighborhoods, city, county, or metropolitan area; for rural areas, it may be a neighborhood or neighborhoods, town, village, county, or multi-county area (but not the entire state); and
 - b. Providing a formal process for low-income program beneficiaries to advise the organization in its decisions regarding the design, siting, development, and management of affordable housing.
 - IX. Has a demonstrated capacity for carrying out activities assisted with HOME funds. An organization must satisfy this requirement by having paid employees with housing development experience who will work on projects assisted with HOME funds. For its first year of funding as a CHDO, an organization may satisfy this requirement through a contract with a consultant who has housing development experience to train appropriate key staff of the organization. An organization that will own housing must demonstrate capacity to act as owner of a project and meet the requirements of 24 CFR 92.300(a)(2). A nonprofit organization does not meet the test of demonstrated capacity based on any person who is a volunteer or whose services are donated by another organization.
 - X. Has a history of serving the community within which housing to be assisted with HOME funds is located. In general, an organization must be able to show one year of serving the community before HOME funds are reserved for the organization. However, a newly-created organization formed by local churches, services organizations, or neighborhood organizations may meet this requirement by demonstrating that its parent organization has at least one year of serving the community.

Legal Status

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



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- A Charter, OR
 Articles of Incorporation.
- II. No part of its net earnings inure to the benefit of any member, founder, contributor, or individual as evidenced by:
 - A Charter, OR
 - Articles of Incorporation.
- III. Has a tax exemption ruling from the Internal Revenue Service (IRS) under Section 502(c) of the Internal Revenue code of 1986, as evidenced by:
 - a 501 (c) certification from the IRS
 - Other
- IV. Has among its purposes the provision of decent housing that is affordable to low and moderate-income people, as evidenced by a statement in the organization's:
 - A Charter, OR
 - Articles of Incorporation
 - Bylaws, OR
 - Resolutions

Capacity

- I. Conforms to the financial accountability standards of Attachment F of OMB Circular A110, "Standards for Financial Management System", as evidenced by:
 - A notarized statement by the president, or chief financial officer of the organization;
- II. Has a demonstrated capacity for carrying out activities assisted with HOME funds, as evidenced by:
 - Resumes and/or statements that describe the experience of accomplished key staff members who have successfully completed projects similar to those to be assisted with HOME funds, OR
 - Contract(s) with consultant firms or individuals who have housing experience similar to projects to be assisted with HOME funds, to train appropriate key staff members.
- III. Has a history of serving the community where housing to be assisted with HOME funds will be used, as evidenced by:
 - A statement that documents at least one year of experience in serving the community, or
 - For newly created organizations formed by local churches, service or community organizations, a statement that documents that its parent organization has at least one year of experience in serving the community.



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Please provide a statement from the CHDO, or its parent organization that shows one year of service to the community from the date the State of Utah provides HOME funds to said organization. The statement must include:

- A description of the organizations history (or its parent organizations history) such as:
 - Developing new housing, rehabilitating existing stock or managing housing stock and;
 - Developing delivery mechanisms for essential services that have lasting benefits for the community, such as housing counseling services, or childcare facilities.

The statement must be signed by the president of the organization or by a HUD approved representative.

Organizational Structure

- I. Maintains at least one-third of its governing boards membership for residents of low-income neighborhoods, other low income community residents, or elected representatives of low-income neighborhood organizations as evidenced by the organization's:
 - _____ A Charter, OR
 - _____ Articles of Incorporation
 - _____ Bylaws, OR
- II. Provides a formal process for low-income program beneficiaries to advise the organization in all of its decisions regarding the design, site, development, and management of all affordable housing projects, as evidenced by:
 - _____ A written statement of operating procedures approved by the governing body, OR
 - _____ Resolutions, OR
 - _____ Bylaws, OR
- III. A state or local government can charter a CHDO, however, the state or local government may not appoint more than one-third of the membership of the organization's governing body and no more than one-third of the governing board members are public officials, as evidenced by the organization's:
 - _____ A Charter, OR
 - _____ Articles of Incorporation
 - _____ Bylaws, OR
- IV. If the CHDO is sponsored or created by a for-profit entity, the for-profit entity may not appoint more than one-third of the membership of the CHDO's governing body, and the board members



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appointed by the for-profit entity may not, in turn, appoint the remaining two-thirds of the board members, as evidenced by the CHDO's:

- A Charter, OR
- Articles of Incorporation
- Bylaws, OR

Relationship with For-Profit Entities

- I. The CHDO is not controlled, nor receives direction from individuals, or entities seeking profit from the organization, as evidenced by:
 - The Organization's Bylaws, OR
 - A legally binding Agreement
- II. A CHDO may be sponsored or created by a for-profit entity, however: The for-profit entity's primary purpose does not include the development, or management of housing, as evidenced in its Bylaws:
 - Yes
 - No
- III. The CHDO is free to contract for goods and services from the vendor(s) of its own choosing, as evidenced in the CHDO's:
 - A Charter, OR
 - Articles of Incorporation
 - Bylaws, OR



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Exhibit P – Emergency Transfer Plan for Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking

In accordance with the Violence Against Women Act (VAWA; 24 CFR part 5, subpart L), the Olene Walker Housing Loan Fund (the Fund) requires owners and managers of multifamily assisted housing properties, including all home tenant-based rental assistance (TBRA) and rental housing assisted with HOME program funds or Housing Trust Funds, to permit tenants in HOME/HTF/TBRA-assisted units who are victims of domestic violence, dating violence, sexual assault, or stalking to request an emergency transfer from the tenant's current unit to another unit.

This plan applies to all HOME/HTF/TBRA assisted units funded by the Fund and to the individuals and entities owning, managing, and administering those units, including their agents (hereafter referred to as "housing providers") for the duration of the affordability period. Housing providers shall read and implement VAWA, and shall adopt an emergency transfer plan.

This plan implements provisions of VAWA as required by HUD. This plan identifies tenants who are eligible for an emergency transfer, the documentation needed to request an emergency transfer, confidentiality protections, how an emergency transfer may occur, and guidance to tenants on safety and security.

Housing providers shall provide a notice and certification form substantially similar to HUD-5380 to each applicant for a HOME or HTF-assisted unit, to each tenant, and again with any notice of eviction. The notice and certification must be made available in multiple languages. (HCDD/OWHLF shall provide notices directly to TBRA applicants upon approval or denial, notice of termination of TBRA, and upon learning that the housing provider intends to provide a notice of eviction.) Housing providers shall also include a VAWA lease term/addendum substantially similar to HUD-91067. (see https://www.hud.gov/program_offices/housing/mfh/violence_against_women_act for sample forms.)

Emergency Transfers

The VAWA allows tenants, regardless of their sex, gender identity, or sexual orientation, who are victims of domestic violence, dating violence, sexual assault, or stalking to request an emergency transfer from the tenant's current unit to another unit or another property. The request to transfer must be made by the victim or someone close to the victim that is aware of the situation and the facts.

Housing providers are also prohibited from discriminating on the basis of any other protected characteristic, including race, color, national origin, religion, familial status, disability, or age. HUD-



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assisted and HUD-insured housing must be made available to all otherwise eligible individuals regardless of actual or perceived sexual orientation, gender identity, or marital status.

Tenant Eligibility for Emergency Transfers

A tenant is eligible for an emergency transfer under this plan if they meet the following criteria:

- Tenant resides in a covered HOME, TBRA or HTF assisted unit and
- Tenant is a victim of domestic violence, dating violence, sexual assault, or stalking, as defined in 24 CFR 5.2003;
- Tenant reasonably believes that there is a threat of imminent harm from further violence if the tenant remains within the same unit; or
- Tenant is a victim of sexual assault which occurred on the premises within the 90- calendar-day period preceding a request for an emergency transfer.

The Fund and housing providers will provide reasonable accommodations to this policy for individuals with disabilities.

Emergency transfer requirements do not supersede eligibility or occupancy requirements.

Tenants who are not in good standing may still request an emergency transfer if they meet the eligibility requirements.

If a family separates, the remaining tenant(s) may remain in the HOME or HTF assisted unit, or may retain the TBRA, as applicable.

Emergency Transfer Request and Documentation

Emergency transfers may depend upon a preliminary determination that the tenant is or has been a victim of domestic violence, dating violence, sexual assault, or stalking. The tenant must submit one of the following forms of documentation to the Housing Provider within 14 days of request:

- A complete certification form (HUD-5382);
- A record of a Federal, State, tribal, territorial, or volunteer of a victim service provider, an attorney, a medical professional or a mental health professional (collectively, “professional”) from whom the tenant sought assistance; or
- Any other statement or evidence that the Housing Provider has agreed to accept.

In addition, a tenant must expressly request an emergency transfer by submitting a written request to the Housing Provider or to the Fund (HUD-5383). The tenant’s written request for an emergency transfer should include:



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- A statement that the tenant reasonably believes there is a threat of imminent harm from further violence if the tenant were to remain in the same dwelling unit assisted under the Housing Provider's program; or
- A statement that the tenant was a sexual assault victim and that the sexual assault occurred on the premises during the 90-calendar-day period preceding the tenant's request for an emergency transfer.

Emergency Transfer Procedures

- The Housing Provider shall act expeditiously to process the request and move the tenant, if approved.
- The Housing Provider cannot guarantee that a transfer request will be approved, and transfers are subject to the availability of a safe and habitable unit.

Internal Emergency Transfer

If a safe and habitable unit is immediately available within the same HOME/HTF/TBRA assisted development or another HOME/HTF/TBRA development owned or operated by the same Housing Provider, the tenant must be permitted to transfer internally subject to the following conditions:

- The tenant must agree to abide by the terms and conditions that govern occupancy in the unit to which the tenant is transferred including ongoing HOME occupancy requirements; and
- The lease of the current unit will be transferred to the new unit without penalty.

If the tenant reasonably believes a proposed unit would not be a safe transfer the tenant may request a different unit or an external transfer. If a safe and habitable unit is not immediately available within the current HOME/HTF/TBRA assisted development or one owned or operated by the same Housing Provider, the tenant may request to be placed on a waiting list for when a unit comes available. The tenant must be assigned no less priority on the waiting list than if the tenant had requested any other type of emergency transfer, such as due to fire.

- The Housing Provider will contact the Fund and provide a copy of the Emergency Transfer Request and supporting documentation.
- The Fund will review and authorize the request.
- If authorized, the Fund will provide a list of properties that may have units available to the Housing Provider who will provide the list to the tenant. The list will include:
 - Address and contact information of HOME unit sizes (# of bedrooms)
 - Any known tenant preferences or eligibility restrictions for the HOME units.



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- If a unit is identified and selected the Housing Provider will assist the victim in applying for occupancy.
- The Housing Provider will cooperate with the Fund and any service provider to assist in identifying a safe, habitable unit and facilitating the transfer.
- If a transfer unit is selected, the lease for the current unit will be terminated without penalty.

Confidentiality

The Housing Provider, and its employees, contractors or agents, shall keep confidential any information a tenant provides related to the exercise of rights under VAWA.

The Housing Provider must report all requests for VAWA protections to the Fund. However, the Housing Provider may not enter tenant information into any shared database or disclose information to any other entity or individual other than the Fund unless:

- The tenant gives written permission;
- The Housing Provider needs to use the information in an eviction or termination proceeding; or
- A law requires the Housing Provider to release the information.

The Housing Provider shall keep the new location of the tenant confidential from the person(s) that committed any act of domestic violence, dating violence, sexual assault, or stalking against the tenant.

Tenant Safety and Security

Pending processing of the transfer and any actual transfer, the tenant shall be urged to take all reasonable precautions to be safe. At the tenant's request, the Housing Provider will assist tenants in contacting organizations offering assistance to victims of domestic violence, dating violence, sexual assault, or stalking. Some nationwide resources include:

- Tenants who are or have been victims of domestic violence are encouraged to contact the National Domestic Violence Hotline at 1-800-799-7233, or a local domestic violence shelter, for assistance in creating a safety plan. For persons with hearing impairments, that hotline can be accessed by calling 1-800-787-3224 (TTY).
- Tenants who have been victims of sexual assault may call the Rape, Abuse & Incest National Network's National Sexual Assault Hotline at 800-656-HOPE, or visit the online hotline at <https://ohl.rainn.org/online/>.
- Tenants who are or have been victims of stalking seeking help may visit the National Center for Victims of Crime's Stalking Resource Center at <https://www.victimsofcrime.org/our-programs/stalking-resource-center>.



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Local organizations offering assistance to victims of domestic violence, dating violence, sexual assault, or stalking include:

- **Local law enforcement**
Call 911 for emergency assistance
- **Utah Department of Human Services**
195 N. 1950 W. Salt Lake City, UT 84116
888-421-1100
<https://dcfs.utah.gov/services/domestic-violence-services/>
- **Utah Domestic Violence Coalition**
124 S 400 E #430, Salt Lake City, UT 84111
<https://www.udvc.org/>
800-897-5465
- **Utah Legal Services**
801-328-8891 (within S.L. County)
Toll Free 800-662-4245 (outside S.L. County)
<https://www.utahlegalservices.org/node/17/section>



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Exhibit Q – Multifamily Loan Close-Out

Once your project’s construction has been completed and you wish to receive the final disbursement of OWHLF funds, the following documents must be submitted to complete the final disbursement process and begin your project’s period of affordability under Federal HOME and Utah state low-income housing program regulations. Final documentation to be submitted is listed as follows:

1. Owner’s Project Certification Statement – this indicates long-term compliance with all other Federal and Utah state requirements governing affordable housing programs. This form (Attachment J) should be signed and dated by the project owner representative.
2. Owner’s Tax Credit Detailed Cost Breakdown – for projects receiving low-income housing tax credits (“LIHTC”), this is the final cost certification submitted to Utah Housing Corporation (“UHC”). If your project was not awarded LIHTC, then this item would not be applicable to your project.
3. Owner’s Certification of Costs Statement – if the project received LIHTC, simply submit a copy of the form submitted to UHC; otherwise, a statement signed and dated by the project owner’s accountant or CPA is sufficient.
4. Project Completion Form – the information provided by this form will be used by OWHLF staff to close out the project in HCD’s WebGrants and HUD’s IDIS financial tracking systems, including the sources of all funds used for the financing of the project (Attachment K).
5. CPA Certification of Costs – this consists of a CPA certifying that the final project costs are reviewed on an independent basis and that they are representative of the project’s actual expenses.
6. Minority Business Enterprises/Women Business Enterprises – all HOME- and HTF-assisted projects must submit this report at project closeout regardless of whether or not MBE/WBE subcontractors were hired, since OWHLF must report this information to HUD annually. If no MBE/WBE subcontractors were hired, please submit form with “0”s listed. A copy of this form was provided with the loan closing packet. Not required for projects funded with only state low-income housing funds.
7. Section 3 Report – all HOME- and HTF-assisted projects must submit this report at project closeout regardless of whether or not Section 3-qualified employees were hired, since OWHLF must report this information to HUD annually. If no Section 3-qualified employees were hired, please submit form with “0”s listed. A copy of this form was provided with the loan closing packet. Not required for projects funded only with state low-income housing funds.
8. Household Characteristics Form – this form should be completed for all HOME- and HTF-assisted units, which serves as the source document for closeout in HUD’s IDIS financial tracking system (Attachment L). For projects without any Federal HOME or state match funding, this form is not required. Not required for projects funded only with state low-income housing funds.



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9. Multifamily Rental Project Occupancy Report – either the *HCDD Multifamily Rental Project Occupancy Report* or the *UHC Housing Credit Biannual Occupancy Report*, whichever is applicable to your project, is acceptable for submission. This will be one of the project’s annual HCD compliance reporting requirements from this point forward through the project’s affordability period.
10. Affirmative Marketing Plan – all projects with five (5) or more HOME- or HTF-assisted units must have an Affirmative Marketing Plan and submit a copy at project closeout. If your project has four (4) or fewer HOME-/HTF-assisted units, this is recommended but not required. Not required for projects funded only with state low-income housing funds.
11. Subsidy Certification – if your project is receiving project-based rental subsidy from USDA-RD or HUD, such as RD 515 multifamily rental assistance or HUD project-based Section 8 rental assistance, a copy of the subsidy certification is required.
12. Blank Tenant Lease – please provide a copy of the tenant lease in effect at the time of project lease-up. If a utility allowance is included in the rent calculations, please be sure that the lease shows this detail and all related information.
13. IRS Form(s) 8609 – if your project has received LIHTC/Housing Credits, please provide copies of the signed Form(s) 8609 from Utah Housing Corporation showing project eligible/qualified basis and building placed-in-service date. These can be forwarded after project closeout since they are not issued by UHC at closeout, but usually later.
14. Certificate of Occupancy (New Construction) and/or Building Permit Final Inspection (Rehabilitation) – submit copies of whichever documents are applicable to your project.
15. Final Appraisal – if this is not required by a permanent lender and/or a syndicator, a letter stating such will need to be submitted.
16. Architect’s Certification – the project architect will need to fill out and sign this certification before final funds can be released and the project closed out in WebGrants and/or IDIS (Attachment M). Not required for acquisition-only projects.
17. General Contractor’s Certification – the project general contractor will need to fill out and sign this certification before final funds can be released and the project closed out in WebGrants and/or IDIS (Attachment N). Not required for acquisition-only projects.
18. Energy Star and/or HERS Certification – the rater should provide a copy of their final energy efficiency rating, which must be submitted to HCD at project close-out.
19. Davis-Bacon Final Worksheet – all HOME-assisted projects with 12 or more total HOME-assisted units (this includes both the state as a participating jurisdiction as well as local participating jurisdictions (Salt Lake County, Salt Lake City, etc.) must maintain compliance with Davis-Bacon regulations. Davis-Bacon does not apply to HTF funds, and is not required for projects funded only with state low-income housing funds.

If you have any questions or need additional assistance and/or forms, please contact Daniel Herbert-Voss at 385-522-0645 or dhvoss@utah.gov to discuss.

In order to process a request for the final payment and closeout in our system, the following documents



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must be executed and returned to OWHLF:

1. Owner's Project Certification Statement (see Attachment J)
2. Owner's Tax Credit Detailed Cost Breakdown (if applicable)
3. Owner's Certification of Costs Report for total project
4. Project Completion Form (see Attachment K)
5. CPA Certification of Costs Report (Total Project Costs)
 - a. CPA Certification of Costs Report (Building by Building [LIHTC only])
6. Completed Minority Business Enterprises/Women Business Enterprises Report (required only if Federal HOME and/or HTF funds used)
7. Completed Section 3 Report (required only if Federal HOME and/or HTF funds used)
8. Household Characteristics Form (see Attachment L) (required only if Federal HOME and/or HTF funds used)
9. Multifamily Rental Project Occupancy Report (can be HCD, UHC, HUD, or RD occupancy report)
10. Copy of Affirmative Marketing Plan (required for all projects with 5 or more HOME-assisted units)
11. Subsidy Certification (applicable only to RD 515/voucher or project-based HUD Section 8)
12. Copy of blank tenant lease (for both affordable and market-rate units, if applicable)
13. Copy(ies) of Form(s) 8609 (for LIHTC properties only)
14. Copy of Certificate(s) of Occupancy issued by municipality (new construction)
 - a. Copy of final inspection and building inspector sign-off (rehabilitation)
15. Copy of final appraisal submitted to priority lien holder, if required
16. Architect's Certification (see attached Attachment M)
17. General Contractor's Certification (see Attachment N)
18. Energy Star and/or HERS Certification (supplied by Energy Star rater)
 - a. Waivers from OWHLF energy efficiency requirements must be approved by Daniel Herbert-Voss or Dan Murphy in writing – please provide a copy of letter in lieu of the certification if approved for waiver.
19. Final Davis-Bacon worksheet (required if project has 12 or more total HOME units)



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Attachment J - Multifamily Project Owner’s Certification Statement

Name of Project _____

We, as the owner of this multifamily affordable housing project, are aware that the provision of funds in the form of grant(s) and/or loan(s) by the Olene Walker Housing Loan Fund from Federal HOME, HTF, and/or state low-income housing funds for the acquisition, renovation, and/or new construction of this multifamily affordable housing project, will make this project susceptible, during the period of affordability, to the following Federal requirements:

1. Equal Employment Opportunity Act
2. Civil Rights Acts, Titles VI and VII
3. Fair Housing Act, 24 CFR Part 92, Subpart H, Section 92.350
4. Age Discrimination Act
5. Minority Business Enterprise Act, Section 281 of the National Affordable Housing Act
6. Section 3 of the Housing and Urban Development Act of 1968, 24 CFR Part 135, Subpart A
7. Section 504 of the Rehabilitation Act of 1973, as amended (28 UCS 792)
8. Architectural Barriers Act of 1968, as amended (42 UCS 4151)
9. Uniform Relocation Assistance and Real Properties Acquisition Policies Act of 1970, as amended by the Uniform Relocation Act Amendments of 1987, Title IV of the Surface and Transportation and Uniform Relocation Assistance Act of 1987
10. Davis-Bacon Act, the Copeland “Anti-Kickback” Act, and the Contract Work Hours and Safety Standards Act (CWSSA)

We hereby state our intention to comply with these requirements and to furnish to the Department of Workforce Services, Housing and Community Development Division, the administrator of the Olene Walker Housing Loan Fund, all necessary certifications, declarations, and plans required by these Acts.

Project Owner Name

Signature

Title

Date



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Attachment K – Project Information

Project Information

Is Project (check all that apply):
 Condominium Cooperative Single Room Occupancy _____ Apartment
 _____ Other Is Project FHA-Insured? Yes No Is Project Mixed-Use? Yes
 No

Is Project Mixed-Use?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Total Completed Units _____
HOME Assisted Units	Fixed? <input type="checkbox"/>	Floating? <input type="checkbox"/>	
ITE Assisted Units	Fixed? <input type="checkbox"/>	Floating? <input type="checkbox"/>	
Of the Units Completed, the _____			Total HOME _____
Meeting Energy Star Standards - New			
Meeting Energy Star Standards			
Section 504 Accessible (5% minimum of total)			
Of these, the number for the visually/hearing			
Designated for Persons with HIV/AIDS			
Of these, the number for the visually			
Designated for the _____			
Of these, the number for the visually			
Period of _____			

Type of Project

Did Project Involve (check only one):

<input type="checkbox"/> New Construction	<input type="checkbox"/> Rehabilitation
<input type="checkbox"/> Acquisition (Construction)	<input type="checkbox"/> Acquisition (No Construction)
<input type="checkbox"/> Acquisition (Construction)	<input type="checkbox"/> Acquisition (No Construction)



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Project Source of Funds

Federal Funds

a. HOME Funds – OWHLF:				
Amount \$		Interest Rate	% Amortization Period	years
Type	Direct Loan	Grant	Deferred Payment	Other
b. HTF Funds – OWHLF:				
Other Source				
Amount \$		Interest Rate	% Amortization Period	years
Type	Direct Loan	Grant	Deferred Payment	Other
c. HOME/CDBG Funds –				
Other Source				
Amount \$		Interest Rate	% Amortization Period	years
Type	Direct Loan	Grant	Deferred Payment	Other

Total HOME/CDBG Funds - \$ _____

Public Funds

Other Federal Funds \$	Source
Other Federal Funds \$	Source
State/Local Appropriated Funds \$	Source
State/Local Tax Exempt Bond Proceeds \$	

Total Public Funds - \$ _____

Private Funds

Private Funds \$	Source
Private Funds \$	Source



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Loan Lender	Amount \$
Interest Rate %	Amortization Period
Owner Cash Contribution \$ _____	
Net Syndication Proceeds (other than LIHTC) \$ _____ Private Grants – Source	
_____ Amount \$ _____	

Low Income Tax Credit Syndication Proceeds

Syndicator	Amount \$
------------	-----------

HOME Program Income

OWHLF State Match Funds	Yes	No	Amount \$
-------------------------	-----	----	-----------

6. TOTAL FINANCING COSTS (Total Items 1-5): \$ _____



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Attachment L - Household Characteristics

HOUSEHOLD CHARACTERISTICS FORM											
Project Name: _____											
Unit No.	Number of Bedrooms	Is Unit Occupied ?	Monthly Rent (including Tenant Paid Utilities)			Income Data		Household Data			
			Tenant Payment	Subsidy Amount	Total Rent	Monthly Gross Income	% of Area Median Income	Race/Ethnicity of Head of Household	Size of Household	Head of Household	Rental Assistance
	0-0 Bedroom	1 - Tenant									
	1-1 Bedroom	2 - Owner									
	2-2 Bedrooms	9 - Vacant									
	3-3 Bedrooms										
	4-4 Bedrooms										
	5-5 or more										
								5-Hispanic (all races)	8-8 or more Persons	9-Vacant unit	
								9-Vacant unit	9- Vacant unit		

Attachment M – Architect Certification



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The undersigned, being a duly licensed architect registered in the State of Utah, has prepared for _____ (Project Owner) final plans, working drawings and detailed specifications and addenda dated _____ in connection with certain real property located at _____ known as the Project.

I hereby certify that I am a licensed Architect, License No. _____, with the requisite skills and experience to provide the professional services necessary to assist in the product of the units proposed by Project Owner and that I have experience on development(s) of similar magnitude and construction type as this Project. I am knowledgeable of all federal, state, and local requirements and the requirements of:

- (i) Architectural Barriers Act
- (ii) Section 504
- (iii) Fair Housing Act Title VIII
- (iv) Americans with Disabilities Act Title II
- (v) State of Utah Fair Housing laws and building codes compliant with ANSI 117A.

I certify that the final design, plans, and specifications will comply with these requirements.

I hereby certify that _____ (#) fully accessible Type "A" ADA residential unit(s) has/have been designed for long-term mobility-impaired tenants who meet(s) the minimum federal and state law requirements in those plans and specifications listed above.

The undersigned hereby certifies to the Project Owner and the State of Utah – Housing and Community Development Division that the Plans and Specifications for the Project have been duly filed with and have been approved by all appropriate governmental and municipal authorities having jurisdiction over the Project and that the Project as shown on the Plans and Specifications is in compliance with all requirements and restrictions of all applicable zoning, environmental, building, fire, health and other governmental ordinances, rules and regulation. All conditions to the issuance of building permits have been satisfied. In the opinion of the undersigned, the Project has been constructed in a good and workmanlike manner substantially in accordance with the Plans and Specifications and is free and clear of any damage or structural defects that would in any material respect affect the value of the Project. In the further opinion of the undersigned, all of the preconditions have been met justifying the issuance of:

- (i) The permanent certificate(s) of occupancy for the Project (or the letter or certificate of compliance or completion stating that the construction complies with all requirements and restrictions of all governmental ordinances, rules and regulations), and
- (ii) Such other necessary approvals, certificates, permits and licenses that may be required from such governmental authorities having jurisdiction over the Project pertaining to the construction



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of the Project.

The Project will be in compliance with all current zoning, environmental and other applicable laws, ordinances, rules and regulations, restrictions and requirements, including without limitation Title III of the Americans with Disabilities Act of 1990 and the Fair Housing Act.

There are no buildings or other municipal violations filed or noted against the Project. All necessary gas, steam, telephone, electric, water and sewer services and other utilities required to adequately service the Project, are now available to the Project. All street drainage, water distribution and sanitary sewer systems have been accepted for perpetual maintenance by the appropriate governmental authority or utility.

Dated: _____

PROJECT ARCHITECT FIRM NAME:

By: _____

(Signature)

Print Name: _____

Title: _____



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The undersigned has served as general contractor of the real property constructed and/or rehabilitated:

Located at _____

Known as _____(Project name)

For _____(Project Owner).

The undersigned hereby certifies to the Project Owner and the State of Utah – Housing and Community Development Division that the Project was constructed or rehabilitated in conformity with the Plans and Specifications dated _____. [PLEASE NOTE: THIS DATE MUST MATCH THE PLANS AND SPECIFICATIONS DATE IN ARCHITECT’S CERTIFICATE]

Dated: _____

GENERAL CONTRACTOR FOR PROJECT FIRM NAME:

By: _____

(Signature)

Print Name: _____

Title: _____



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Attachment O – Minority Business Enterprises & Women Business Enterprises

MINORITY BUSINESS ENTERPRISES

&

WOMEN BUSINESS ENTERPRISES

PROJECT NAME: _____

MINORITY BUSINESS ENTERPRISES

	TOTAL	Alaskan Native or American Indian	Asian or Pacific Islander	Black Non-Hispanic	Hispanic	White Non-Hispanic
CONTRACTS:						
1. Number						
2. Dollar Amount						
SUBCONTRACT:						
1. Number						
2. Dollar Amount						

WOMEN BUSINESS ENTERPRISES

	TOTAL	WOMEN BUSINESS ENTERPRISES (WBE)	MALE
CONTRACTS:			
1. Number			
2. Dollar Amount			
SUBCONTRACT:			
1. Number			
2. Dollar Amount			



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Single-Family Rehabilitation and Reconstruction Program

Purpose

The SFRRP program offers financial assistance to low-income homeowners in rural Utah, at or below 80% AMI, whose homes are in need of rehabilitation or replacement. Currently the program is administered through the following Rural Provider Agencies:

- Neighborhood Nonprofit Housing Corporation (NNHC):
 - Box Elder, Cache, Morgan and Rich
- Uintah Basin Association of Governments (UBAOG):
 - Daggett, Duchesne, Uintah
- Six County Association of Governments (SCAOG):
 - Juab, Millard, Piute, Sanpete, Sevier, and Wayne
- Southeastern Utah Association of Local Governments (SEUALG):
 - Carbon, Emery, Grand, and San Juan
- Mountainlands Association of Governments (MAOG):
 - Utah, Wasatch, Summit and Tooele

Local Rural Provider Agencies

Rural Provider Agency (RPA) Responsibilities

Rural Provider Agencies (RPAs) are expected to provide leadership to support affordable housing initiatives for their service area. RPA staff has an opportunity to engage other housing providers, service organizations, elected officials, client groups, and citizen housing activists to make a difference for people in need. In a technical assistance role, HCD staff will support capacity building of local agencies and will monitor the achievements of the statewide program.



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Each RPA shall:

- Contract with HCD to administer the SFRRP and comply with the contract terms.
- Partner and/or coordinate with other agencies in the same geographical area to avoid unnecessary duplication of housing rehabilitation programs.
- Comply with the funding, administrative costs, provisions against fee payments, and conflict of interest.
- Take part in state sponsored Housing Rehabilitation training programs and Technical Assistance programs.
- Initiate strategies and processes to meet production goals, including outreach and marketing.
- Leverage funding including housing and community development organizations, financial institutions, CDBG, U.S. Department of Agriculture - Rural Development (Section 502 and 504 monies), Weatherization program, and other housing programs operating in the same area, as possible.
- Implement a local application review process, complete site inspections, develop individual project specifications, assemble bids, and ensure reasonable and high quality workmanship for each project.
- Identify licensed and insured contractors and subcontractors with proven commitments to quality workmanship and cost containment.
- Provide conflict resolution between homeowner(s) and contractor(s).
- Promote client education (i.e., USU extensions services), and counseling (i.e., regulated and licensed businesses) to better enable clients to make informed financial decisions relative to debt, predatory lending, refinancing, etc.
- Process, review, and approve applications in accordance with the State of Utah's Olene Walker Housing Loan Fund Allocation Plan, SFRRP Application, and state statute.
- Finalize closing documents and prepare documents for loan closings.
- Because HCD will service SFRRP loans, the RPA will provide client interface with HCD on loan portfolio management issues, inspections, information, pictures, etc.
- Ensure the project is completed as outlined in the scope of work.
- Comply with monitoring requirements per the terms of federal regulations and the state contract.
- Submit quarterly project reports to HCD as requested.

Agencies may contact HCD for additional clarification and technical assistance on responsibilities and program guidelines. The RPA may submit a written request to HCD staff on any issues the RPA would like to be more restrictive than any of the SFRRP regulations, state statute, or Board's intent.



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Funding and Administrative Costs

A contract between HCD and the RPA will be entered into before any funds are committed or released. This document provides detail on the contract purpose, scope of work, total funding allocation, budget, and reporting process. The RPA may incur administrative and planning costs directly associated with deliverables accomplished under the SFRRP, unless those costs have been charged to another program. For the purposes of this program, staff costs charged to each contract is determined by the following:

- Prorated share of salary, wages, and related costs of each person whose job includes any program administration assignments
- Actual hours for any agency-based construction laborers at given rate of pay and benefits (this includes weatherization crews temporarily assisting with non-weatherization rehabilitation)

Other direct costs that can be charged to administration include:

- Goods and services necessary for SFRRP administration (e.g., utilities, offices supplies)
- Administrative services under third party agreement (e.g., legal services)
- Providing public information on SFRRP (marketing brochures, advertising, presentations)
- Fair housing activities
- Complying with other federal requirements
- Preparation of work specifications
- Loan processing and underwriting
- Construction inspections and oversight
- Lead based paint inspections
- Project specific environmental reviews
- Budget counseling for clients
- Program coordination and fund leveraging
- Portfolio management issues
- Travel to HCD and other in-state SFRRP-related housing events, training, and conferences (out of state travel required to be approved in advance by HCD)



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Provisions Against Fee Payment

The client loans shall not include any bonus, commission, or fee, to the RPA for the customary processing of a loan, including the preparation of work write-ups and cost estimates, construction oversight, project management, facilitating loan approval, or any concurrence required to complete the project work.

Training for the RPA

The HCD expects the RPA to participate in various single-family training workshops. These workshops will enable the RPA to meet state policy guidelines: contract terms, conditions, assurances, and other provisions, the intent of the Board, and HUD program requirements. As necessary, the HCD staff may meet one-on-one with the RPA to provide customized training and technical assistance. The training builds local program capacity for the RPA and may raise the levels of productivity and efficiency in meeting local affordable housing needs.

Program Management

The SFRRP will fund rehabilitation and reconstruction according to HCD's definitions. Due to the limited state set-aside funding for the SFRRP, the RPA should focus outreach to increase the number of rehabilitated units completed compared to reconstruction units. This allows the fund to serve the greater number of citizens while addressing the overall opportunity to maintain older units in Utah's housing base as affordable and habitable.

RPA Staff Roles

There are several strategic decisions, administrative and key construction management functions that will be undertaken by the RPA. Staff should be able to perform the following:

- Manages and coordinates all aspects of the project from conception to completion with the owners and contractors
- Oversees various construction items and reviews the work of contractors to manage changes and evaluate costs
- Monitors construction to ensure that it is accomplished within the specified scope of work and in accordance with state and local codes
- Fosters good working relationship with the planning and zoning department, fire marshal, city and county code inspectors, public work departments, utility companies, and city council members



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RPA Staff Roles, cont.

- Improves the inspection process, maintains credibility, and meets the demands of the lower income community
- Uses analytical skills to predict and solve problems that might be presented by the job
- Maintains interpersonal and conflict resolution skills to communicate knowledge and concerns to owners and contractors
- Secures services with other agencies to assist with rehabilitation or replacement of units including the Weatherization Assistance Program, CDBG, Rural Development, etc.
- Ensures that units follow the rating process for Energy Star, as applicable
- Reviews and approves application and construction documents
- Collaborates with HCD staff to complete loan closing documents utilizing the templates provided from HCD; upon receipt, HCD will review loan documents for purposes of accuracy within 48 hours of completed application and all supporting documentation
- Schedules loan closings and manages closing details
- Involves procuring contractors for projects
- Identifies cost saving opportunities for construction labor, materials, and contractors

Eligible Property Types

To be eligible for assistance, an income-eligible owner required to occupy a property and be the owner's principal residence where the owner meets one or more of the following HUD criteria:

- has fee simple title to the property
- maintains a 99-year leasehold interest in the property (50 year leasehold on trust or restricted Indian lands)
- has a living trust where the land and home are in the trust, provided the beneficiary of the living trust is a co-signer and will occupy the property as their principal residence
- a townhouse in townhouse-style condominium may be considered a single-unit structure (provided each townhouse-style unit is separated by a one and one-half hour firewall from foundation to roof)
- a single-family dwelling unit in a multi-unit Condominium Project may be considered a single-unit structure
- a manufactured home/mobile home built after 1976 and is compliant with the Federal Manufactured Home Construction and Safety Standards and is located on occupant owned land



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Eligible Activities

Rehabilitation is the improvement or repair of an existing structure to provide decent, safe, and sanitary dwelling units. This will include the provision of such sanitary or other facilities as are required by HUD Property Standards. Rehabilitation requiring work so excessive as to be equivalent to new construction or reconstruction of the property may be demolished and rebuilt under the guidelines below.

Reconstruction refers to rebuilding a structure on the same lot where housing is standing. OWHLF partners with USDA for reconstruction projects; OWHLF will fund up to 20% of the project. Funds may be used to build a new foundation or repair an existing foundation. During the reconstruction, the number of rooms may change per unit, but the number of units may not. Reconstruction may be eligible if the existing home is not economically feasible to rehabilitate due to the current value in relation to the work and the need of the occupants. Units being replaced will be permanently removed from the housing stock through salvage and will **not** be sold as a home under any circumstances. Reconstruction units are preferred to be site-built to provide the highest long-term value to homeowners and as best security against OWHLF loans. Under special circumstances, where contractors or materials are not available due to the remoteness of sites or where the costs for site built housing are cost prohibitive, off-site construction units may be provided. Site built units are deemed cost prohibitive when the cost for the site built unit is approximately 18% or higher than an off-site built unit. All offsite and on-site construction units will meet the agency's specifications for quality workmanship and long-term value of the property. These units will have an estimated useful life of at least 30+ years.

Site improvements should be modest and in keeping with improvements made to typical surrounding properties such as sidewalks, utility connections, sewer and water lines that are essential to the repair of existing units. Off-site infrastructure is not eligible.

Off-site Construction: Manufactured Housing and Modular Homes

The Manufactured Home Construction and Safety Standards (MHCSS) established by HUD define a manufactured home to be "a structure, transportable in one or more sections, when erected on site, is three hundred twenty or more square feet, is built on a permanent chassis and designed to be used as a dwelling with/without a permanent foundation when connected to the required utilities, and includes the plumbing, heating, air-conditioning, and electrical systems contained therein".

The HUD regulations require the manufactured home to be located on land that is owned by the homeowner(s). Necessary repairs to manufactured or modular homes may be eligible if the recipient owns the home and site on which the home is situated; and the **home is manufactured after June 15, 1976**. If the homeowner(s) qualifies and receives the rehabilitation loan, the homeowner(s) is required to surrender the title on a manufactured home to the county assessor to be converted to real property.



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Off-site Construction: Manufactured Housing and Modular Homes, cont.

Utility hook-ups are on-site, permanent, public, or private utility sources (for example, electric, water, sewer/septic, natural gas) for use by individual manufactured home units. The HCD regulation require manufactured homes assisted with HCD funds (except for existing, owner-occupied manufactured homes that are rehabilitated with HCD funds) to be connected to permanent utility hookups.

Manufactured Home: "Mobile home" and "trailer" were commonly used terms before 1976 when Congress adopted legislation using the term "manufactured home" to take their place. The term manufactured home refers to all types of non-motorized manufactured housing units (thus excluding recreational vehicles) that meet the definition in 24 CFR 3280.2. **Homes built pre-1976 are not eligible for rehabilitation loans.** Due to depreciation and durability issues, mobile homes are not considered long-term affordable housing solutions. Agencies should consider repairs to existing mobile homes using the Weatherization Assistance Program resources and other emergency and critical needs funds.

Modular Home: is built in sections in a factory, possesses a permanent chassis (defined at 24 CFR 3280.902 (a)), and will be designed and manufactured in compliance with the MHCSS. This modular home is built in sections in a factory to meet state, local or regional building codes. Once assembled, the modular unit becomes permanently fixed to one site.

Replacing a manufactured housing unit with a stick-built unit is considered a *homebuyer activity* even if the applicant/beneficiary owns the lot and existing manufactured unit (refer to Building HOME, March 2008, Chapter 2, pg. 2-6). Funds may only be expended for repairs to manufactured homes where the RPA verifies the capacity of the pre-rehabilitated unit to safely provide housing to residents for at least ten additional years or useful life. Loans cannot exceed the useful life of the rehabilitated unit. If manufactured home units are seriously dilapidated and unserviceable, the RPA should assist residents in finding other long-term housing opportunities.

State Construction Codes and Local Ordinances

Housing that is reconstructed or rehabilitated with HCD funds is required to meet all applicable state codes, local ordinances, and zoning ordinances at the time of project completion.

State Construction Codes and local ordinances are the legal regulations that each city and the state of Utah enact and enforce for all new and old buildings, including homes. The "Certificate of Occupancy" issued by the local building official certifies that the structure has met code.



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Eligible Costs

Improvement and project considerations that may be included under this program:

- Correcting incipient deficiencies - incipient deficiencies are items that are still functioning as designed but have a life expectancy of 2 years or less
- Alteration, improvement, or modification of an existing structure to improve occupant health and safety
- Moving an existing structure to a new foundation constructed with funds
- Additions to dwellings only when it is clearly necessary to alleviate overcrowding
- General Property Improvements (GPI's) - should be reasonable and customary for the area and will be used in conjunction with correcting a deficiency and:
 - Extend useful life of a component in the home that results in reduced maintenance and/or will extend the useful life of a part of the property
- Work to expand livable space and eliminate inefficient design and to prevent overcrowding
- Purchase a parcel of adjacent land, if the property is required to bring the property into conformance with code requirements for minimum lot size and dimensions
- Reconstruct a kitchen, bathroom, or currently under-utilized space to improve efficiency
 - Not exceed 20% of the total amount of the OWHLF Loan
- Professional Services - the reasonable costs of architectural, engineering, and related professional services required if those services are beyond those normally provided by the RPA
- Contingency Reserve - a fund to cover unanticipated construction costs or to cover increases of other eligible loan costs up to 10% may be included
- Floodproofing requirements - the cost required by Executive Order 11988 and the National Flood Insurance Program should be included in projects, as applicable
- Historic Preservation Standards- if the property is on the National Register of Historic Places or eligible for inclusion on the National Register of Historic Places the work will be done in accordance with standards set by the U.S. Secretary of the Interior
- Lead Based Paint Remedying- the property owner will be informed the cost of remedying identified lead-based paint hazards for the property
- Termite Elimination- there may be an inspection by a termite inspector to confirm infestation of the elimination of the infestation
- Physically Handicapped Accessibility- rehabilitating the property so it is accessible to the physically handicapped household member(s)
- Energy Costs- including Energy Star-rated and other energy saving items that will reduce energy costs



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Emergency Housing Situation Grant

As an option of last resort after all other funding sources are exhausted and within the limits, agencies may submit a request to HCD staff for grant assistance with special emergency housing situations. Emergency housing situations are defined as immediate health and safety problems affecting the ability of the homeowner(s) to remain in a home, conditions that threaten the long-term integrity of a home, or special emergency financial situations that threaten the ability of homeowner(s) to maintain ownership. The following requirements will be met to be eligible:

- The property is the primary residence and owner-occupied
- The homeowner(s) is considered very low-income (50% AMI or below)
- The homeowner(s) cannot afford an additional \$25 monthly payment
- The grant may not exceed \$5000.00
- One Emergency Housing Situation Grant per homeowner(s), per residence, per lifetime

Emergency grants may be awarded to homeowner(s) whose home is on reservation land or land trust where adequate security may not be available to protect a loan.

Ineligible Costs

- Luxury items - saunas, hot tubs, tennis courts, swimming pools, or other recreational facilities (but not the cost to fill in or eliminate a pool from the property)
- Personal Property - the purchase, installation, or repair of furnishings or personal property that is not a part of the property
- Labor - funds to pay the borrower(s) or immediate family members who live in the home for their labor
- Delinquent property taxes, construction liens and similar encumbrances are ineligible costs because they are obligations incurred by the borrower(s) prior to the rehabilitation of the property
- Relocation Expenses

Cost and Long-Term Quality

In developing SFRRP guidelines, the program will strike a balance between the desire to ensure a good quality of construction and the desire to keep project costs reasonable. The RPA should develop a cost estimate before bidding and compare bids with their estimate. The RPA should verify and certify that construction costs are reasonable. Administrative costs shall not exceed 30% of total construction costs.



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Cost and Long-Term Quality, cont.

The reasonableness factor can be determined by pricing comparable work completed by other agencies statewide, through cost estimating software, or from agency records of recently completed projects. In addition, bids should be obtained from an adequate number of sources in accordance with the RPA procurement standards. If only one bidder has responded, and the bid is within the RPA cost estimate the RPA may accept that bid.

For quality control and costing issues, the RPA may also rely on in-house labor. Agencies hosting the Weatherization Assistance Program (WX) should utilize WX labor when demand for WX work allows and with hours paid under the SFRRP.

Asbestos

Where asbestos materials are identified or the RPA suspects the presence of asbestos materials, they will notify the owner of the hazards. Only qualified contractors experienced in asbestos removal will be allowed to work on the project.

Fund Leveraging

Where multiple housing agencies currently serve populations within the same service area, agencies are expected to coordinate their housing efforts within the proposed geographic area to:

- Avoid unnecessary duplication
- Develop funding partnerships for each unit such as loans and grants from CDBG, Weatherization, USDA Rural Development Section 504 and 502 grants and loans, financial institutions, and charitable organizations
- Jointly achieve the goals of an area's current Consolidated Plan
- Protect and spend the funds in a responsible manner
- Ensure the future of the program for generations to come
- Protect and spend the funds in a responsible manner

To concentrate SFRRP monies on those households with the greatest financial need, higher levels of leveraging are especially appropriate as households' approach 80% AMI. Many homeowners prefer utilizing CDBG and other grant funding rather than loan funds for housing improvements. However, with grant thresholds often in place those grant funds alone are unable to fully rehabilitate a unit to HUD standards, leaving an opportunity to "cap" the grant funding with loan funds. The RPA is advised to market OWHLF loan funds as part of an overall funding package that includes a loan with a buy-down grant.



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Loan Amount Limit

SFRRP loans are no less than \$1,000 and shall not exceed \$50,000.

Site and Property Inspections and Decisions

There are three major types of inspections for construction management:

- Initial property inspection that determines and identifies a unit's needs, and the work required for those needs, and the cost feasibility
- Progress inspections to ensure that construction complies with the plans, building codes, performance standards, and done in a timely manner
- Final inspections that are carried out prior to final payment
 - a 10% retainage will be held from progress payments to contractors until the final inspection verifies that all work is satisfactorily completed

Developing Plans, Specifications, and Budget

To perform construction, contractors/subcontractors need to know the scope of work envisioned. Work write-ups, plans and specifications provide this vision to contractors/subcontractors by providing a detailed, accurate description of exact work to be performed. To prepare quality work write-ups the RPA will:

- Prepare - an inspection checklist, a cost database, and understanding of local codes and standards, and the SFRRP program requirements
- Budget - to indicate the amount of loan and what decisions can be made to the work write-up while still correcting deficiencies according to the program
- Property Inspection - note all defects; investigate the cause of the defects and prepare drawings with measurements; prepare a list of defects in a standardized format noting all deficiencies, incipient violations, and items that meet the program requirements
- Initial Cost Estimate - complete the initial cost estimate, feasibility assessment considering the project budget.
- Write Specifications - each work item should be described in sufficient detail so that the work will be performed exactly as desired to comply with the write-up
- Design Approval Process – If the scope of work warrants, prepare drawings for the work to be completed; there should be sufficient detail for contractors to bid on a project and for contractors to accurately build to the scope of work



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Contractor Selection and Bids

Licensed and insured contractors shall be utilized to oversee all work performed under the SFRRP. The RPA's ability to recruit quality contractors will depend on local economic conditions, the presence of contractors in the area, and the management of their construction program. Quality workmanship and competitive pricing are also functions of the RPA's ability to manage and oversee projects.

In some cases, the RPA could work with other housing agencies through jointly selecting area-wide contractors. Much like a bulk purchase of commodities, these contractors may be more interested in remote projects if other projects are guaranteed in the overall package of work from the RPA and its partner agencies.

Here are some key elements in selecting and retaining quality contractors:

- Required to be licensed and insured
- Maintain a list of active contractors who participate regularly in the program (expand the list by contacting city and county building officials)
- Advertise and hold open informational meetings to build interest in the SFRRP
- Establish and follow a written procurement process for contractors with step-by-step description of the process and policy addressing relevant bid issues
- Have periodic meetings with updates to the program and discussion of the projects to bid
- Adhere to HUD's enforcement policies and procedures for action in cases of suspension and debarment
- Establish and follow procedures for handling disputes, client complaints, and change orders
- Develop inspection schedules with homeowner and contractor to assess the work being done
- Where state contracts provide materials (least costly source), then use contractors/subcontractors for installation only
- Select contractors who are open to new ideas including Energy Star

All contractors that bid for SFRRP projects should complete a contractor questionnaire form. The RPA will verify each contractor through the HUD debarred listing (the U.S. General Services Administration's list of Parties Excluded from Federal Procurement). The owners, RPA and contractors are prohibited from employing, awarding contracts, or funding any contractors or subcontractors that have been debarred, suspended, proposed for debarment, or placed in non-eligibility status by HUD. The RPA will maintain records of each verification for a minimum of three years and will verify current contractors on an annual basis.



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RPA Construction Oversight

The RPA shall keep a written policy and effective oversight of the project to keep costs reasonable and reduce unnecessary change orders, code and other violations, contractor/owner disputes, and delays in the payment process. Each RPA should:

- Develop and follow a schedule for project monitoring
- Review the work description with the contractor and homeowner at proceed before a contract is executed
- Include draw schedules and payment processes that are tied to scope of work completions and inspections
- Have change orders reviewed and approved by SFRRP Program Specialist before change order work is started, as applicable

Managing Disputes

Part of dispute resolution is proactively preventing situations from arising. The RPA should be proactive by ensuring the owner(s) and contractors know their roles and responsibilities: by getting a pre-construction agreement from owners and contractors on the work description, and clearly articulating workmanship requirements in the work write-up and specifications. In addition, when disputes arise, the RPA should facilitate resolution of disputes between contractors and the homeowners including:

- Encouraging property owners and contractors to make a good faith effort to resolve the dispute between themselves
- Facilitating property owners and contractors in arbitration with an RPA official, a professional arbitration association, or the RPA board

Project Completion

The RPA will ensure the project is completed as outlined in the scope of work. After project is completed, RPA will submit the following closeout documents to the SFRRP Program Specialist:

- Final claim for reimbursement (submitted through WebGrants with required documentation)
- Order to Proceed
- Waivers of Lien
- Certificate of Completion/Final Payment (completed and signed)
- Project completion documentation (after pictures)



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Repeat Borrowers or Applications for the Same Property

Homeowners requiring additional assistance may apply for additional loan funds if the property has major items that need rehabilitation, and HCD's maximum loan amount has not been reached.

To be considered for additional funds, the current SFRRP loan should be paid off or in good standing with no late payments in the 6 months prior to application request. All other program eligibility requirements will be verified at the time of application.

Project Underwriting, Screening and Application

Application Priority

Applications may be submitted year round for funding consideration through the RPA Project Review Committee or other identified review process. Individual projects may be selected on a "first-come, first-serve basis".

Borrower's Eligibility

An initial determination of eligibility for a particular application is based upon, but not limited to, the following:

- Location of the property is in rural counties of Utah
- Property will be an eligible owner occupied, single-family dwelling
- Applicant(s) owns and occupies the property as a principal residence
- Improvements will address deficiencies that need correction
- Value of the property will support the Loan and be adequate to extend the useful life of the property
- Applicant(s) will be at or below eighty percent (80%) of Area Median Income as defined by HUD for their family size, and the county they reside in



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To determine eligibility, the following should be completed by the applicant(s) and verified by the RPA:

- SFRRP Application (Excel version, signed and dated including the Eligibility Release form)
- Income Verification (for all adults 18+ in the household)
- Credit History
- Mortgage Statement, if applicable (current)
- Property Tax document (current, county location, ownership, and occupancy verification)
- Homeowners Insurance (current, ownership, occupancy, and residency verification)
- Title Report
- Project bid

After these documents have been reviewed by the RPA, they will be sent to the SFRRP Program Specialist for approval.

Comparing Annual Income to HUD Income Limits

Annual Household Income is based on the IRS FORM 1040 Adjusted Gross Income with adjustment to income as defined in [HUD Rules 24 CFR 5.611](#). The Annual Household Income (AHI) should be calculated as the anticipated income during the next 12 months. Verifications cannot be dated earlier than six months prior to eligibility. A minimum of two months of income verification should be obtained to calculate income. Households required to qualify as low income at the time of loan approval. The RPA will use the current year HUD Income Limits (<https://www.hudexchange.info/programs/home/home-income-limits/>) by the family size and by geographic area (county or metropolitan area) to determine income eligibility. A child who is subject to a shared-custody agreement in which the child resides with the household at least 50% of the time may be counted as a dependent.

On the income guideline chart:

- Find the county in which the household is located on the chart
- Find the column that corresponds to the number of persons in the household
- Compare the verified income of the household with the low-income income limit for that household size

To determine household size for income purposes, do not count the following (see IRS website):

- Foster children, unless they live with you the entire year and are cared for like your own children
- Live-in aides and children of live-in aides
- Unborn children
- Children being pursued for legal custody or adoption who are not currently living in the household



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Debt Part 1 (Application)

It is extremely important that all debt with a term of 6 months or longer for payments be inserted here. The debt of the borrower(s) will be a part of the criteria for the decision making of a loan payment. Do not include a medical deduction on the worksheet unless it is verified that over 7% of their gross income is medical costs. Include copies of the medical bills and documentation. If medical expenses are ongoing for more than a year, include a letter from a physician as to the disability.

Underwriting Part II

Annual income of the borrower(s) and any family members over the age of 18 shall be verified. All household members 18 years and older not working or providing income to the household shall complete and sign a zero income affidavit.

Once the underwriter has an idea of what types of income the borrower(s) have, estimates may be entered in the 1040 IRS format section (Annual Income) for the purpose of underwriting the loan.

The loan cannot exceed the smaller of the 31%/41% ratio unless agreed upon by the applicant and the RPA have determined it will not be a financial hardship.

Calculating Household Income

Based on the IRS form 1040 Adjusted Gross Income the following inclusions and exclusions apply:

Inclusions:

- All earnings, including salary and wages, tips, overtime, and bonuses, of the borrower(s), and of all adults living in the property (will also include the income of all persons on the title)
- Taxable interest and dividends
- Taxable refunds, credits, or offsets of state and local income taxes (there are some exceptions, refer to form 1040 instructions)
- Alimony (or separate maintenance payments received)
- Business Income (or loss)
- Capital Gain (or loss)
- Other gains or losses (i.e., assets used in a trade or business that were exchanged or sold)
- Taxable amount of individual retirement account (IRA) distributions (include simplified employee pension (SEP) and savings incentive match plan for employees (SIMPLE) (IRE))



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Inclusions, cont.:

- Taxable amount of pension and annuity payments
- Rental real estate, royalties, partnerships, S corporations, trusts, etc.
- Farm Income (gain or loss)
- Unemployment compensation payments
- Taxable amount of Social Security benefits
- Other Income (includes prizes and awards; gambling, lottery, or raffle winnings; jury duty fees; reimbursements for amounts deducted in previous years; income from the rental of property if not in the business of renting such property; income from an activity not engaged in for profit)

Exclusions

- Child Support
- Alimony Payments
- Life insurance proceeds received as a result of someone's death

Deductions

- IRA Deductions
- Medical savings account deductions
- Moving expenses
- One-half of self-employment tax
- Self-employed health insurance deduction
- Keogh and self-employed SEP and SIMPLE plan
- Penalty on early withdrawal of savings
- Paid alimony

Refer to the IRS publications and website for greater detail for determining income and deductions as it pertains to each individual case.



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Borrower(s) Ability to Repay Loan

The final step in the underwriting process involves making an initial calculation of how much money the borrower(s) can afford to borrow for the project. It is critical that the property can support the loan to minimize losses and to protect the borrower's interests in the property.

If the borrower(s) show sufficient income to meet all obligations within the qualified interest rate, the term of the loan may be shortened to allow for a larger payment and stay within the 31% housing expense ratio.

If the borrower(s) is very low income and cannot meet the criteria of the front and back end ratios, they could be considered for a lower payment adjusted for the income situation. The minimum monthly principal payment is \$25 on amortized loans.

Total monthly debt includes the following payments:

- Monthly principal and interest payments for all current and proposed debt secured by the property, including debt on the SFRRP loan
- Monthly payments for real estate taxes and hazard insurance
- Payments on installment loans and monthly payment on revolving charge account debts with at least six (6) remaining payments
- Health insurance payments not paid through employer
- Alimony, or maintenance payments paid
- Non-reimbursable extraordinary medical costs that reliable medical opinion indicates are likely to continue for more than one (1) year

Applicants who exceed these limits should be referred for consumer debt counseling, allowing the applicant to better restructure their financial situation and afford SFRRP loan payments.

Agency Project Review

Once the actual income verifications have been received, bids have come in, total construction costs have been determined, and underwriting has been finalized, RPA staff to input the necessary information into the application and print the Agency Project Review sheet, or equivalent form, and present it to the RPA Project Review Committee, or RPA equivalent review process, for approval.

Submit documentation with the date of the RPA Project Review Committee approval to the State SFRRP Program Specialist. This commitment date is important to state and federal reporting.



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Agency Project Review, cont.

If the amount of the Loan will not cover the total cost of the project, the borrower(s) will have to be able to obtain sufficient funds to complete the project without over-extending their ability to repay the debt. The borrower(s) may use RPA funds for grants (see Emergency Housing Situation Grants) to lower the amount of SFRRP and USDA-RD loans as a last resort when all other avenues have been expended.

If there are some funds the borrower(s) obtain through additional loans, the RPA will verify that these funds are indeed available to the borrower(s), and the RPA will add these funds to the calculations to determine if the borrower(s) can afford to take on an additional loan.

If the funds are to be provided from cash reserves or cash equivalents by the borrower(s), the sources, availability, and liquidity of the additional funds will be verified.

These additional cash reserves or cash equivalents may be cash on deposit, cash on hand, cash surrender value of life insurance, proceeds from the sale of marketable securities or other assets, gifts of cash, or cash equivalents. Required to be deposited in borrower(s) escrow.

Title

An Abstract of Title from the county should be obtained and reviewed before incurring cost of a preliminary title report during the pre-screening process.

Title will be cleared of all extraordinary liens and encumbrances including:

- Judgments
- Past due property tax liens
- Past due special assessment liens
- Mechanics liens
- Real estate contracts not between title owner and borrower
- Paid off mortgages not released
- Lawsuits
- Life Estates (will be reviewed and determined that residency is granted only to persons applying for loan)
- As to child support judgments, the Office of Recovery Services and the parent will come into agreement of payments until the judgment is cleared



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Determine After-Rehabilitation Value

To establish project eligibility, after-rehabilitation value will be determined prior to any work being performed. Maintain documentation of the after-rehabilitation calculations for each project. One or more of the following methods may determine the after-rehabilitation value:

- estimates of value by the RPA may be used
- either a licensed fee appraiser or a staff appraiser of the RPA may be used;
- a comparable property located in the same neighborhood may be used to establish the after-rehabilitation value if the assessment is current and accurately reflects market value after rehabilitation

Maximum Property Value, FHA 203(b) Mortgage Limits

Housing that is currently owned by a family qualifies as affordable housing only if the **value** of the property, **after rehabilitation** does not exceed 95% of the median purchase price as stated in Section 215(b) of the National Affordable Housing Act (NAHA). These limits are updated annually. Total debt secured by the property includes the full amount of:

- Any lien(s) superior to the SFRRP Loan (principal only) secured by the property
- Amount of the principal of the SFRRP Loan

Verifying Information on Finances and Property

Verifying Income

A minimum of two full months of income verification (e.g., paystubs, social security letter) dated within 6 months of application. If income verification doesn't reflect accurate annual income, RPA may use a copy of the household's tax return Form 1040 and all schedules signed by the borrower(s) and filed with the IRS.

The RPA will use a "snapshot" of the household's current circumstances to estimate future income. The RPA will assume that today's circumstances would continue for the next 12 months unless there is verifiable evidence to the contrary. This method will be used even when it is not clear that the type of income received currently will continue in the coming year. The exception to this rule is when documentation is provided that current circumstances are about to change.

Some third party providers (such as banks) may charge a fee to provide information. In such cases, the RPA can use suitable documentation, for example, bank statements or a savings passbook. Costs associated with third-party verifications are considered eligible expenses and include verifying credit, income, employment, appraisals, and title evidence so long as the fees are reasonable and customary.



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Other Forms of Income

If Self Employed, two years of IRS Tax forms will be averaged to determine income. The RPA will be careful to not include business deductions related to the dwelling unit being rehabilitated. Income should be adjusted to exclude one-time losses, windfalls, and paper losses. If self-employed a K-1 or a schedule C (revenue and expense) should be attached to the tax return.

If two years of tax forms are not available, where the principal source of income is from the borrower(s) business, whether owned individually or by a Corporation or Partnership, a copy of audited financial statements for the entity prepared by an accountant, including a currently dated balance sheet and statement of operations, or a signed copy of the legal entities current tax return filed with the IRS will be obtained for partnerships, this same information will be obtained from all general partners.

Income from Rental Units in two to four unit Owner Occupied properties will be included.

Regular Contributions or Payments from Others including funds contributed by other family members regardless of whether they live in the same dwelling as the prospective borrower(s) will be included in income verified with canceled checks written by the payer, bank statements showing deposits in the prospective borrower's account, or a written agreement concerning the contribution or payment.

Unemployment or Temporary Disabilities when calculating income for borrower(s) who are unemployed or temporarily disabled, use six (6) months unemployment or disability compensation plus six (6) months of income from the last job for a yearly income. If there have been periods of unemployment over the previous two years, the borrower(s) will explain the reason in writing.

Food Stamps, Welfare, Pension, Disability, Social Security or Social Service Benefits the acceptable methods of verifying such income include any of the following:

- An original benefits form obtained 3rd party or
- A copy of the award letter or benefit check (marked void) with a bank statement showing the same dollar amounts



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Verifying Mortgage and Lien Status

Acceptable mortgage verification can be a mortgage statement, letter from the mortgagee, or the HUD 3rd party Mortgage Verification Form. The RPA should ensure that a current verification is utilized. The mortgage verification will also determine the terms of any future payments that may vary, such as:

- Adjustable Rate Mortgages
- Open-ended mortgages or Reverse Mortgages:
 - An open-ended mortgage permits the Borrower to add new advances to the lien; open-ended mortgages prior to (i.e., more senior than) the SFRRP Loan, the RPA will consider the amount of the lien to be the full amount that could be advanced (even if not yet advanced), unless the open-ended mortgage lender agrees in a recorded instrument to subordinate any future advances to the SFRRP Loan.
- Balloon Note:
 - A SFRRP Loan may be made to borrower(s) who have a Balloon Note secured by the property if one of the following conditions is met:
 - the balloon will be junior to the SFRRP Loan and is scheduled to come due after the completion of construction on the project; OR,
 - the balloon will be senior to the SFRRP Loan, if it was closed at least one year prior to the submission of the preliminary application, and the balloon payment is scheduled to come due at least five years after the expected date of settlement of the SFRRP Loan, and the loan to value ratio on all debt, including the SFRRP Loan, does not exceed 80% of the As-Is-Value.

Verifying Title

The RPA will obtain a title report showing all mortgages and liens on the property and verify the status of all mortgages and liens. The RPA is responsible for reviewing a preliminary title report prior to loan closing.

The preliminary title report will show:

- The borrower(s) have good and marketable title to the property being used for security
- The title is only subject to such liens and encumbrances as are approved by the RPA as part of the determination of acceptable risk

All encumbrances on the title will be specifically listed in the SFRRP application.



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Verifying Hazard Insurance

The insurance policy will have OWHLF listed as "Mortgagee". Insurance coverage will be in an amount equal to or greater than existing and proposed debt minus an amount equal to the land value and is required to be in place at the time each SFRRP Loan is closed. Insurance coverage is required for the duration of the loan. Division is to be shown as a co-insured on the Notice provided by the Insurance Company. Initial Notice will be placed in the file. A Notice of Renewal will be sent to HCD annually from the owner's Insurance Company.

Verifying Credit History – The Credit Report

The borrower(s) will have a credit history that demonstrates a consistent ability to meet financial obligations when due. The RPA determination about the borrower's credit history will be based upon the credit report.

Credit scores in the range of 580-669 indicate fair credit, above 670 are good.

All accounts listed in the credit report will be accounted for on the loan application, except installment loans with less than six payments remaining. A written explanation from the RPA should explain reasons for past credit problems appearing on the credit report and will be maintained in the file.

The following will be evaluated on the credit report and compared to the application:

- Payment history of revolving or installment debts that are more than 90 days late.
- Ratings on the outstanding debts
- Debts with the balances due or paid in full
- Data from a search of public and/or court records for liens, suits, foreclosures, bankruptcies, and judgments

Legal actions, including liens, judgments, garnishments, suits, and foreclosures will be satisfied in full or with terms arranged for payment. The credit history after the legal action will be current. The borrower(s) having judgments and collection accounts should not be considered for a loan unless the following items are met and deemed acceptable: (1) a letter explaining reasons for slow payments; and (2) a good credit report for approximately one year from the date of satisfaction of payment or resolution of above. The borrower(s) having had a bankruptcy should not be considered for a loan unless the following items are met and deemed acceptable: (1) a letter explaining reasons for bankruptcy; and (2) a good credit report for approximately one year after discharge on a Chapter 7 bankruptcy to show credibility in making payments or saving money. A Chapter 11 bankruptcy will show current payments for approximately one year from the filing date under the credit plan.



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Research the Report

A credit report will be obtained from a reputable and independent credit reporting agency on each borrower signing the note and security instrument, whether as borrower, guarantor, co-signer, or surety.

A single agency credit report does inform on judgments, public records, and an overall indication of responsible debt management. The 40 point difference indicated by each credit reporting agency should not impact the approval or disapproval of a loan.

Loan Underwriting Guidelines

Security and Defaults

Loans are made when the borrower(s) are likely to repay and/or when there is adequate security in case of defaults. The RPA is required to evaluate the financial risks involved in each individual case and reject those applications deemed unacceptable. The RPA should provide the applicant with a written explanation of rejection.

Eligible loan costs should be covered with the loan and amortized over the loan term.

The borrower(s) may provide personal funds to cover any eligible and/or ineligible project costs.

There are six key variables that the RPA will evaluate when underwriting loans to determine if the borrower(s) are an acceptable risk. The RPA will use sound judgment in applying the principles established below:

- Affordability of the loan
- The borrower's income
- Long-term credit history
- The borrower's financial interest and motivation to retain the property
- The value of the security/property capable of supporting the loan
- The scope of the proposed project work

After all the Underwriting factors have been considered, the data has been processed and the potential borrower(s) are deemed an acceptable risk, the RPA should recommend approval of the Loan to the RPA Project Review Committee.



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Types of Loans

There is a range of financing options that have been created to meet the variety of homeowner needs depending on the borrower(s) ability to repay the loan monthly. Repayment loans maximum term of up to 30 years. The term of a loan will be determined by the borrower's monthly income-to-debt ratio.

Interest Rates

The interest rate for the SFRRP Loan is dependent on the borrower's income and the Area Median Income of the residing county. Interest rates may change with each year's allocation plan. The interest rate is calculated for affordability to the homeowner, may be factored on a case by case basis, and does not guarantee the applicant the interest rates listed below:

- Special Cases may be 0% or with an interest only payment
- Below 50% AMI is 1-2%
- 51-60% AMI is 2.5%
- 61%-80% AMI is 3%

Interest bearing loans are non-recourse amortizing loans having a recorded Trust Deed and a Trust Deed Note. All Trust Deeds will include a "First Right of Refusal" for the OWHLF.

Determining Loan Amount

Before the loan is underwritten, the RPA will calculate the exact amount of the loan. The loan amount is determined by adding all the following:

- The cost of the proposed project work
- Contingency reserve
- Closing costs

Determining First Payment Due Date

When establishing the first payment due date of a SFRRP loan (with or without the refinance of an existing mortgage), ***allow 6 months after the estimated completion date of the project before the first payment is due.*** Schedule interest on loan to begin 30 days prior to the first payment due date. Calculate escrow of property taxes and insurance accordingly.



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Refinance

Refinancing the unit's existing secured debt may be an eligible cost only to the extent that the homeowner is otherwise unable to afford payments for the SFRRP financing. The rehabilitation cost must be greater than the amount of debt that is refinanced. Under this circumstance, HCD is required to approve the loan.

Refinancing unsecured debt may be eligible if it is necessary to reduce the owner's overall housing costs, make the housing more affordable, and continue long-term affordability. Refinancing for the purpose of taking out equity is not permitted.

Exceptions for Extraordinary Circumstances

The borrower(s) monthly expense-to-income and debt-to-income ratios (31/41%) will not be exceeded except in extraordinary circumstances in which case approval will be obtained from the SFRRP Program Specialist. If such an approval is needed, the RPA will include a written justification in the case file. These exceptions may only be granted on a case-by-case basis. Examples of conditions that could justify higher ratios include but are not limited to the following:

- The demonstrated ability of the borrower(s) to successfully devote a greater portion of income to housing expenses
- The demonstrated ability of the borrower(s) to maintain an excellent credit history, to accumulate savings, and to maintain a debt-free position
- The substantial probability that the borrower's income will increase, based on their education, job training, or time employed or practiced in a profession within the next 12 months
- The borrower's net worth being substantial enough to evidence an ability to repay the loan regardless of income

If the PITI payment falls in between the front and back end ratios, the 31% for housing could increase if the back end ratio does not exceed approximately 41%.



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RPA Project Review Committee Process

The RPA should establish a written policy for reviewing applications. The RPA should establish a committee to review each SFRRP application; the committee may deny any application that does not meet the criteria set forth in this document and accomplish the long-term goals of the program. All decisions should be signed and dated by the committee for federal and state reporting purposes.

RPA's Final Decision on the Loan

After the underwriting factors have been considered, the data has been processed and the potential borrower is deemed an acceptable risk, the RPA shall present the application to the RPA Project Review Committee for one of the following determinations:

- Approval: the RPA will notify the borrower(s) of the RPA Project Review Committee's final decision, retain a copy of that letter in the applicant file and follow next steps in submitting the loan packet to the SFRRP Program Specialist.
- Rejection: the RPA staff will provide the applicant with a letter stating the reason for rejection and inform the applicant of the appeal process and retain a copy of that letter in the applicant file.
- Follow-up: the applicant will be notified and the RPA will work with the applicant to obtain necessary information and resubmit the application at the next RPA Project Review Committee meeting.

Final Loan Approval & Loan Number

The "loan packet" will be submitted to the SFRRP Program Specialist for final review, approval, and assignment of loan number. The following documents must be submitted:

- Application (Excel version and a signed copy)
- Income verification (must be within the most recent 6 months of application)
 - Income calculation sheet & 2 months supporting documentation
- Credit History
- Mortgage Statement, if applicable (current)
- Property Tax (current)
- Homeowners Insurance (current)
- Title Report
- Project Bid (include before pictures of proposed project)
- RPA Project Review (i.e.,: signed board approval, approved minutes, etc.)



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Client Appeal and Fair Hearing Process

If the borrower(s) loan application is denied, they may petition to have their case heard with the RPA Project Review Committee and anyone else the RPA deems to have participate at the hearing. The borrower(s) will submit in writing their concerns. The RPA shall make an appointment with the RPA Project Review Committee as soon as possible, once receiving the written concerns from the borrower(s).

The hearing process should be determined by the RPA's policy. A determination should be made within 60 days of receipt of borrower(s) letter of concerns. The RPA staff should provide documentation of the RPA Project Review Committee determination within 10 days of hearing.

Loan Closing

Closing Costs

The closing costs may be refundable if the borrower(s) cancels the loan in accordance with the Truth-in-Lending Act. These costs can include, but are not limited to:

- Credit reports
- Preliminary commitment for title insurance
- Title report
- Fees for recording and filing legal documents related to the loan
- Attorney fees
- Appraisal fees
- Energy audit
- Other fees as approved by SFRRP Program Specialist

When requesting the documents that come with fees, the RPA should request the borrower(s) sign a document that states if they do not proceed with the loan, they are responsible for the costs.



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Preparation and Execution of Settlement Documents

Commitment for Title Insurance is required on project loans greater than \$5,000.00.

The RPA will attend the loan closing conducted by a title company. Loans under \$5,000 are not required to close at a title company, but still require the presence of the RPA and a Notary Public. The title company is responsible to ensure the validity and priority of the lien in accordance with the approved loan applications, compliance with all other settlement-related requirements, and all applicable laws and regulations.

The amount of funds collected in escrow for taxes and insurance will be determined prior to loan closing as per industry standards. The settlement agent (title company or escrow company assigned, or RPA) will have the required loan documents signed by the borrower(s). The required loan documents will be in a standardized form approved by the OWHLF.

The following loan documents will be prepared and executed:

- Truth-in-Lending Disclosure Statement (will be prepared for the borrower(s) by the title company or RPA for all loans)
- Right of Rescission (72 hour notice)
- Trust Deed Note (the legal instrument that establishes the legal and financial obligations of the borrower(s) with respect to repayment of the loan)
- Trust Deed (the standard form of Trust Deed, and will secure the Trust Deed Note approved by legal counsel and will provide the lender with an interest in, or a claim to, the mortgaged property as security for the loan)
- Escrow Worksheet (if applicable, showing amounts to be collected for insurance, taxes, and special assessments)
- Request for Notice (will be completed, signed, and recorded in the appropriate county Recorder's office if the OWHLF loan is subordinate to any other liens)
- Energy Star Certificate (as applicable, filed in the appropriate County Recorder's Office)

Supplemental Financing in Escrow

The borrower(s) may supply supplemental financing, and which will be placed at settlement into an escrow account that is controlled by the RPA. Supplemental financing being supplied will be set aside for the rehabilitation through a legally binding commitment provided at loan settlement.



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Truth-in-Lending and Real Estate Settlement Procedures

The settlement agent for all loans will prepare the Truth-in-Lending Disclosure Statement for the borrower(s) to Owner Occupants. It includes the amount borrowed, the interest rate, the total finance charges, terms of the loan, payment due date, the loan closing costs, and a description of the security for the loan.

Right to Cancel: The settlement agent will inform the borrower(s) who is entitled to cancel the loan transaction of their rights in accordance with this paragraph and will provide such borrower(s) with a written Notice of Right to Rescission (NRR). If the loan is a second mortgage, there is a 3-day rescission period. First mortgage loans have no rescission period.

The settlement agent will give the borrower(s) two properly completed copies of the Notice (NRR) at loan settlement before the Trust Deed Note and Trust Deed are executed.

To compute the running of the three-day (3) cancellation period for entry on the Notice, treat the date of loan settlement as Day Zero, and the next business day as Day 1, and so forth. The right of cancellation expires on midnight of Day 3. A business day is any calendar day except Saturday and Sunday and a legal, Federal holiday (pursuant to 5 USC 6103 (a)), including the following holidays: New Year's Day, Birthday of Martin Luther King, Jr., Washington's Birthday, Memorial Day, Juneteenth National Independence Day, Independence Day, Labor Day, Columbus Day, Veterans Day, Thanksgiving Day, Christmas Day.

The borrower(s) may exercise the right of cancellation by giving written notice within the cancellation period. One means, but not the only means, of giving notice is to sign and date the appropriate space on a copy of the Notice provided at settlement and return it. If there is more than one borrower with the right to cancel a particular loan, any borrower may cancel the entire transaction. To be effective, the borrower's notice will be given in writing within the three-day cancellation period.

The Notice is considered "given" when it is mailed or filed for transmission electronically, when it is received. It is, therefore, quite possible that the HCD will not receive the Notice until sometime after the Notice has taken effect and the transaction has been canceled. For this reason, the settlement agent, at settlement, should inform the borrower(s) that they should telephone the HCD staff if they decide within the cancellation period to cancel the transaction.

Upon receiving a borrower's timely Notice under the Truth-in-Lending procedures, HCD will promptly take action necessary to release the borrower from the transaction.

No disbursements can be made until the cancellation period has expired and the Trust Deed has been properly recorded in the appropriate County Recorder's office.



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Insurance, Taxes, and Special Assessments

The settlement agent will ensure that required insurance policies (including hazard or property insurance and flood insurance, if required) are adequate and in force. The borrower(s) are responsible to pay the cost of required insurance.

- Level of Coverage - hazard and flood insurance policies will cover existing secured debt, if any, plus the amount of the loan; if the property is vacant and is not readily insurable, it will be covered by a builder's risk policy.
- Mortgage Clause - all insurance policies will include a mortgagee clause, respective to lien order on the property, designating the Olene Walker Housing Loan Fund, as beneficiary.
- Required Documentation - a copy of the insurance policy or a binder sufficient to support the insurance requirement, together with evidence of premium being paid.

Closing Costs will be collected in either of the following two ways:

- the Closing Costs may be paid at loan settlement with the borrower's own funds.
- the Closing Costs may be paid out of loan funds.

SFRRP Construction/Rehabilitation Contract

The RPA will assure that a SFRRP Contract has been executed by the parties thereto either before or at loan settlement. This contract will cover all work to be performed on the property under the approved loan application.

While execution of this contract may be delayed past the completion of loan settlement, the contract will be drafted so that no contractor is permitted to begin work, and materials are not delivered to the property, until the loan security instrument is recorded and, in the event that a Truth-in-Lending rescission period applies to the loan, until such rescission period has expired.

Additional documents that may be required at closing:

- Order to Proceed
- Scope of Services
- Bids
- Change Order
- Verification of Hazard and Flood Insurance
- Lead-Based Paint Certification
- Energy Rating



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Involvement of HCD Legal Counsel

HCD legal counsel will participate as necessary to assure the legal enforceability of the loan documents, and the priority of the lien on the loan security instrument in accordance with the approved loan application, and that all the documents are legally enforceable.

Post Settlement

Following the completion of the loan closing, the settlement agent or title company will immediately record the documents required for all loans with the appropriate county recorder. Prompt recording is necessary to ensure the legal enforceability and the approved priority of the lien position. When the settlement is complete, the RPA should hold a proceed meeting with the homeowner and contractor. After reviewing the work to be done and agreed to by all parties, a proceed order should be signed and the contractor may begin work.

Due and Payable

The total unpaid principal balance, including any accrued interest and late charges becomes immediately due and payable:

- If the property is sold, conveyed, disposed, assigned, or transferred;
- If the owner of the property ceases to make the property their primary residence;
- If a senior lien is refinanced; or
- Upon the death of the borrower.

Flood Insurance

[The National Flood Insurance Program \(NFIP\)](#) is authorized by the [National Flood Insurance Act of 1968 \(Title XIII of P.L. 90-448, as amended, 42 U.S.C. §§4001 et seq.\)](#) and is the primary source of flood insurance coverage for residential properties in the United States.



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Underwriting Loans in Special Flood Hazard Areas

The amount of flood insurance coverage will be for at least the outstanding principal balance of the loan and will be continued for the term of the loan. The loan file will include evidence that the OWHLF has been added as a lienholder on an existing flood insurance policy and the insurance is written in an amount sufficient to protect HCD interest. Proof of insurance will be documented with a fully executed copy of the flood insurance policy or binder issued by the insurance agent as a paid receipt.

Should the state lose its eligibility for participation in the National Flood Insurance Program (NFIP), flood insurance would no longer be available to program participants and the assisted owner's responsibility to renew an existing flood insurance policy would automatically be terminated.

Elevating the basement of the building or otherwise flood proofing (in accord with NFIP standards or in compliance with Executive Order 11988) does not remove the legal obligation to purchase and maintain flood insurance for the life of the loan, so long as the building remains located in the designated special flood hazard area; such precautions are generally designed to reduce the potential of flooding damage to buildings, but do not eliminate potential flooding or financial loss caused by flooding. To obtain information about the insurability of any particular property, the borrower(s) should contact their insurance agent or the NFIP's servicing contractor.

Government Records and Management Act (GRAMA)

A GRAMA request is an open records request. Requests for individual records will be made in writing. Requests will be signed and dated, indicate the records requested (including case number or PID), indicate where the records are to be sent, and provide a daytime telephone number where the requester may be reached, in case our office has additional questions. For more information on GRAMA requests, see <https://jobs.utah.gov/departments/contact/dwsdatashare/grama.html>.

Right To Financial Privacy Act

Any person or organization acting for HCD, will comply with the [Right to Financial Privacy Act \(12 U.S.C. 3401\)](#) in obtaining financial records or information from any financial institution, concerning any individual or any partnership or five or fewer individuals in connection with any loan. Financial records and information may be used only for the purposes for which they were originally intended.



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The Fair Housing Act

[Title VIII of the Civil Rights Act of 1968 \(Fair Housing Act\)](#), as amended, prohibits discrimination in the sale, rental, and financing of dwellings, and in other housing-related transactions, because of race, color, religion, sex (including gender identity and sexual orientation), familial status, national origin, and disability. It also requires that all federal programs relating to housing and urban development be administered in a manner that affirmatively furthers fair housing (42 U.S.C. §§ 3601-19).

The Equal Opportunity Act

[The Equal Credit Opportunity Act \[ECOA\]](#), 15 U.S.C. 1691 et seq. prohibits creditors from discriminating against credit applicants on the basis of race, color, religion, national origin, sex, marital status, age, because an applicant receives income from a public assistance program, or because an applicant has in good faith exercised any right under the Consumer Credit Protection Act. The RPA will pay particular attention to the ECOA when underwriting loans.

Portfolio Management

Loan Servicing Issues

Portfolio management is the responsibility of HCD. However, HCD may call upon the RPA as needed, to assist in minor loan servicing issues. This may include but is not limited to: driving by a property for inspection, picking up a payment, or meeting with contractors to secure an asset after foreclosure.

Hazard, Flood Insurance, and Taxes Follow-Up

All properties require adequate insurance coverage throughout the term of the loan. All properties are required to stay current on property taxes throughout the term of the loan. HCD will review property taxes and insurance policies annually for compliance.



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Subordinations

OWHLF is not obligated to subordinate its interest in their loan for any reason, but may consider requests for a loan subordination that strictly meet criteria set by the HCD, as identified in the HCD loan subordination policy as follows:

- All requests for subordinations will be submitted to HCD, in writing or by email from the borrower(s), accompanied by documentation for the reason thereof; all subordination requests, after receipt of requested documentation, will require two weeks for staff to review
- Will be submitted within the first 5 years from the date of the Trust Deed Note to HCD from the borrower, otherwise the loan should be paid off
- For a FHA streamline refinance of the 1st mortgage, it will be for the purpose of lowering a fixed interest rate by one full basis point (1%) or greater; no cash out to the borrower(s) and the new loan amount to the 1st mortgage cannot exceed 95% combined LTV
- The borrower(s) give consent for the new lender to release their application with all verifications for review; these should include, but no be limited to: 3rd party employment verifications, good faith estimate, title report, appraisal and copy of the signed closing statement if subordination is approved
- The title company will prepare the subordination agreement to be signed by HCD stipulating the maximum amount of new loan that HCD has agreed to subordinate to
- All costs associated with the recording, etc. will be included in costs to the borrower at the time of closing.

Loan Assumptions and Restructuring

HCD policy is not to permit assumptions of loans, however, assumptions will be considered on a case-by-case basis, unless the note is identified as a non-assumable note. To be considered, the client should meet the following criteria:

- The new owner can assume all loans superior to the HCD with no increase in principal, and
- The new owner will meet the eligibility requirements for the specific loan type, and
- HCD will rewrite the interest rate, payment, and term of its original Trust Deed Note to meet the new borrower's financial ability.

Loan Recapture

See Single-family Loan Recapture Policy.



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Increased Loan Amount

Unforeseen work during construction, which is required to bring the property into conformance with State Construction Codes and local ordinances, may make it necessary to increase an already closed loan. If the loan contingency or eliminating planned General Property Improvement (GPI) is not available, the RPA may increase the loan amount if all loan limits established in the Policy are met. If the original loan is increased the approval will be in place before the new loan is closed. The new loan will require a Modification Agreement, a Modified Escrow Agreement and additional escrow deposit (if applicable) and another loan closing.

Loan Payoffs and Reconveyances

When loans become paid in full HCD will reconvey the trust deed associated with that loan to the property owner. When a loan payoff or final payment is received, the following steps will be completed to assure the reconveyance is properly executed:

- A review of the loan history is done to determine that there is zero balance and signs a Request for Reconveyance
- The Request for Reconveyance is prepared and given to the Trustee along with the original Trust Deed Note and Trust Deed; the Trustee will then prepare a Deed of Reconveyance and record the reconveyance
- Once recorded, the Deed of Reconveyance is returned to HCD and a copy of the Deed of Reconveyance is placed in the loan file; the original is sent to the property owner.

State Contracts and Payments

Authorized Funding for Projects

State contracts provide authorized funding levels to the RPA for completion of specific scope of work items. The contracts require the state and agencies to abide by the various federal and state statutes and regulations incorporated as attachments to the contract.

Each agency under the SFRRP will receive an overall contract from HCD that includes an allocation for single-family unit production within the RPA service area, an allotment for performance-based administrative funds, a performance target, and a fixed performance period.

The contract's set-aside for agency administration is based upon unit production within the RPA service area. Contract terms and provisions such as the contract end date can only be revised by formal amendment to the original contract document.



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Contract Period

The contract period begins no earlier than the OWHLF Board’s approval of the annual allocation plan. The beginning and ending date of the state fiscal year may limit the contract period for state-funded contracts (contracts funded with state general funds). Whereas HOME funds along with SFRRP income funds (state and federal) allow for flexibility in the contract period. HCD intends to allocate state funds for the SFRRP.

Payment Requests

Agencies will submit claims for reimbursement via Webgrants with required documentation. The total amount of the claim shown on the Summary of Expenditures will match the amount requested in the corresponding Webgrants budget category to be processed for payment. In the event of discrepancy or questions of eligibility, the SFRRP Program Specialist will notify the RPA and put the claim in “Correcting” mode for the RPA to reconcile the claim and re-submit for payment.

Monitoring of RPAs

Monitoring

Effective monitoring is an ongoing process of planning, implementation, communication, and follow-up. As a result, monitoring activities will be scheduled throughout the program years. The state shall have the right to monitor the RPA’s performance. Monitoring of performance shall be at the complete discretion of HCD, which will include but is not limited to the RPA’s fiscal operations, and the terms, conditions, attachments, scope of work, and performance requirements of the contract. RPAs will be monitored as outlined in the contract scope of work.

The Monitoring Report

There are three stages of intervention: low-level-, moderate-level, and high-level, each starting with planning strategies or technical assistance for problems, moving to imposing probationary statuses and the most serious to terminate and initiate legal action. Intervention will range from administering technical assistance to terminating the RPA funding.

HCD will develop a plan for correction of deficiencies with each RPA and will establish corrective actions should agencies fail to resolve deficiencies in a timely manner.



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Concerns or Findings

A concern is a deficiency in program performance that is not based on a statutory or regulation requirement that HCD feels should be corrected to ensure program compliance. HCD will recommend actions to address the concern and provide technical assistance. A concern, if not properly addressed, could become a finding. A finding is a deficiency based on a statutory or regulatory requirement that HCD is authorized to apply sanctions or other corrective actions.

If it is discovered that the RPA is in default (not in compliance with the contract), RPA may be subject to sanctions. Those may include:

- Warnings
- Audits
- Temporary suspension of payments
- Termination
- Demand for the return of funds
- Suspension/debarment from participating in future state entity grants and contracts
 - Default may also result in the cancellation of other agreements between the RPA and the State.

Future Planning

HCD will assist or provide:

- Networking between the RPAs to share ideas and provide collaboration between each other to advise and guide proper administration of the program.
- Enhance the RPA knowledge of effective program administration through:
 - Orientation sessions
 - Workshops
 - Technical Assistance



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Single-family Loan Recapture Policy (Board Approved 4/22/2021)

In the event that the borrower(s) does not have sufficient proceeds from the sale of a project that was funded by OWHLF, decisions will be made on a case-by-case basis on how to proceed to recapture the funds. After following all necessary steps as listed in the Foreclosure and Asset Management Section of this manual, a committee consisting of OWHLF staff and management will be authorized to make all decisions in lowering prices and accepting offers based upon the history and condition of the property. When a decision is made to lower the price of a property or to accept an offer that will not generate enough proceeds to pay off the OWHLF loan, the portion of the loan that cannot be recaptured will be considered a grant. For accounting purposes, this portion of the loan will be converted from a loan to a grant using object code 7512. For loans that were funded with HOME funds, repayment to the HOME account for the portion of the loan that is converted to a grant is not required and HOME affordability requirements will be considered satisfied. See HUD CPD Notice [here](#).

The OWHLF Board will be notified for ratification when properties have sold in which more than \$5,000 of a loan has been converted to a grant.

For all projects, single-family or multi-family, the OWHLF Board has authority to forgive principal and interest. In the event that principal is forgiven on a loan, the amount that is forgiven will be converted from a loan to a grant. The amount of accrued interest that is forgiven will be reversed in CLCS, the loan servicing system. The interest that is forgiven will also be reduced from reported program income.

Single-Family Loan Default Policy

In the event that a single-family loan becomes delinquent (over 90 days past due) staff will contact the borrower(s) to discuss, and better understand, their financial situation. Based on that conversation, staff will have the borrower(s) fill out a Single-Family Application. Staff will review the application and then meet with the Program Manager to decide the best course of action. Because each situation is unique, they will need to be reviewed on a case-by-case basis. Options that may help the borrower(s) stay current include but are not limited to a payment plan, modifying the Trust Deed Note, payment forbearance, or deferring the loan. If a modification to the Trust Deed Note is needed, the loan will be reviewed by the Attorney General's Office, who will also prepare the Modification Agreement.

The borrower(s) must still qualify for the program for which they were originally awarded funding, the home must continue to be their primary residence, and taxes and insurance must be current.



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Single Family Rehabilitation and Reconstruction Program Project Checklist

Application Review

- Application (Excel version and a signed copy)
- Income verification (must be within the most recent 6 months of application)
 - ★ Provide annual income calculation sheet along with 2 months supporting documentation
- Credit History
- Mortgage Statement, if applicable (current)
- Property Tax (current)
- Homeowners Insurance (current)
- Title Report
- Project Bid (include before pictures of proposed project)
- RPA Project Review (ie: signed board approval, approved minutes, etc)
- Create Project in Webgrants (upload all attachments)

Prepare and Execute Settlement Documents

- Commitment for Title Insurance (for funding greater than \$5000)
- Create Settlement Documents and send to SFRRP Program Specialist for review
 - ★ First payment due date a minimum of **6 months** after estimated completion date
- Settlement Documents (signed and recorded) sent to SFRRP Program Specialist
- SFRRP Rehabilitation Contract



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Single Family Rehabilitation and Reconstruction Program
Project Checklist, cont.

Project Management

- Change Order(s) will be submitted for approval from the SFRRP Program Specialist (if applicable)
- Loan Modification (if applicable)
- claim for reimbursement (submitted through WebGrants with required documentation)

Project Closeout

- Final claim for reimbursement (submitted through WebGrants with required documentation)
- Waivers of Lien
- Certificate of Completion/Final Payment (completed and signed)
- Project completion documentation (after pictures)



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The HomeChoice Program

Purpose

The HomeChoice program is a statewide program and is administered by Neighborhood Nonprofit Housing Corporation (NNHC). Eligible borrowers include any low- or moderate-income individuals or their dependents defined as disabled by the Americans with Disabilities Act of 1990, or any person defined as handicapped by the Fair Housing Amendments Act of 1988.

Program Rules

Borrower Criteria

- All co-borrowers must sign the note and be fully underwritten.
- Borrowers with a legally appointed guardian with a 24-month history of managing the financial affairs of the borrower are eligible
- A non-occupant co-borrower who is a family member or legal guardian may be used
- All borrowers must receive HomeChoice orientation to be eligible for OWHLF assistance. They must also attend a one-on-one session with a HomeChoice Specialist prior to receiving OWHLF money
- All first-time homebuyers and applicants with re-established good credit must attend a HomeChoice-approved homebuyer education program and provide certificate of completion
- Non-taxable sources of support, such as SSI, may be grossed up by a factor that reflects the tax savings to the borrower
- All borrowers must have an income at or below 80% of the AMI (Area Median Income)
- Borrower shall maintain a 45% debt-to-income ratio. However, the approval committee may allow an increase of up to 47% with a good credit history and no other lending concerns
- Borrowers must also be qualified using a budget-based worksheet that evaluates income and expenses. It must demonstrate that sources of income are adequate to meet expenses, including the proposed mortgage amount. Documentation required includes most current checking, credit card, and savings account statements.
- A credit report is ordered on all HomeChoice applicants
- Borrowers may not have declared bankruptcy in the past two years. There is a minimum two-year waiting period with re-established good credit after discharge date, or a four-year waiting period without re-established good credit



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Borrower Criteria, cont.

- Borrower's down payment requirement will match the down payment requirement of the primary mortgage lender
- Borrower must not have any outstanding judgments against them

Mortgage Criteria

- First mortgages must be fixed rate, (term not to exceed 30 years) and must be fully amortizing, level-payment mortgages. There is no minimum first loan amount. Buydowns are not permitted. Prepayment is allowed.
- All first mortgages are underwritten by approved HomeChoice lenders, and final verification and approval is provided by a HomeChoice Specialist.
- The maximum HomeChoice loan amount must not exceed \$70,000
- Loan-to-value ratios vary by type of purchase:
 - Purchase transactions – 97% of the lesser of the sales price or appraised value.
 - Refinance transactions (only available for clients who have become disabled since purchasing a home or whose disability has worsened and have less income for housing expenses) – 95% of the lesser of the sales prices or appraised value
- Second mortgages from the OWHLF will not exceed 30% of the sales price, and will be in second position, with a 1% interest rate
- The HomeChoice specialist must review and approve all Loan Estimate and Closing Disclosure forms, as well as final closing costs

Property Criteria

- Owner-occupied single-family detached houses, townhouses, condominiums, cooperatives, and PUDs are eligible. The property must be a single unit.
- All properties are inspected by a HomeChoice Specialist prior to obligation of OWHLF money
- The property must be the borrower's primary residence
- The property being acquired must have clean and clear title

Loan Terms

1% interest rate and amortized for 15 - 30 years



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Hazard, Flood Insurance, and Taxes Follow-Up

All properties require adequate insurance coverage throughout the term of the loan. All properties are required to stay current on property taxes throughout the term of the loan. HCD will review property taxes and insurance policies annually for compliance.

Loan Payoffs and Reconveyances

When loans become paid in full HCD will reconvey the trust deed associated with that loan to the property owner. When a loan payoff or final payment is received, the following steps will be completed to assure the reconveyance is properly executed:

- A review of the loan history is done to determine that there is zero balance and signs a Request for Reconveyance
- The Request for Reconveyance is prepared and given to the Trustee along with the original Note and Trust Deed; the Trustee will then prepare a Deed of Reconveyance and record the reconveyance

Once recorded, the Deed of Reconveyance is returned to HCD and a copy of the Deed of Reconveyance is placed in the loan file; the original is sent to the property owner.

Due and Payable

The total unpaid principal balance, including any accrued interest and late charges becomes immediately due and payable:

- If the property is sold, conveyed, disposed, assigned, or transferred;
- If the owner of the property ceases to make the property their primary residence;
- If a senior lien is refinanced; or
- Upon the death of the borrower.

Monitoring

Effective monitoring is an ongoing process of planning, implementation, communication, and follow-up. As a result, monitoring activities will be scheduled throughout the program years. The state shall have the right to monitor NNHC's performance. Monitoring of performance shall be at the complete discretion of HCD, which will include but is not limited to NNHC's fiscal operations, and the terms, conditions, attachments, scope of work, and performance requirements of the contract. NNHC will be monitored as outlined in the contract scope of work.



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The Monitoring Report

There are three stages of intervention: low-level-, moderate-level, and high-level, each starting with planning strategies or technical assistance for problems, moving to imposing probationary statuses and to the most serious to terminate and initiate legal action. Intervention will range from administering technical assistance to terminating the RPA funding.

HCD will develop a plan for correction of deficiencies with NNHC and will establish corrective actions should the agency fail to resolve deficiencies in a timely manner.

Concerns or Findings

A concern is a deficiency in program performance that is not based on a statutory or regulation requirement that HCD feels should be corrected to ensure program compliance. HCD will recommend actions to address the concern and provide technical assistance. A concern, if not properly addressed, could become a finding. A finding is a deficiency based on a statutory or regulatory requirement that HCD is authorized to apply sanctions or other corrective actions.

If it is discovered that NNHC is in default (not in compliance with the contract), NNHC may be subject to sanctions. Those may include:

- Warnings
- Audits
- Temporary suspension of payments
- Termination
- Demand for the return of funds

Application

Call or email Dave Schuster at Neighborhood Nonprofit Housing Corporation to ask questions or request an intake application at (435) 753-1112 ext. 104 or dave@nnhc.net.



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The Section 8 Landlord Incentive Program

The Section 8 Landlord Incentive Program provides financial assistance to landlords to mitigate damages caused by tenants under the HUD Housing Choice Voucher Program, commonly known as Section 8. The goal of the program is to reduce financial risk for landlords to encourage them to open more rental units to Section 8 tenants. The program is administered by the Department of Workforce Services Housing and Community Development Division.

Eligibility Requirements

To be eligible for the program, landlords must have leased to tenants through the HUD Housing Choice Voucher Program (Section 8). A landlord may apply for financial assistance to reimburse them for qualifying damages to Utah rental properties. The damages to the residence must exceed normal wear and tear.

A landlord must first obtain a judgment against a tenant from any Utah legal court in the county in which either the tenant or the property is located. The time frame for appeal of the judgment must have expired without appeal or the judgment must otherwise not be subject to further judicial review.

Program assistance is limited to reimbursement for those amounts covered in a final judgment, less treble damages. Claim reimbursements may include expenses related to property damage, or other damages listed below that are satisfactorily described and documented in a claim from the landlord. Property damage claims must include all of the following:

- A Utah Court judgment for damages that resulted from a tenancy under a HUD Housing Choice Voucher (Section 8) lease
- Requests for expenses of not less than \$500, but total claims payment of not more than \$5,000 per tenancy

Eligible Costs

A JUDGMENT (less treble damages) may be paid in the full amount of \$500 – \$5,000.

Qualifying damages:

- Property damage in the amount of the legal judgment for damage incurred as a result of tenant's occupancy under a Section 8 lease
- Attorney fees
- Court costs and fees
- Lost and unpaid rent
- Actual damages will be paid; treble damages are excluded



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Application Process

To apply for the Section 8 Landlord Incentive Program, the landlord will need to do the following:

- Click <https://webgrants.utah.gov/index.do> and select “Register Here”
 - Enter organization information, if you do not have an organization please put landlord or owner; enter information in the red asterisk fields only.
- Log into “Homeless to Housing” and select “Funding Opportunities”
 - Select “Section 8 Landlord Incentive Program FY23”
 - Start a New Application
 - Type Section 8 Landlord Incentive Program
 - Select “Go to Application Forms”
 - Under “Application Forms”, select “Section 8 Landlord Incentive Program”
 - Enter in the applicable information

A landlord must submit a claim for program assistance to the Housing and Community Development Division after having obtained a judgment against a qualified tenant (while funds are available). The time frame for appeal of the judgment must have expired without appeal or the judgment must otherwise not be subject to further judicial review.

After submission of the application, the Housing and Community Development Division will notify applicants if the application is incomplete within 10 days. The division will process applications and approve payments to landlords within 45 calendar days of receiving a complete application.

Checks or electronic transfers will be sent directly to the landlord once the landlord has signed the satisfaction of judgment. After receiving payment, a landlord must file the satisfaction of judgment within 30 calendar days. A copy of the filed satisfaction of judgment must be delivered to the department within 10 calendar days of filing.

Future rent is excluded from claims to this fund. Damage claims and claims for rent lost while repairs were being made may be treated as two separate claims; therefore, they may be in separate judgments. When a landlord signs the satisfaction of judgment for a damage claim, the landlord is still eligible to file a second claim for a judgment for rent lost due to time required to make qualifying repairs (apart from normal time required to re-rent the property) as long as total payment is under \$5,000 per tenant.

Monitoring

Effective monitoring is an ongoing process of planning, implementation, communication, and follow-up. As a result, monitoring activities will be scheduled throughout the program years. Although this program is administered by HCD staff, it will be monitored on an annual basis to ensure compliance with the program rules.



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Pass Through Programs

Pass through programs are funded by the Utah Legislature with funding flowing through the OWHLF to other entities. These programs are not administered by the OWHLF and they may change from year to year. They currently include:

- Individual Development Accounts
- Veterans First Time Home Buyer Grant Program
- Law Enforcement Home Buyer Program
- Utah Housing Preservation Fund
- Tenant/Landlord Mediation Program

Individual Development Accounts (IDA)

[NeighborWorks Salt Lake](#) administers the IDA program and coordinates funding from the various contributing partners, including the U.S. Department of Health and Human Services, to assure statewide marketing and solicitation of applicants for IDA. The funding under this contract will only be applied to program participants requesting IDA accounts for:

- First time home purchase;
- Accredited post-secondary education including vocational training;
- Small Business start-up or capitalization;
- Assistive technologies for work related activities.

For information on IDAs, contact NeighborWorks Salt Lake at 801-539-1590.

Veterans First Time Home Buyer Grant Program

This program, administered by [Utah Housing Corporation](#) (UHC), is a home buyer down payment assistance program for veterans and currently serving military personnel as defined by the department.

For information on this program, contact UHC at 801-902-8200.

Law Enforcement First Time Home Buyer Grant Program

[Utah Housing Corporation](#) (UHC) administers the Law Enforcement First Time Home Buyer Grant Program, a homebuyer down payment assistance program for eligible law enforcement and correctional officers as defined in Utah Code, Public Safety Code, Peace Officer Classification: Sections 53-13-103 and 53-13-104. The grants will be interest-free, forgivable down payment assistance grants for individuals working as a law enforcement or correctional officers to purchase a home in or near the community where they work; grants will be forgiven (a pro-rata share) over 5 years.

For information on this program, contact UHC at 801-902-8200.



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Utah Housing Preservation Fund

The **Utah Housing Preservation Fund** (HPF) is owned and operated by the Utah Non Profit Housing Corporation. The HPF matches private dollars for preserving Utah's existing affordable housing through the purchasing, remodeling, and the rent-stabilizing of housing units.

Tenant/Landlord Mediation Program

Utah Community Action (UCA) administers the Tenant/Landlord Mediation Program. This program will allow landlords and tenants to seek mediation assistance throughout the state of Utah in order to assist minimizing homelessness or improving the availability or quality of housing in the state for low-income individuals and families through tenant education classes, direct mediation services, and funding to retain their units.

For more information on this program, contact UCA at 801-359-2444.

Monitoring

Effective monitoring is an ongoing process of planning, implementation, communication, and follow-up. As a result, monitoring activities will be scheduled throughout the program years.

The State shall have the right to monitor all pass-through programs. Monitoring of performance shall be at the complete discretion of HCD, which will include but is not limited to the fiscal operations, and the terms, conditions, attachments, scope of work, and performance requirements of the contract.

Each agency will be monitored as outlined in the contract scope of work.

The Monitoring Report

There are three stages of intervention, low-level-, moderate-level, and high-level, each with starting with planning strategies or technical assistance for problems, moving to imposing probationary statuses and to the most serious to terminate and initiate legal action. Intervention will range from administering technical assistance to terminating the RPA funding.

HCD will develop a plan for correction of deficiencies with each agency and will establish corrective actions should the agency fail to resolve deficiencies in a timely manner.



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Monitoring Checklists

Multifamily

Contractors

1. Project Summary Sheet
2. File Inspection Worksheet
3. Property and File Document Checklist
4. Property Occupancy Report
5. Property Physical Inspection Worksheet
6. Unit Physical Inspection Worksheet
7. Exceptions Worksheet

Subrecipients

1. Program Monitoring Checklist

Single-family

Single-family Rehabilitation and Reconstruction Program

1. SFRRP Project Documentation Checklist
2. SFRRP Project File Checklist
3. SFRRP Project Monitoring Summary

HomeChoice

1. Monitoring Checklist

Section 8 Landlord Incentive Program

1. Monitoring Checklist

Pass-through Monitoring Checklists

1. Individual Development Accounts Checklist
2. Veterans First Time Home Buyer Checklist
3. Predevelopment Grant Checklist
4. Housing Preservation Fund Checklist
5. Landlord/Tenant Mediation Program
6. Law Enforcement First Time Home Buyer Checklist



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HCDD OWHLF Multifamily Rental Property Summary Sheet**

State of Utah - Department of Workforce Services
Housing and Community Development Division
Olene Walker Housing Loan Fund - Federal HOME and State Low-Income Housing

Property Name _____ OWHLF Loan #s _____

Property Address _____ City, State Zip _____ County _____

Property Owner _____ Owner Contact _____

Owner Address _____ City, State Zip _____

Owner Phone _____ Owner E-mail _____

Mgmt Company _____ Management Contact _____

Mgmt Address _____ City, State Zip _____

Mgmt. Phone _____ Mgmt. E-mail _____

Total # of Units _____	# OWHLF HOME Assisted Units _____ (Federal funds)
# of SRO units _____	
# of 1 bdrm. units _____	# OWHLF LIH Assisted Units _____ (State funds)
# of 2 bdrm. units _____	
# of 3 bdrm. units _____	# Other HOME Assisted Units _____
# of 4 bdrm. units _____	
# of 5 bdrm. units _____	# LIHTC Tax Credit Units _____ (Federal funds)
# of 6 bdrm. units _____	
Other # of bdrm. units _____	# OWHLF HTF Units _____ (Federal funds)

of Set-asides: **ADA** _____ handicapped, fully accessible
 CMI&SN _____ chronically mentally ill;
 DD _____ developmentally delayed
 DV _____ domestic violence
 ELD _____ elderly
 HOM _____ homeless
 HOP _____ Persons w HIV/AIDS
 TR _____ transitional housing

OWHLF HOME funds (Fed)	_____
OWHLF LIH funds (State)	_____
OWHLF HTF funds (Fed)	_____
TOTAL OWHLF	_____ \$0
Other HOME funds	_____
Fixed/Floating HOME Units	_____
Other HOME units (Fed)	_____
OWHLF HOME/LIH/HTF Units	_____

Project Closeout Date: _____
Year project was originally constructed: _____
Construction Type: _____

Monitoring Frequency: _____
Date of Inspection: _____
Compliance Monitor: _____

Notes: _____



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Multi-Family Rental Property File Inspection Worksheet

I. PROJECT INFORMATION			
	_____	_____	_____
	Address: _____		
	Management Co: _____	Contact: _____	Address: _____
		email: _____	Manager's Phone: _____
	Owner/Developer: _____	Contact: _____	Address: _____
		Owner's Email: _____	Phone: _____
		Property Constructed: _____	Monitoring Frequency: _____

Unit Description:	Studio/SRO	1 bdrm	2 bdrm	3 bdrm	4 bdrm	5 bdrm	6 bdrm	Total
OWHLF units	0	0	0	0	0	0	0	0
# Total Units								0

II. PRE-INSPECTION CONFERENCE

	Yes	No	COMMENTS
1. Is there a full-time site manager?			If yes, list
2. Is there a leasing agent/assistant manager?			If yes, who?
3. Does manager and/or assist. manager live on site?			If yes, who? #
4. Are there other employee units on site?			If yes, whose? #
5. When did manager begin working at this property?			Date (month/year)
6. Has site manager had professional training?			If yes, When? By whom?
7. Did site manager have previous experience?			If yes, describe:

III. PROJECT COMPLIANCE CHECKLIST

IN COMPLIANCE?

A. Project Requirements	Yes	No	COMMENTS/ACTIONS REQUIRED
1. Does the owner employ tenant selection procedures that are non-discriminatory? (Per CFR 92.253)			
2. Does the owner provide adequate information to program applicants about program rules and expectations?			
3. When the floating designation is used, does the owner ensure that the rental units are comparable?			
B. Property Standards and Eligible Costs			
4. Does the property still meet all local codes and HUD's Uniform Physical Condition Standards?			
5. Was the project constructed before 1978? Is there evidence of Lead Based Paint?			
C. Rent, Occupancy, and Ongoing Requirements			
6. Does the owner complete a Project Compliance Report (OWHLF Occupancy Report or HOME Monitoring Checklist 6-D) and submit it to the PJ on time every year?			
7. Does the owner adhere to PJ affirmative marketing policy and procedures? (Applies to 5 HOME units or more.)			
8. Does the owner have a written tenant selection policy and follow it? (Applies to 5 HOME units or more.)			
9. Does the owner monitor income & rents in assisted units and enforce HOME/HTF limits in all projects?			
10. Do the tenant leases support rents reported to HCDD and are tenant related fees listed in the lease appropriate?			
11. Does the owner monitor and enforce HOME low income occupancy requirements?			
12. Are tenant incomes & rents properly documented during occupancy?			
13. Is there a copy of a lease in every tenant file?			
14. Are all leases signed in HOME-assisted units free of prohibited provisions listed in CFR 92.253?			
15. Does the owner conduct regular property inspections?			
16. Are HOME/LIH units comparable to non-assisted units in size, features, and amenities?			
17. Is it true that the owner has not refused to lease to Section 8 Certificate or Voucher holders or household with comparable assistance?			
18. Does the project have a current <i>Emergency Plan</i> in place which addresses evacuation plans, building vulnerabilities, and contact information for local resources?			
19. Does the project have a current list of community service providers (CSP) to contact for referrals when filling set-aside units if applicable			

20. Is this the Projects "first year initial inspection" that needs to be at monitored at 60% AMI?			
--	--	--	--

IV. NOTES

FUNDING			
Funding Source	Amount	# of Units	
HOME (OWHLF)			(# Fed HOME-Assisted units)
State (OWHLF)			(# State LIH-Assisted units)
Total OWHLF:	\$0	0	Total # of Units

Set-Aside Units		
Req'd #	Program/Purpose	Occupied
	# for ADA	
	# for Chronically mentally ill	
	# for Developmentally Delayed	
	# for Domestic Violence	
	# for Elderly (62+)	
	# for Homeless	
	# for HOPWA	
	# for Transitional housing	

Property & Tenant File Documents

Project Name:

YES N/A HOME property documents

YES = The document is present and in the tenant file.

N/A = Not applicable to the tenant or property. Leave checkbox blank if document is missing.

Unit Number:

N/A HOME tenant file documents

Unit Number:

N/A HOME tenant file documents

Unit Number:

YES N/A HOME tenant file documents

Unit Number:

YES N/A HOME tenant file documents



Utility allowance calculations

units)

Tenant selection plan (≥ 5 HOME units)

documentation

Lead Based Paint disclosure (Pre 1978)

Tenant rules

Tenant Application

Tenant Lease agreement

HOME & VAWA Lease addendums

Tenant Income Certification (TIC)

Self-Certification (if applicable)

30 day notice (rent changes)

Employment form with income

Gross 3rd party income calculation (60

Other income sources

Assets calculation

Assets verification

Zero income form

HOME Student Certification

Verification of disability (If applicable)

Other relevant management / tenant

Tenant Application

Tenant Lease agreement

HOME & VAWA Lease addendums

Tenant Income Certification (TIC)

Self-Certification (if applicable)

30 day notice (rent changes)

Employment form with income

Gross 3rd party income calculation (60

Other income sources

Assets calculation

Assets verification

Zero income form

HOME Student Certification

Verification of disability (If applicable)

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Tenant Income Certification (TIC)

Self-Certification (if applicable)

30 day notice (rent changes)

Employment form with income

Gross 3rd party income calculation (60

Other income sources

Assets calculation

Assets verification
Zero income form
HOME Student Certification
Verification of disability (If applicable)
Other relevant management / tenant
Tenant Application
Tenant Lease agreement
HOME & VAWA Lease addendums
Tenant Income Certification (TIC)
Self-Certification (if applicable)
30 day notice (rent changes)
Employment form with income
Gross 3rd party income calculation (60
Other income sources
Assets calculation
Assets verification
Zero income form
HOME Student Certification
Verification of disability (If applicable)
Other relevant management / tenant

OWHLF Multifamily Rental Property Occupancy Report

Housing and Community Development Division
State of Utah - Department of Workforce Services

Income Limits by Household Size

General Information		COUNTY		Davis	YR. BUILT	<input type="text"/>	
Property Name:	<input type="text"/>	1	Low	High			
Street Address:	<input type="text"/>	2	Low		High High		BEDROOMS PER UNIT
		3	Low				Total # of OWHLF Units
City/State/ZIP:	<input type="text"/>						
	<input type="text"/>			4	Low	High	# High HOME units
	<input type="text"/>						
Manager:	<input type="text"/>	2	NHTF	5	Low		
		3	NHTF	6	Low		NHTF Rent Limit
Date:	<input type="text"/>						
Monitor	4	Compliance	NHTF	7	Low	High	Low HOME Rent Limit
Reporting Period:	From <input type="text"/>			8	Low	High	H
	to <input type="text"/>	5	NHTF				i
							g
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Tenant Name(s)	Unit #	Set-aside Unit Code	# of Bedrooms	Household Size		Original Move-in Date (mm/dd/yy)	Last Income Certification	Gross Annual Income	Move-out Date	Lead Based Paint Disclosure (Yes/No)	Household AMI	Tenant Paid Rent Amount	Utility Allow.	Actual Rent Amt + Utility Allowance		HOME Rent Limit Based on AMI		Rental Assistance Amount	
				HH	children									Total	% MI	Amt	Hi/Low	Amt	Adj %MI

A.) Use the following codes to identify set-aside units. Leave blank if project has no additional set-aside requirements.
ADA-handicapped, fully accessible; **CMI**-chronically mentally ill; **DD**-developmentally delayed; **DV**-domestic violence; **ELD**-elderly; **HOM**-homeless; **HOP**-Housing Opportunities for Persons With HIV/AIDS; **SN**-other special needs; **TR**-transitional housing

I certify that the above information is true and correct **Property Owner or Manager Signature:** _____ **Date:** _____

HCDD Review by: _____ Review Date: _____

OWHLF Multifamily Rental Property Physical Inspection Worksheet
State of Utah - Housing & Community Development Division

PROJECT INFORMATION	Project Name: 0		# of HOME Units:		
	Address:		# of HTF Units:		
	Mgmt Co:		# of LIH Units:		
	Unit Type:		Total HCD Home Units:		
	Compliance Monitor:		Inspection Date:		
BUILDING EXTERIOR	Item meets Meets Property Standards?		Check box if item could not be inspected. <i>(i.e. inaccessible, not applicable, etc.)</i>		Year Built:
					Construction Type:
		Yes	No	Comments	
	Landscaping				
	encing & Gates				
	Exterior Lighting				
	Mailboxes				
	Signage				
	Driveways				
	Parking				
	Recreation				
	Trash or Debris				
	Infestation				
	Walkways				
Stairs/Ramps					
Foundation					
Walls					
Doors/Windows					
Roof					
Soffit/Fascia					
Gutters/Drains					
Exterior Lighting					
BUILDING INTERIOR	Flooring				
	Walls				
	Ceiling				
	Windows/Doors				
	HVAC - IAQ				
	Electrical				
	Plumbing				
	Restrooms				
	Common Areas				
	Utility Areas				
	Laundry Areas				
	Property Office				
Smoke Alarms					
NOTE					

	# Bedrooms						
	0	1	2	3	4	5	6
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0

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OWHLF Multifamily Rental Property Physical Inspection Worksheet
State of Utah - Housing & Community Development Division

P R O J E C T I N	Project Name:	Inspection Date:
	Address:	Unit Status:
	Bldg/Unit #:	Number of Bedrooms:
	Compliance Monitor:	Number of Bathrooms:

	Item meets		Meets		Check box if item could not be	Comments
	Yes	No				
Entry/Exit						
Floors						
Walls						
Ceiling						
Electrical						
HVAC / IAQ						
Plumbing						
Water Htr.						
Countertops						
Sinks						
Dishwasher						
Disposal						
Range						
Refrigerator						
Laundry						
Bedrooms						
Closets						
Doors						
Windows						
Bathrooms						
Toilets						
Shower/Tub						
Hallways						
Smoke/CO						
Roof						
Balcony						
Basement						

N O T E S	
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Guide for Review of Rental Development or Rehabilitation Projects and/or Policies & Procedures	
Participating Jurisdiction: Click or tap here to enter text.	Subrecipient: Click or tap here to enter text.
Subrecipient Staff Consulted: Click or tap here to enter text.	
Name of PJ Reviewer(s): Click or tap here to enter text.	Date of Review: Click or tap here to enter text.
Type of Monitoring Review:	<input type="checkbox"/> Project File Review <input type="checkbox"/> Policies & Procedures Review <input type="checkbox"/> Combined: Project <u>and</u> Policies & Procedures Review

NOTE: All questions contain the citation for the source of the requirement (statute, regulation, NOFA, or grant agreement). If the requirement is not met, HUD must make a finding of noncompliance.

File Selection Summary (Required)	
Program Year(s) Reviewed:	Click or tap here to enter text.
Number of Files Reviewed:	Click or tap here to enter text.
How were files selected?	<input type="checkbox"/> Random <input type="checkbox"/> Non-Random <input type="checkbox"/> Statistical <input type="checkbox"/> Combination (describe): Click or tap here to enter text.
Were additional files selected for review?	<input type="checkbox"/> Yes <input type="checkbox"/> No
If additional files were selected for review, why were files added to the monitoring? (select all that apply)	<input type="checkbox"/> Expand the sample to include a file(s) from <u>each</u> staff person working in the respective program area being monitored; <input type="checkbox"/> Expand the sample to include additional files with the <u>same</u> characteristics, (i.e., same problem category, staff person, activities or other characteristics) <input type="checkbox"/> Expand the sample to determine whether problems are isolated events or represent a systemic problem. <input type="checkbox"/> Expand the sample to include files the reviewer has reason to believe may have compliance problems or that are substantially different in terms of size, complexity, or other factors from other projects the Subrecipient has undertaken. <input type="checkbox"/> Other, please specify: Click or tap here to enter text.

Instructions:

- This Exhibit is used to monitor HOME-assisted rental projects from development through lease-up of the units. The reviewer should use Exhibit 7-30, *Guide for Review of Rental Project Compliance and/or Policies and Procedures* when monitoring a completed HOME-assisted rental project for on-going compliance during the HOME period of affordability.
- This Exhibit is used to monitor a Subrecipient’s rental development project files, the Subrecipient’s rental development program policies and procedures, or a combination of both project files and policies and procedures. Reviewers should note the type of review completed in the check box above.
- The HOME regulation at [24 CFR 92.504\(a\)](#) requires Subrecipients to have comprehensive written HOME program policies and procedures. Where applicable, this Exhibit pairs each policies and procedures requirement with its rental development project requirement. As noted above, the reviewer may use this Exhibit to complete a project file review, a policies and procedures review, or a combination of both project files and policies and procedures. Reviewers are not required to complete both questions if the monitoring is not addressing both policies and procedures and project requirements. However, if project noncompliance is found, the reviewer *must* examine the related policies and procedures to determine if the finding is associated with a lack of policies and procedures, or a failure of Subrecipient staff to follow the written policies and procedures.
- Reviewers can use this Exhibit to review up to five rental development project files. If additional files are included in the monitoring, the reviewer should complete another copy of the Exhibit. Section 7-4 in the introduction to this Chapter provides guidance on the number of files to review. Reviewers *must* complete the File Selection Summary table at the beginning of this Exhibit.
- Reviewers must adequately describe the basis for any findings in the “Describe Basis for Conclusion” section of each question, being careful to note which project file is noncompliant and why.
- The Exhibit is divided into ten program areas. Based on the risk assessment and the notification letter sent to the Subrecipient, check the program area(s) under review. Reviewers are *required* to review the owner, developer, sponsor written agreement for all files monitored as the written agreement is critical to program compliance and oversight. Reviewers should make every effort to review as many other program area sections as possible during the monitoring to obtain an accurate representation of the Subrecipient’s compliance with the HOME program requirements. If a specific program area is not examined, check the “Not Reviewed During Monitoring” box at the beginning of the applicable program area section, and note the reason why the section was not reviewed in the “Describe the Basis for Conclusion” text box of the first question under the applicable program area section.
- This Exhibit requires the completion of other Exhibits: Exhibit 21-1 for Question 49; Exhibit 27-1 for Question 50; Exhibit 24-1 for Question 77; and Exhibits 7-34 and 34-3 for Question 87.

Check Program Areas Reviewed During Monitoring:

- A. Project Selection, Commitment and Set-up;
 - B. Owner, Developer, Sponsor Written Agreement (review required);
 - C. HOME Subsidy, Subsidy Layering;
 - D. Cost Allocation;
 - E. Eligible/Reasonable Costs;
 - F. Property Requirements;
 - G. Property Standards;
 - H. Procurement and Contractor Oversight (if applicable);
 - I. Project Completion; and
 - J. Record Retention
- The questions in this Exhibit may also be used as an interview instrument for program staff.

For Project File Reviews: Include the following information for each file reviewed. When completing the *project-specific Exhibit* questions that follow, include the file or Integrated Disbursement and Information System (IDIS) number as a reference to the project file reviewed.

File#	Project Name/Address¹	IDIS #	HOME Funds Committed	Written Agreement Date	HOME Funds Drawn	Completion Date	Total Units	Number of HOME-assisted Units
1.	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.
2.	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.
3.	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.
4.	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.
5.	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.

¹ The inclusion of personally identifiable information (PII) should be limited. PII includes any information that is linked or linkable to an individual, such as first and last name,

home or cell telephone numbers, address, and social security numbers. To the greatest extent feasible, monitors should use a method of identifying files reviewed that does not include PII.

A. PROJECT SELECTION, COMMITMENT AND SET-UP

NOT REVIEWED DURING MONITORING – Check all that apply:

- Policies and Procedures NOT REVIEWED, and/or
- Project files NOT REVIEWED

1.

Does the Subrecipient have policies and procedures to comprehensively implement this requirement? [24 CFR 92.504(a)]	Before committing HOME funds to the project, did the Subrecipient assess <u>all</u> of the following: [24 CFR 92.250(b)]					
<input type="checkbox"/> Yes <input type="checkbox"/> No		File # 1:	File # 2:	File # 3:	File # 4:	File # 5:
	Sources and uses of funds for the project and a determination that costs are reasonable?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
	Current market demand in the area where the project is located?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
	Experience and financial capacity of the developer or project owner?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
	Firm written financial commitments for the project?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Describe Basis for Conclusion: Click or tap here to enter text.						

2.

<p>Does the Subrecipient have policies and procedures to comprehensively implement this requirement? [24 CFR 92.504(a)]</p>	<p>Before committing HOME funds and setting-up the project in IDIS, did the PJ ensure that <u>all</u> of the following requirements were met: [24 CFR 92.2 Definition of <i>Commit to a specific local project</i>; 24 CFR 92.352(b) for Environmental Review]</p>					
<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>		<p>File # 1:</p>	<p>File # 2:</p>	<p>File # 3:</p>	<p>File # 4:</p>	<p>File # 5:</p>
	<p>Environmental Review was completed, or commitment was conditioned on the completion of the environmental review, (i.e., conditional commitment)?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
	<p>Subrecipient & project owner executed a signed and dated legally binding written agreement identifying the project's address or legal description?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
	<p>All necessary financing secured?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
	<p>Project budget and schedule have been established?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
	<p>Construction expected to start within 12 months of written agreement date?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
	<p>Project underwriting is complete in accordance with 24 CFR 92.250(b)?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>Describe Basis for Conclusion: Click or tap here to enter text.</p>						

3.

<p>Does the Subrecipient have policies and procedures to comprehensively implement this requirement? [24 CFR 92.504(a)]</p>	<p><i>If the project involves new construction</i>, did the Subrecipient perform a site selection and neighborhood standards review in accordance with 24 CFR 983.57(e)(2) and (3)? [24 CFR 92.202(b)]</p>	
<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p>File # 1:</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</p>
	<p>File # 2:</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</p>
	<p>File # 3:</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</p>
	<p>File # 4:</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</p>
	<p>File # 5:</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</p>
<p>Describe Basis for Conclusion: Click or tap here to enter text.</p>		

4.

<p>Does the PJ have policies and procedures to comprehensively implement this requirement? [24 CFR 92.504(a)]</p>	<p>Did the PJ set-up the project in IDIS following the execution of the written agreement? The date of the written agreement must be the same as, or prior to, the commitment date in IDIS. [24 CFR 92.502(b)]</p>	
<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p>File # 1:</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
	<p>File # 2:</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
	<p>File # 3:</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
	<p>File # 4:</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
	<p>File # 5:</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>Describe Basis for Conclusion: Click or tap here to enter text.</p>		

5.

<p>Does the Subrecipient have policies and procedures to comprehensively implement this requirement? [24 CFR 92.504(a)]</p>	<p>Does the project file include records of <u><i>all</i></u> of the following: [24 CFR 92.508]</p>																																																		
<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<table border="1"> <thead> <tr> <th data-bbox="884 548 1121 597">File # 1:</th> <th data-bbox="1125 548 1339 597">File # 2:</th> <th data-bbox="1344 548 1558 597">File # 3:</th> <th data-bbox="1562 548 1797 597">File # 4:</th> <th data-bbox="1801 548 2030 597">File # 5:</th> </tr> </thead> <tbody> <tr> <td data-bbox="884 600 1121 781"> <p>Signed Determination of Exemption from Environmental Review or of Categorical Exclusion Not Subject to Related Laws or Authority to Use Grant Funds (Form 7015.16)?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> </td> <td data-bbox="1125 600 1339 781"> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> </td> <td data-bbox="1344 600 1558 781"> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> </td> <td data-bbox="1562 600 1797 781"> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> </td> <td data-bbox="1801 600 2030 781"> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> </td> </tr> <tr> <td data-bbox="884 784 1121 833"> <p>Firm Financial Commitments?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> </td> <td data-bbox="1125 784 1339 833"> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> </td> <td data-bbox="1344 784 1558 833"> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> </td> <td data-bbox="1562 784 1797 833"> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> </td> <td data-bbox="1801 784 2030 833"> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> </td> </tr> <tr> <td data-bbox="884 836 1121 885"> <p>Project Budget and Schedule?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> </td> <td data-bbox="1125 836 1339 885"> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> </td> <td data-bbox="1344 836 1558 885"> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> </td> <td data-bbox="1562 836 1797 885"> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> </td> <td data-bbox="1801 836 2030 885"> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> </td> </tr> <tr> <td data-bbox="884 888 1121 937"> <p>Sources and Uses?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> </td> <td data-bbox="1125 888 1339 937"> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> </td> <td data-bbox="1344 888 1558 937"> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> </td> <td data-bbox="1562 888 1797 937"> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> </td> <td data-bbox="1801 888 2030 937"> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> </td> </tr> <tr> <td data-bbox="884 940 1121 989"> <p>Market Assessment?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> </td> <td data-bbox="1125 940 1339 989"> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> </td> <td data-bbox="1344 940 1558 989"> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> </td> <td data-bbox="1562 940 1797 989"> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> </td> <td data-bbox="1801 940 2030 989"> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> </td> </tr> <tr> <td data-bbox="884 992 1121 1073"> <p>Experience and Financial Capacity of the Project Developer or Owner?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> </td> <td data-bbox="1125 992 1339 1073"> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> </td> <td data-bbox="1344 992 1558 1073"> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> </td> <td data-bbox="1562 992 1797 1073"> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> </td> <td data-bbox="1801 992 2030 1073"> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> </td> </tr> <tr> <td data-bbox="884 1076 1121 1198"> <p>Subrecipient Approval or Assessment of Project Underwriting?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> </td> <td data-bbox="1125 1076 1339 1198"> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> </td> <td data-bbox="1344 1076 1558 1198"> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> </td> <td data-bbox="1562 1076 1797 1198"> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> </td> <td data-bbox="1801 1076 2030 1198"> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> </td> </tr> <tr> <td data-bbox="884 1201 1121 1282"> <p><i>If applicable</i>, site selection and neighborhood standards review?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</p> </td> <td data-bbox="1125 1201 1339 1282"> <p><input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</p> </td> <td data-bbox="1344 1201 1558 1282"> <p><input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</p> </td> <td data-bbox="1562 1201 1797 1282"> <p><input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</p> </td> <td data-bbox="1801 1201 2030 1282"> <p><input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</p> </td> </tr> </tbody> </table>						File # 1:	File # 2:	File # 3:	File # 4:	File # 5:	<p>Signed Determination of Exemption from Environmental Review or of Categorical Exclusion Not Subject to Related Laws or Authority to Use Grant Funds (Form 7015.16)?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p>Firm Financial Commitments?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p>Project Budget and Schedule?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p>Sources and Uses?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p>Market Assessment?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p>Experience and Financial Capacity of the Project Developer or Owner?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p>Subrecipient Approval or Assessment of Project Underwriting?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><i>If applicable</i>, site selection and neighborhood standards review?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</p>
File # 1:	File # 2:	File # 3:	File # 4:	File # 5:																																															
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<p>Firm Financial Commitments?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>																																															
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<p>Experience and Financial Capacity of the Project Developer or Owner?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>																																															
<p>Subrecipient Approval or Assessment of Project Underwriting?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>																																															
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<p>Describe Basis for Conclusion: Click or tap here to enter text.</p>																																																			

B. OWNER, DEVELOPER, SPONSOR WRITTEN AGREEMENT

Instructions: Since written agreements are central to initial and ongoing compliance with HOME requirements, reviewers monitoring project files **MUST** evaluate the written agreements for the HOME activities being monitored. If project noncompliance is found, the reviewer **MUST** also examine the related policies and procedures to determine if the finding is associated with a lack of policies and procedures, or a failure of Subrecipient staff to follow the written policies and procedures.

If the reviewer is only monitoring the Subrecipient’s policies and procedures, completion of the project file questions is not required.

Check as applicable:

- Project File – NOT REVIEWED during monitoring because monitoring is focusing only on policies and procedures.
- Policies and Procedures - NOT REVIEWED during monitoring. Monitoring is focusing on project compliance and noncompliance was not found.

6.

Does the Subrecipient have policies and procedures to comprehensively implement this requirement? [24 CFR 92.504(a)]	Before disbursing HOME funds, did the Subrecipient execute a written agreement with the project owner, developer and/or sponsor? [24 CFR 92.504(b)]	
<input type="checkbox"/> Yes <input type="checkbox"/> No	File # 1:	<input type="checkbox"/> Yes <input type="checkbox"/> No
	File # 2:	<input type="checkbox"/> Yes <input type="checkbox"/> No
	File # 3:	<input type="checkbox"/> Yes <input type="checkbox"/> No
	File # 4:	<input type="checkbox"/> Yes <input type="checkbox"/> No
	File # 5:	<input type="checkbox"/> Yes <input type="checkbox"/> No
Describe Basis for Conclusion: Click or tap here to enter text.		

7.

Does the Subrecipient have policies and procedures to comprehensively implement this requirement? [24 CFR 92.504(a)]	Does the project file include a complete, executed copy of the written agreement, including any amendments to the agreement? [24 CFR 92.508(a)(3)(xiv)]	
<input type="checkbox"/> Yes <input type="checkbox"/> No	File # 1:	<input type="checkbox"/> Yes <input type="checkbox"/> No
	File # 2:	<input type="checkbox"/> Yes <input type="checkbox"/> No
	File # 3:	<input type="checkbox"/> Yes <input type="checkbox"/> No
	File # 4:	<input type="checkbox"/> Yes <input type="checkbox"/> No
	File # 5:	<input type="checkbox"/> Yes <input type="checkbox"/> No
Describe Basis for Conclusion: Click or tap here to enter text.		

8.

<p>Does the Subrecipient have policies and procedures to comprehensively implement this requirement? [24 CFR 92.504(a)]</p>	<p>Does the written agreement include the dated signature of each party to the agreement as required by 24 CFR 92.2 definition of <i>Commit to a Specific Local Project</i>? [24 CFR 92.504(c)(3)]</p>		
<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p>File # 1:</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p>Written Agreement Date: Click or tap here to enter text.</p>
	<p>File # 2:</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p>Written Agreement Date: Click or tap here to enter text.</p>
	<p>File # 3:</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p>Written Agreement Date: Click or tap here to enter text.</p>
	<p>File # 4:</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p>Written Agreement Date: Click or tap here to enter text.</p>
	<p>File # 5:</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p>Written Agreement Date: Click or tap here to enter text.</p>
<p>Describe Basis for Conclusion: Click or tap here to enter text.</p>			

9.

Does the written agreement provide a sound basis for the PJ to effectively monitor performance under the agreement by clearly identifying <u>all</u> of the following: [24 CFR 92.504(c)(3)(i)]					
	File # 1:	File # 2:	File # 3:	File # 4:	File # 5:
Project address or legal description of the property if a street address has not been assigned?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Amount and use of HOME and other funds included in the project?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Specific tasks to be performed?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Detailed project schedule?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Complete project budget that includes all sources and uses?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Describe Basis for Conclusion: Click or tap here to enter text.					

10.

Is the written agreement in effect through the affordability period required by the Subrecipient in accordance with 24 CFR 92.252? [24 CFR 92.504(c)(3)(ix)]	
File # 1:	<input type="checkbox"/> Yes <input type="checkbox"/> No
File # 2:	<input type="checkbox"/> Yes <input type="checkbox"/> No
File # 3:	<input type="checkbox"/> Yes <input type="checkbox"/> No
File # 4:	<input type="checkbox"/> Yes <input type="checkbox"/> No
File # 5:	<input type="checkbox"/> Yes <input type="checkbox"/> No
Describe Basis for Conclusion: Click or tap here to enter text.	

11.

Does the agreement provide for a means of enforcing the affordability restrictions by the Subrecipient (i.e., deed restrictions, covenants running with the land, use restrictions, or other mechanisms approved in writing by HUD)? [24 CFR 92.504(c)(3)(vii)]	
File # 1:	<input type="checkbox"/> Yes <input type="checkbox"/> No
File # 2:	<input type="checkbox"/> Yes <input type="checkbox"/> No
File # 3:	<input type="checkbox"/> Yes <input type="checkbox"/> No
File # 4:	<input type="checkbox"/> Yes <input type="checkbox"/> No
File # 5:	<input type="checkbox"/> Yes <input type="checkbox"/> No
Describe Basis for Conclusion: Click or tap here to enter text.	

12.

Does the agreement include <i>all</i> of the following requirements: [24 CFR 92.504(c)(3)(ii)(A)]					
	File # 1:	File # 2:	File # 3:	File # 4:	File # 5:
Initial rents?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Procedures for rent increases as required under 24 CFR 92.252(f)(2) ?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Number of HOME units in the project?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Unit size of each HOME-assisted unit	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Designation of the HOME-assisted units as fixed or floating pursuant to 24 CFR 92.252(i) ?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Identification by the owner or developer of the unit number of each HOME-assisted unit no later than the time of initial occupancy?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Describe Basis for Conclusion: Click or tap here to enter text.					

If the agreement permits the owner to limit eligibility or give preference to a particular segment of the population, is such a limitation or preference described in the PJ's consolidated plan in accordance with [24 CFR 92.253\(d\)](#)?
 [24 CFR 92.504(c)(3)(iii)]

File # 1:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
File # 2:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
File # 3:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
File # 4:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
File # 5:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
Describe Basis for Conclusion: Click or tap here to enter text.	

14.

Does the agreement require that the housing meet the applicable property standards in [24 CFR 92.251](#) upon project completion?
 [24 CFR 92.504(c)(3)(iv)]

File # 1:	<input type="checkbox"/> Yes <input type="checkbox"/> No
File # 2:	<input type="checkbox"/> Yes <input type="checkbox"/> No
File # 3:	<input type="checkbox"/> Yes <input type="checkbox"/> No
File # 4:	<input type="checkbox"/> Yes <input type="checkbox"/> No
File # 5:	<input type="checkbox"/> Yes <input type="checkbox"/> No
Describe Basis for Conclusion: Click or tap here to enter text.	

15.

Does the agreement require project owners to maintain the housing in compliance with the property standards of [24 CFR 92.251](#) for the duration of the HOME period of affordability?
 [24 CFR 92.504(c)(3)(iv)]

File # 1:	<input type="checkbox"/> Yes <input type="checkbox"/> No
File # 2:	<input type="checkbox"/> Yes <input type="checkbox"/> No
File # 3:	<input type="checkbox"/> Yes <input type="checkbox"/> No
File # 4:	<input type="checkbox"/> Yes <input type="checkbox"/> No
File # 5:	<input type="checkbox"/> Yes <input type="checkbox"/> No
Describe Basis for Conclusion: Click or tap here to enter text.	

If the project contains 5 or more HOME-assisted units, does the written agreement specify the owner or developer’s affirmative marketing responsibilities pursuant to [24 CFR 92.351](#)?
 [24 CFR 92.504(c)(3)(v)(A)]

File # 1:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
File # 2:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
File # 3:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
File # 4:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
File # 5:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
Describe Basis for Conclusion: Click or tap here to enter text.	

17.

Does the agreement require the owner, developer, or sponsor to meet all federal requirements and nondiscrimination requirements established in [24 CFR 92.350](#)? The agreement may reference [24 CFR 92.350](#). In the absence of specific references to [24 CFR 92.350](#) the monitor must consult the regulations to determine that each requirement in [24 CFR 92.350](#) is incorporated into the agreement.
 [24 CFR 92.504(c)(3)(v)(B)]

File # 1:	<input type="checkbox"/> Yes <input type="checkbox"/> No
File # 2:	<input type="checkbox"/> Yes <input type="checkbox"/> No
File # 3:	<input type="checkbox"/> Yes <input type="checkbox"/> No
File # 4:	<input type="checkbox"/> Yes <input type="checkbox"/> No
File # 5:	<input type="checkbox"/> Yes <input type="checkbox"/> No
Describe Basis for Conclusion: Click or tap here to enter text.	

18.

If the project involves acquisition, demolition, and/or rehabilitation, and if tenants or owners were required to relocate permanently or temporarily, does the agreement include the requirements consistent with [24 CFR 92.353](#) and the PJ’s Residential Anti-displacement and Relocation Assistance Plan?
 [24 CFR 92.504(c)(3)(v)(C) and 24 CFR 92.353]

File # 1:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
File # 2:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
File # 3:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
File # 4:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
File # 5:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
Describe Basis for Conclusion: Click or tap here to enter text.	

If the project contains 12 or more HOME-assisted units, does the agreement specify the Davis-Bacon Labor requirements prescribed in [24 CFR 92.354](#)?

[24 CFR 92.504(c)(3)(v)(D)]

File # 1: Yes No N/A

File # 2: Yes No N/A

File # 3: Yes No N/A

File # 4: Yes No N/A

File # 5: Yes No N/A

Describe Basis for Conclusion:

Click or tap here to enter text.

20.

Does the agreement specify the conflict of interest provisions prescribed in [24 CFR 92.356\(f\)](#)?

[24 CFR 92.504(c)(3)(v)(E)]

File # 1: Yes No

File # 2: Yes No

File # 3: Yes No

File # 4: Yes No

File # 5: Yes No

Describe Basis for Conclusion:

Click or tap here to enter text.

21.

Does the agreement set forth all obligations the Subrecipient imposes on the owner to meet the Violence Against Women Act (VAWA) requirements in accordance with 24 CFR 92.359 including <i>all</i> of the following: [24 CFR 92.504(c)(3)(v)(F) and 24 CFR 92.359]					
	File # 1:	File # 2:	File # 3:	File # 4:	File # 5:
Notice requirements?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Obligations under emergency transfer plan?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Bifurcation of lease requirements?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Imposition of all VAWA requirements for the duration of the HOME period of affordability?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Describe Basis for Conclusion: Click or tap here to enter text.					

Does the agreement specify the records that must be maintained and the information or reports that must be submitted to assist the Subrecipient in meeting its record keeping and reporting requirements? [24 CFR 92.504(c)(3)(vi)]	
File # 1:	<input type="checkbox"/> Yes <input type="checkbox"/> No
File # 2:	<input type="checkbox"/> Yes <input type="checkbox"/> No
File # 3:	<input type="checkbox"/> Yes <input type="checkbox"/> No
File # 4:	<input type="checkbox"/> Yes <input type="checkbox"/> No
File # 5:	<input type="checkbox"/> Yes <input type="checkbox"/> No
Describe Basis for Conclusion: Click or tap here to enter text.	

23.

Does the agreement specify the reporting requirements (including copies of financial statements) to enable the Subrecipient to determine the financial condition and continued financial viability of the project? [24 CFR 92.504(c)(3)(vi)]	
File # 1:	<input type="checkbox"/> Yes <input type="checkbox"/> No
File # 2:	<input type="checkbox"/> Yes <input type="checkbox"/> No
File # 3:	<input type="checkbox"/> Yes <input type="checkbox"/> No
File # 4:	<input type="checkbox"/> Yes <input type="checkbox"/> No
File # 5:	<input type="checkbox"/> Yes <input type="checkbox"/> No
Describe Basis for Conclusion: Click or tap here to enter text.	

24.

Does the agreement specify remedies for breach of the agreement? [24 CFR 92.504(c)(3)(vii)]	
File # 1:	<input type="checkbox"/> Yes <input type="checkbox"/> No
File # 2:	<input type="checkbox"/> Yes <input type="checkbox"/> No
File # 3:	<input type="checkbox"/> Yes <input type="checkbox"/> No
File # 4:	<input type="checkbox"/> Yes <input type="checkbox"/> No
File # 5:	<input type="checkbox"/> Yes <input type="checkbox"/> No
Describe Basis for Conclusion: Click or tap here to enter text.	

Does the agreement specify that the owner, developer, or sponsor cannot request disbursement of funds under the agreement until funds are needed for payment or eligible costs <u>and</u> such requests are limited to the amount needed? [24 CFR 92.504(c)(3)(viii)]	
File # 1:	<input type="checkbox"/> Yes <input type="checkbox"/> No
File # 2:	<input type="checkbox"/> Yes <input type="checkbox"/> No
File # 3:	<input type="checkbox"/> Yes <input type="checkbox"/> No
File # 4:	<input type="checkbox"/> Yes <input type="checkbox"/> No
File # 5:	<input type="checkbox"/> Yes <input type="checkbox"/> No
Describe Basis for Conclusion: Click or tap here to enter text.	

26.

<i>If the Subrecipient is providing set-aside funds to a Community Housing Development Organization, does the written agreement specify that the CHDO must own the property during development and for a period at least equal to the period of affordability?</i> [24 CFR 92.504(c)(3)(x)]	
File # 1:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
File # 2:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
File # 3:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
File # 4:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
File # 5:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
Describe Basis for Conclusion: Click or tap here to enter text.	

27.

<i>If the Subrecipient is providing set-aside funds to a Community Housing Development Organization, does the written agreement specify that the CHDO, or an experienced project manager hired by the CHDO, must oversee all aspects of the development process in accordance with 24 CFR 92.300?</i> [24 CFR 92.504(c)(3)(x)]	
File # 1:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
File # 2:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
File # 3:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
File # 4:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
File # 5:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A

Describe Basis for Conclusion:

Click or tap here to enter text.

If the CHDO is a “sponsor” and the limited partnership or limited liability company agreement permits removal of the CHDO as general partner or sole managing member of the organization, does the written agreement specify that the CHDO may only be removed as general partner or sole managing member for cause and must be replaced with another CHDO in accordance with [24 CFR 92.300\(a\)\(4\)\(i\)](#)?
 [24 CFR 92.504(c)(3)(x)]

File # 1:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
File # 2:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
File # 3:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
File # 4:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
File # 5:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A

Describe Basis for Conclusion:
 Click or tap here to enter text.

*If the owner, developer or sponsor is a Community Housing Development Organization (CHDO) and is receiving **CHDO operating assistance** in accordance with [24 CFR 92.208](#), does the agreement include:*
 [24 CFR 92.504(c)(3)(x) and 24 CFR 92.504(c)(6)]

	File #1:	File #2:	File #3:	File #4:	File #5:
Description of allowable operating costs?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
Provision that the CHDO is expected to receive CHDO set-aside funds for a specific project within 24 months of the date of receiving CHDO operating funds?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
The terms and conditions upon which the expectation for receiving CHDO set-aside funds is based?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
Describe Basis for Conclusion: Click or tap here to enter text.					

30.

*If the owner, developer or sponsor is a Community Housing Development Organization (CHDO) and is receiving **project-specific technical assistance and site control loans** in accordance with [24 CFR 92.301\(a\)](#), does the agreement specify:*
 [24 CFR 92.504(c)(3)(x) and 24 CFR 92.504(c)(7)]

	File #1:	File #2:	File #3:	File #4:	File #5:
Allowable costs including costs necessary to determine project feasibility; consulting fees; costs of preliminary financial applications; legal, architectural and engineering fees; engagement of a development team; option to acquire property; site control; title clearance?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
Repayment is required unless Subrecipient waives repayment due to impediments to project development that the Subrecipient determines are reasonably beyond the control of the borrower?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A

Describe Basis for Conclusion:

Click or tap here to enter text.

*If the owner, developer or sponsor is a Community Housing Development Organization (CHDO) and is receiving **project-specific seed money loans** in accordance with [24 CFR 92.301\(b\)](#), does the agreement specify:*
 [24 CFR 92.504(c)(3)(x) and 24 CFR 92.504(c)(7)]

	File #1:	File #2:	File #3:	File #4:	File #5:
Allowable costs including but not limited to costs of obtaining firm construction loan commitments, architectural plans and specifications, zoning approvals, engineering studies, and legal fees?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
Repayment is required unless Subrecipient waives repayment due to impediments to project development that the Subrecipient determines are reasonably beyond the control of the borrower?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A

Describe Basis for Conclusion:
 Click or tap here to enter text.

Does the written agreement prohibit project owners from charging fees that are not customarily charged, (e.g., laundry room access fees)? [24 CFR 92.504(c)(3)(xi)]	
File # 1:	<input type="checkbox"/> Yes <input type="checkbox"/> No
File # 2:	<input type="checkbox"/> Yes <input type="checkbox"/> No
File # 3:	<input type="checkbox"/> Yes <input type="checkbox"/> No
File # 4:	<input type="checkbox"/> Yes <input type="checkbox"/> No
File # 5:	<input type="checkbox"/> Yes <input type="checkbox"/> No
Describe Basis for Conclusion: Click or tap here to enter text.	

C. HOME SUBSIDY, SUBSIDY LAYERING

NOT REVIEWED DURING MONITORING – Check all that apply:

- Policies and Procedures NOT REVIEWED, and/or
- Project files NOT REVIEWED

33.

Does the Subrecipient have policies and procedures to comprehensively implement this requirement? [24 CFR 92.504(a)]	Did the HOME investment total at least \$1,000 per HOME-assisted unit? [24 CFR 92.205(c)]	
<input type="checkbox"/> Yes <input type="checkbox"/> No	File # 1:	<input type="checkbox"/> Yes <input type="checkbox"/> No
	File # 2:	<input type="checkbox"/> Yes <input type="checkbox"/> No
	File # 3:	<input type="checkbox"/> Yes <input type="checkbox"/> No
	File # 4:	<input type="checkbox"/> Yes <input type="checkbox"/> No
	File # 5:	<input type="checkbox"/> Yes <input type="checkbox"/> No
Describe Basis for Conclusion: Click or tap here to enter text.		

Does the Subrecipient have policies and procedures to comprehensively implement this requirement? [24 CFR 92.504(a)]	Was the amount of HOME funds invested in the project at or below the applicable maximum per-unit HOME subsidy limit? [24 CFR 92.250(a)]	
<input type="checkbox"/> Yes <input type="checkbox"/> No	File # 1:	<input type="checkbox"/> Yes <input type="checkbox"/> No
	File # 2:	<input type="checkbox"/> Yes <input type="checkbox"/> No
	File # 3:	<input type="checkbox"/> Yes <input type="checkbox"/> No
	File # 4:	<input type="checkbox"/> Yes <input type="checkbox"/> No
	File # 5:	<input type="checkbox"/> Yes <input type="checkbox"/> No
Describe Basis for Conclusion: Click or tap here to enter text.		

35.

Was the HOME assistance provided in an eligible form of investment (i.e., interest-bearing or non-interest-bearing loan or advance, deferred payment loan, grant, or other form of assistance HUD approved in writing)? [24 CFR 92.205(b)]		
File # 1:	<input type="checkbox"/> Yes <input type="checkbox"/> No	
File # 2:	<input type="checkbox"/> Yes <input type="checkbox"/> No	
File # 3:	<input type="checkbox"/> Yes <input type="checkbox"/> No	
File # 4:	<input type="checkbox"/> Yes <input type="checkbox"/> No	
File # 5:	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Describe Basis for Conclusion: Click or tap here to enter text.		

36.

Does the Subrecipient have policies and procedures to comprehensively implement this requirement? [24 CFR 92.504(a)]	Did the Subrecipient conduct a subsidy layering and underwriting review to determine that it did not invest any more HOME funds than necessary to provide quality affordable housing that is financially viable for a reasonable period (at a minimum, the period of affordability) and that will not provide a profit or return on the owner's or developer's investment that exceeds the Subrecipient's established standards for the size, type, and complexity of the project? [24 CFR 92.250(b)]	
<input type="checkbox"/> Yes <input type="checkbox"/> No	File # 1:	<input type="checkbox"/> Yes <input type="checkbox"/> No
	File # 2:	<input type="checkbox"/> Yes <input type="checkbox"/> No
	File # 3:	<input type="checkbox"/> Yes <input type="checkbox"/> No

	File # 4:	<input type="checkbox"/> Yes <input type="checkbox"/> No
	File # 5:	<input type="checkbox"/> Yes <input type="checkbox"/> No

Describe Basis for Conclusion:
Click or tap here to enter text.

37.

<p>Does the Subrecipient have policies and procedures to comprehensively implement this requirement? [24 CFR 92.504(a)]</p>	<p>Does the project file include records that document: [24 CFR.508]</p>					
<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p>HOME subsidy was at or below the applicable HOME subsidy limits?</p>	<p>File #1: <input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p>File # 2: <input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p>File # 3: <input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p>File # 4: <input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p>File # 5: <input type="checkbox"/> Yes <input type="checkbox"/> No</p>
	<p>HOME subsidy was provided in an eligible form?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
	<p>Subsidy layering review was completed?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>Describe Basis for Conclusion: Click or tap here to enter text.</p>						

D. COST ALLOCATION

NOT REVIEWED DURING MONITORING – Check all that apply:

- Policies and Procedures NOT REVIEWED, and/or
- Project files NOT REVIEWED

38.

Does the Subrecipient have policies and procedures to comprehensively implement this requirement? [24 CFR 92.504(a)]	<i>If fewer than 100% of the units are HOME-assisted or the project is a mixed-use property that includes commercial space, did the Subrecipient determine the actual HOME-eligible development costs of the HOME-assisted units?</i> [24 CFR 92.205(d)(1)]	
<input type="checkbox"/> Yes <input type="checkbox"/> No	File # 1:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
	File # 2:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
	File # 3:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
	File # 4:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
	File # 5:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A

Describe Basis for Conclusion:
Click or tap here to enter text.

39.

Does the Subrecipient have policies and procedures to comprehensively implement this requirement? [24 CFR 92.504(a)]	Were any HOME-ineligible costs subtracted from the total development cost to determine the total HOME-eligible development costs? [24 CFR 92.205(d)(1)]	
<input type="checkbox"/> Yes <input type="checkbox"/> No	File # 1:	<input type="checkbox"/> Yes <input type="checkbox"/> No
	File # 2:	<input type="checkbox"/> Yes <input type="checkbox"/> No
	File # 3:	<input type="checkbox"/> Yes <input type="checkbox"/> No
	File # 4:	<input type="checkbox"/> Yes <input type="checkbox"/> No
	File # 5:	<input type="checkbox"/> Yes <input type="checkbox"/> No

Describe Basis for Conclusion:
Click or tap here to enter text.

40.

<p>Does the Subrecipient have policies and procedures to comprehensively implement this requirement? [24 CFR 92.504(a)]</p>	<p><i>If the Subrecipient determined the actual costs of the HOME-assisted units by prorating the total HOME-eligible development costs of the project, are the units comparable in terms of bedroom size, square footage and level of amenities?</i> [24 CFR 92.205(d)]</p>				
<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p>File # 1:</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</p>			
	<p>File # 2:</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</p>			
	<p>File # 3:</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</p>			
	<p>File # 4:</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</p>			
	<p>File # 5:</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</p>			
<p>Describe Basis for Conclusion: Click or tap here to enter text.</p>					

41.

<p>Does the Subrecipient have policies and procedures to comprehensively implement this requirement? [24 CFR 92.504(a)]</p>	<p>Does the project file include records that document <u>all</u> of the following: [24 CFR 92.508(a)(3)]</p>					
<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>		<p>File # 1:</p>	<p>File # 2:</p>	<p>File # 3:</p>	<p>File # 4:</p>	<p>File # 5:</p>
	<p>HOME subsidy was at or below the applicable HOME subsidy limits?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
	<p>If not all units in the project were HOME-assisted, cost allocation was performed to determine the actual costs?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
	<p>Subsidy layering review was completed?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>

Describe Basis for Conclusion:

Click or tap here to enter text.

E. ELIGIBLE/REASONABLE COSTS

NOT REVIEWED DURING MONITORING – Check all that apply:

- Policies and Procedures NOT REVIEWED, and/or
- Project files NOT REVIEWED

42.

Does the Subrecipient have policies and procedures to comprehensively implement this requirement? [24 CFR 92.504(a)]	Were all project costs paid with HOME funds eligible? [24 CFR 92.206 (eligible project costs), 24 CFR 92.213 (public housing), 24 CFR 92.214 (prohibited activities and fees)]	
<input type="checkbox"/> Yes <input type="checkbox"/> No	File # 1:	<input type="checkbox"/> Yes <input type="checkbox"/> No
	File # 2:	<input type="checkbox"/> Yes <input type="checkbox"/> No
	File # 3:	<input type="checkbox"/> Yes <input type="checkbox"/> No
	File # 4:	<input type="checkbox"/> Yes <input type="checkbox"/> No
	File # 5:	<input type="checkbox"/> Yes <input type="checkbox"/> No
Describe Basis for Conclusion: Click or tap here to enter text.		

43.

Does the Subrecipient have policies and procedures to comprehensively implement this requirement? [24 CFR 92.504(a)]	<i>If HOME funds paid for costs incurred up to 24 months before the date the HOME funds were committed to the project, were those costs limited to architectural, engineering or related professional services required to prepare plans, drawings, specifications or work write-ups, and did the Subrecipient expressly permit the use of HOME funds for such costs in the written agreement?</i> [24 CFR 92.206(d)(1)]	
<input type="checkbox"/> Yes <input type="checkbox"/> No	File # 1:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
	File # 2:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
	File # 3:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
	File # 4:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
	File # 5:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
Describe Basis for Conclusion: Click or tap here to enter text.		

44.

<p>Does the Subrecipient have policies and procedures to comprehensively implement this requirement? [24 CFR 92.504(a)]</p>	<p><i>If HOME funds were used to refinance existing debt secured by the housing project, was the refinancing part of the rehabilitation of the project and necessary to permit or continue affordability?</i> [24 CFR 92.206(b)(2)]</p>	
<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p>File # 1:</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</p>
	<p>File # 2:</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</p>
	<p>File # 3:</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</p>
	<p>File # 4:</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</p>
	<p>File # 5:</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</p>
<p>Describe Basis for Conclusion: Click or tap here to enter text.</p>		

45.

<p>Does the Subrecipient have policies and procedures to comprehensively implement this requirement? [24 CFR 92.504(a)]</p>	<p><i>If HOME funds were used to refinance existing debt secured by the housing project</i>, did the Subrecipient follow its refinancing require <i>all</i> the following were met: [24 CFR 92.206(b)(2)]</p>			
<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p>Rehabilitation is the primary activity as demonstrated by the project meeting the Subrecipient’s minimum level of rehabilitation per unit, or the required ratio between rehabilitation and refinancing?</p>	<p>File # 1: <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</p>	<p>File # 2: <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</p>	<p><input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/></p>
	<p>The review of management practices demonstrates that:</p> <ul style="list-style-type: none"> ● Disinvestment in the property did not occur ● The long-term needs of the project could be met, ● Project could feasibly serve the targeted population over an extended affordability period? 	<p><input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</p>	<p><input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/></p>
	<p>The new investment was made to maintain current affordable units, create additional affordable units, or both?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</p>	<p><input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/></p>
	<p>The required period of affordability is at least 15 years or longer as specified in the guidelines?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</p>	<p><input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/></p>
	<p><i>If applicable</i>, the project is located within the defined geographic area, specified by the Subrecipient’s guidelines?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</p>	<p><input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/></p>
	<p>The HOME funds were not used to refinance any single-family or multi-family housing loans made or insured by any Federal program, including CDBG?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</p>	<p><input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/></p>
<p>Describe Basis for Conclusion: Click or tap here to enter text.</p>				

46.

<p>Does the Subrecipient have policies and procedures to comprehensively implement this requirement? [24 CFR 92.504(a)]</p>	<p>Did the Subrecipient adequately document the source and application of HOME funds? [2 CFR 200.302 and 2 CFR 200.405]</p>	
<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p>File # 1:</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
	<p>File # 2:</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
	<p>File # 3:</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
	<p>File # 4:</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
	<p>File # 5:</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>Describe Basis for Conclusion: Click or tap here to enter text.</p>		

47.

<p>Does the Subrecipient have policies and procedures to comprehensively implement this requirement? [24 CFR 92.504(a)]</p>	<p>Did the Subrecipient review and approve written cost estimates for construction or rehabilitation and determine that costs are reasonable? [24 CFR 92.251(a)(2)(iv) (new construction) or 24 CFR 92.251(b)(2) (rehabilitation)]</p>	
<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p>File # 1:</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
	<p>File # 2:</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
	<p>File # 3:</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
	<p>File # 4:</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
	<p>File # 5:</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>Describe Basis for Conclusion: Click or tap here to enter text.</p>		

48.

<p>Does the Subrecipient have policies and procedures to comprehensively implement this requirement? [24 CFR 92.504(a)]</p>	<p>Does the project file include records that document <u>all</u> the following: [24 CFR 92.508(a)(3)(ii)]</p>					
<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>		<p>File # 1:</p>	<p>File # 2:</p>	<p>File # 3:</p>	<p>File # 4:</p>	<p>File # 5:</p>
	<p>Eligible use of HOME funds?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
	<p>Costs are reasonable?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
	<p>Source and application of HOME funds?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>Describe Basis for Conclusion: Click or tap here to enter text.</p>						

F. PROPERTY REQUIREMENTS

NOT REVIEWED DURING MONITORING – Check all that apply:

- Policies and Procedures NOT REVIEWED, and/or
- Project files NOT REVIEWED

49.

<p>Did the property comply with the environmental review requirements? (Use Exhibit 21-1, <i>Guide for Environmental Review of the Community Development Block Grant, HOME Investment Partnerships, Emergency Solutions Grants, and Housing Opportunities for Persons With AIDS Programs by the Community Planning and Development (CPD) Representative</i> to answer this question.) [24 CFR 92.352]</p>	
File # 1:	<input type="checkbox"/> Yes <input type="checkbox"/> No
File # 2:	<input type="checkbox"/> Yes <input type="checkbox"/> No
File # 3:	<input type="checkbox"/> Yes <input type="checkbox"/> No
File # 4:	<input type="checkbox"/> Yes <input type="checkbox"/> No
File # 5:	<input type="checkbox"/> Yes <input type="checkbox"/> No
<p>Describe Basis for Conclusion: Click or tap here to enter text.</p>	

50.

<p><u>If HOME funds were used to develop or rehabilitate a property located within the Special Flood Hazard Area (SFHA), did the property comply with flood insurance protection? (Use Exhibit 27-1, <i>Guide for Review of Flood Insurance Protection</i> to answer this question.)</u> [24 CFR 92.352]</p>	
File # 1:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
File # 2:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
File # 3:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
File # 4:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
File # 5:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
<p>Describe Basis for Conclusion: Click or tap here to enter text.</p>	

51.

<p>Does the Subrecipient have policies and procedures to comprehensively implement this requirement? [24 CFR 92.504(a)]</p>	<p>Did the Subrecipient impose the correct affordability period based on the amount of HOME investment and type of activity undertaken? [24 CFR 92.252(e)]</p>	
<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p>File # 1:</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
	<p>File # 2:</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
	<p>File # 3:</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
	<p>File # 4:</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
	<p>File # 5:</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>Describe Basis for Conclusion: Click or tap here to enter text.</p>		

52.

<p>Does the Subrecipient have policies and procedures to comprehensively implement this requirement? [24 CFR 92.504(a)]</p>	<p>Was the affordability period imposed using a deed restriction, covenant running with the land, use restriction, or other mechanism approved by HUD in writing? [24 CFR 92.252(e)]</p>	
<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p>File # 1:</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
	<p>File # 2:</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
	<p>File # 3:</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
	<p>File # 4:</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
	<p>File # 5:</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>Describe Basis for Conclusion: Click or tap here to enter text.</p>		

Unit Designation

53.

Does the Subrecipient have policies and procedures to comprehensively implement this requirement? [24 CFR 92.504(a)]	Does the written agreement with the owner designate the project's HOME-assisted units as fixed or floating? [24 CFR 92.252(j)]	
<input type="checkbox"/> Yes <input type="checkbox"/> No	File # 1:	<input type="checkbox"/> Yes <input type="checkbox"/> No
	File # 2:	<input type="checkbox"/> Yes <input type="checkbox"/> No
	File # 3:	<input type="checkbox"/> Yes <input type="checkbox"/> No
	File # 4:	<input type="checkbox"/> Yes <input type="checkbox"/> No
	File # 5:	<input type="checkbox"/> Yes <input type="checkbox"/> No
Describe Basis for Conclusion: Click or tap here to enter text.		

54.

Does the Subrecipient have policies and procedures to comprehensively implement this requirement? [24 CFR 92.504(a)]	<i>If the units are floating</i> , are the units comparable in terms of size, features and number of bedrooms? [24 CFR 92.252(j)]	
<input type="checkbox"/> Yes <input type="checkbox"/> No	File # 1:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
	File # 2:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
	File # 3:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
	File # 4:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
	File # 5:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
Describe Basis for Conclusion: Click or tap here to enter text.		

Does the Subrecipient have policies and procedures to comprehensively implement this requirement? [24 CFR 92.504(a)]	Were the specific HOME assisted units identified no later than the time of initial unit occupancy? [24 CFR 92.252(j)]	
<input type="checkbox"/> Yes <input type="checkbox"/> No	File # 1:	<input type="checkbox"/> Yes <input type="checkbox"/> No
	File # 2:	<input type="checkbox"/> Yes <input type="checkbox"/> No
	File # 3:	<input type="checkbox"/> Yes <input type="checkbox"/> No
	File # 4:	<input type="checkbox"/> Yes <input type="checkbox"/> No
	File # 5:	<input type="checkbox"/> Yes <input type="checkbox"/> No
Describe Basis for Conclusion: Click or tap here to enter text.		

HOME Rents

56.

Does the Subrecipient have policies and procedures to comprehensively implement this requirement? [24 CFR 92.504(a)]	Did the project's initial rent schedule meet the HOME requirements (i.e., rents no greater than the high HOME rents, and in projects with 5 or more HOME-assisted units, at least 20% of the HOME units have rents no higher than the low HOME rent)? [24 CFR 92.252(a) and (b)]	
<input type="checkbox"/> Yes <input type="checkbox"/> No	File # 1:	<input type="checkbox"/> Yes <input type="checkbox"/> No
	File # 2:	<input type="checkbox"/> Yes <input type="checkbox"/> No
	File # 3:	<input type="checkbox"/> Yes <input type="checkbox"/> No
	File # 4:	<input type="checkbox"/> Yes <input type="checkbox"/> No
	File # 5:	<input type="checkbox"/> Yes <input type="checkbox"/> No
Describe Basis for Conclusion: Click or tap here to enter text.		

Does the Subrecipient have policies and procedures to comprehensively implement this requirement? [24 CFR 92.504(a)]	<i>If the project includes SRO units that have neither sanitary nor food preparation facilities or one but not both</i> , does the maximum rent not exceed 75% of the FMR for a zero-bedroom unit? [24 CFR 92.252(c)]	
<input type="checkbox"/> Yes <input type="checkbox"/> No	File # 1:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
	File # 2:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
	File # 3:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
	File # 4:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
	File # 5:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
Describe Basis for Conclusion: Click or tap here to enter text.		

58.

Does the Subrecipient have policies and procedures to comprehensively implement this requirement? [24 CFR 92.504(a)]	Did the Subrecipient review and approve the initial project rents? [24 CFR 92.252(d)(2)]	
<input type="checkbox"/> Yes <input type="checkbox"/> No	File # 1:	<input type="checkbox"/> Yes <input type="checkbox"/> No
	File # 2:	<input type="checkbox"/> Yes <input type="checkbox"/> No
	File # 3:	<input type="checkbox"/> Yes <input type="checkbox"/> No
	File # 4:	<input type="checkbox"/> Yes <input type="checkbox"/> No
	File # 5:	<input type="checkbox"/> Yes <input type="checkbox"/> No
Describe Basis for Conclusion: Click or tap here to enter text.		

<p>Does the Subrecipient have policies and procedures to comprehensively implement this requirement and its established maximum monthly allowance for utilities and services which was annually updated? [24 CFR 92.504(a)]</p>	<p><i>If the tenants will pay utilities</i>, did the Subrecipient use the HUD Utility Schedule Model or otherwise determine the utility allowance for the project based on the type of utilities used at the project? [24 CFR 92.252(d)(1)]</p>
---	---

<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	File # 1:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
	File # 2:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
	File # 3:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
	File # 4:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
	File # 5:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A

Describe Basis for Conclusion:
Click or tap here to enter text.

60.

<p>Does the Subrecipient have policies and procedures to comprehensively implement this requirement? [24 CFR 92.504(a)]</p>	<p><i>If tenants will pay utilities and services</i>, did the Subrecipient subtract the utility allowance from the maximum rent to determine the initial project rents? [24 CFR 92.252(d)(2)]</p>
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<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	File # 1:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
	File # 2:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
	File # 3:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
	File # 4:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
	File # 5:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A

Describe Basis for Conclusion:
Click or tap here to enter text.

Does the Subrecipient have policies and procedures to comprehensively implement this requirement? [24 CFR 92.504(a)]	Has the project owner adopted written tenant selection policies and criteria that address <u>all</u> of the following: [24 CFR 92.253(d)]					
		File # 1:	File # 2:	File # 3:	File # 4:	File # 5:
<input type="checkbox"/> Yes <input type="checkbox"/> No	Limits housing to very low- and low-income households?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
	If permitted in its written agreement with the Subrecipient, (and only if described in the Subrecipient’s consolidated plan), limits eligibility or gives preference to a particular population in accordance with 24 CFR 92.253(d)(3) ?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
	Does not exclude an applicant because the applicant is a holder of a certificate or voucher under the Section 8 Tenant-based assistance or Housing Choice Voucher program, or comparable HOME TBRA document?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
	Provides for the selection of tenants from a written waiting list in the chronological order of their application insofar as is practicable?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
	Gives applicants prompt written notification of rejection and the reason for rejection?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
	Complies with VAWA requirements prescribed in 24 CFR 92.359 ?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Describe Basis for Conclusion: Click or tap here to enter text.						

Does the Subrecipient have policies and procedures to comprehensively implement this requirement? [24 CFR 92.504(a)]	Is the lease to be used in the project free of <u>all</u> of the following prohibited lease terms: [24 CFR 92. 253(b)]					
<input type="checkbox"/> Yes <input type="checkbox"/> No		File # 1:	File # 2:	File # 3:	File # 4:	File # 5:
	Agreement to be sued, admit guilt, or judgement in favor of landlord in a lawsuit over the lease?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
	Treatment of property (ability to take, hold or sell property of household without notice to tenant or court decision unless tenant has moved out and state law allows)?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
	Excusing owner from responsibility for any action?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
	Waiver of notice of lawsuit?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
	Waiver of legal proceedings relating to eviction?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
	Waiver of jury trial?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
	Waiver of right to appeal court decision?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
	Tenant chargeable with cost of legal action regardless of outcome?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
	Mandatory supportive services other	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No

	than a tenant in transitional housing?					
--	--	--	--	--	--	--

Describe Basis for Conclusion:
Click or tap here to enter text.

63.

Does the Subrecipient have policies and procedures to comprehensively implement this requirement? [24 CFR 92.504(a)]	<i>If the date of the HOME funding commitment for the project was after December 16, 2016, did the project's lease incorporate the VAWA lease addendum required in accordance with 24 CFR 92.359(e)?</i> [24 CFR 92.253(a)]				
<input type="checkbox"/> Yes <input type="checkbox"/> No	File # 1:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A			
	File # 2:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A			
	File # 3:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A			
	File # 4:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A			
	File # 5:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A			
Describe Basis for Conclusion: Click or tap here to enter text.					

64.

Does the project file include records that document <i>all</i> the following: [24 CFR 92.508(a)(3)]					
	File # 1:	File # 2:	File # 3:	File # 4:	File # 5:
Period of affordability imposed on the project?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Project meets initial rent requirements?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Lease does not include prohibited provisions?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Describe Basis for Conclusion: Click or tap here to enter text.					

G. PROPERTY STANDARDS

NOT REVIEWED DURING MONITORING – Check all that apply:

- Policies and Procedures NOT REVIEWED, and/or
- Project files NOT REVIEWED

New Construction

Instructions: For new construction activities, the monitor should complete this section as well as the *Disaster Mitigation* and *Broadband* sections below, if applicable.

NOT APPLICABLE – Subrecipient does not have new construction rental projects

65.

Does the Subrecipient have policies and procedures to comprehensively implement this requirement? [24 CFR 92.504(a)]	<i>At completion</i> , did the final inspection indicate that the property met the Subrecipient’s property standards? [24 CFR 92.251(a)]	
<input type="checkbox"/> Yes <input type="checkbox"/> No	File # 1:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
	File # 2:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
	File # 3:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
	File # 4:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
	File # 5:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
Describe Basis for Conclusion: Click or tap here to enter text.		

66.

Does the Subrecipient have policies and procedures to comprehensively implement this requirement? [24 CFR 92.504(a)]	Did the Subrecipient ensure the construction contract(s) and documents adequately describe the work to be performed so that inspections can be conducted? [24 CFR 92.251(a)(2)(iv)]	
<input type="checkbox"/> Yes <input type="checkbox"/> No	File # 1:	<input type="checkbox"/> Yes <input type="checkbox"/> No
	File # 2:	<input type="checkbox"/> Yes <input type="checkbox"/> No
	File # 3:	<input type="checkbox"/> Yes <input type="checkbox"/> No
	File # 4:	<input type="checkbox"/> Yes <input type="checkbox"/> No
	File # 5:	<input type="checkbox"/> Yes <input type="checkbox"/> No
Describe Basis for Conclusion: Click or tap here to enter text.		

Does the Subrecipient have policies and procedures to comprehensively implement this requirement? [24 CFR 92.504(a)]	Did the Subrecipient conduct progress inspections during development to ensure work met applicable codes, the construction contract and construction documents? [24 CFR 92.251(a)(2)(v)]		
<input type="checkbox"/> Yes <input type="checkbox"/> No	File # 1:	<input type="checkbox"/> Yes <input type="checkbox"/> No	Inspection Date: Click or tap here to enter text.
	File # 2:	<input type="checkbox"/> Yes <input type="checkbox"/> No	Inspection Date: Click or tap here to enter text.
	File # 3:	<input type="checkbox"/> Yes <input type="checkbox"/> No	Inspection Date: Click or tap here to enter text.
	File # 4:	<input type="checkbox"/> Yes <input type="checkbox"/> No	Inspection Date: Click or tap here to enter text.
	File # 5:	<input type="checkbox"/> Yes <input type="checkbox"/> No	Inspection Date: Click or tap here to enter text.
Describe Basis for Conclusion: Click or tap here to enter text.			

68.

Does the Subrecipient have policies and procedures to comprehensively implement this requirement? [24 CFR 92.504(a)]	<i>At completion</i> , did the Subrecipient conduct a final inspection of the project? [24 CFR 92.251(a)(2)(v) and 24 CFR 92.504(d)(1)(i)]		
<input type="checkbox"/> Yes <input type="checkbox"/> No	File # 1:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	Inspection Date: Click or tap here to enter text.
	File # 2:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	Inspection Date: Click or tap here to enter text.
	File # 3:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	Inspection Date: Click or tap here to enter text.
	File # 4:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	Inspection Date: Click or tap here to enter text.
	File # 5:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	Inspection Date: Click or tap here to enter text.
Describe Basis for Conclusion: Click or tap here to enter text.			

Does the Subrecipient have policies and procedures to comprehensively implement this requirement? [24 CFR 92.504(a)]	Does the project file include records that document that inspections were conducted during development and upon completion of the project? [24 CFR 92.508(a)(3)(iv)]	
<input type="checkbox"/> Yes <input type="checkbox"/> No	File # 1:	<input type="checkbox"/> Yes <input type="checkbox"/> No
	File # 2:	<input type="checkbox"/> Yes <input type="checkbox"/> No
	File # 3:	<input type="checkbox"/> Yes <input type="checkbox"/> No
	File # 4:	<input type="checkbox"/> Yes <input type="checkbox"/> No
	File # 5:	<input type="checkbox"/> Yes <input type="checkbox"/> No
Describe Basis for Conclusion: Click or tap here to enter text.		

Rehabilitation

Instructions: For rehabilitation activities, the monitor should complete this section as well as the *Disaster Mitigation* and *Broadband* sections below, if applicable.

NOT APPLICABLE – Subrecipient did not use HOME funds for rehabilitation of rental projects.

70.

Does the Subrecipient have written rehabilitation standards that sufficiently detail the methods, materials, and requirements that the housing must meet upon project completion including each of the following:	
a. Health and Safety? [24 CFR 92.251(b)(1)(i)]	<input type="checkbox"/> Yes <input type="checkbox"/> No
b. Major systems? [24 CFR 92.251(b)(1)(ii)]	<input type="checkbox"/> Yes <input type="checkbox"/> No
c. Lead-based paint? [24 CFR 92.251(b)(1)(iii)]	<input type="checkbox"/> Yes <input type="checkbox"/> No
d. Accessibility? [24 CFR 92.251(b)(1)(iv)]	<input type="checkbox"/> Yes <input type="checkbox"/> No
e. Disaster mitigation (if applicable)? [24 CFR 92.251(b)(1)(vi)]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
f. State and local codes, ordinances and zoning requirements? [24 CFR 92.251(b)(1)(vii)]	<input type="checkbox"/> Yes <input type="checkbox"/> No
g. Minimum deficiencies that must be corrected based on inspectable items and areas in HUD’s Uniform Physical Condition Standards? [24 CFR 92.251(b)(1)(viii)]	<input type="checkbox"/> N/A *HUD has not yet issued guidance on the minimum deficiencies that must be corrected under a Subrecipient’s rehabilitation standards.

Describe Basis for Conclusion:

Click or tap here to enter text.

Does the Subrecipient have policies and procedures to comprehensively implement this requirement? [24 CFR 92.504(a)]	<i>If the project consists of 26 or more total units</i> , did the Subrecipient determine the useful life of major systems through a capital needs assessment? [24 CFR 92.251(b)(1)(ii)]	
<input type="checkbox"/> Yes <input type="checkbox"/> No	File # 1:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
	File # 2:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
	File # 3:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
	File # 4:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
	File # 5:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
Describe Basis for Conclusion: Click or tap here to enter text.		

72.

Does the Subrecipient have policies and procedures to comprehensively implement this requirement? [24 CFR 92.504(a)]	<i>For projects with less than 26 total units</i> , did the Subrecipient estimate (based on age and condition) the remaining useful life of each major system upon project completion? [24 CFR 92.251(b)(1)(ii)]	
<input type="checkbox"/> Yes <input type="checkbox"/> No	File # 1:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
	File # 2:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
	File # 3:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
	File # 4:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
	File # 5:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
Describe Basis for Conclusion: Click or tap here to enter text.		

73.

Does the Subrecipient have policies and procedures to comprehensively implement this requirement? [24 CFR 92.504(a)]	<i>If the remaining useful life a major system is less than the applicable period of affordability</i> , did the Subrecipient ensure that a replacement reserve was established, and monthly payments are made to the reserve that are adequate to repair or replace the system(s) as needed? [24 CFR 92.251(b)(1)(ii)]	
<input type="checkbox"/> Yes <input type="checkbox"/> No	File # 1:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
	File # 2:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
	File # 3:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
	File # 4:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
	File # 5:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A

Describe Basis for Conclusion:

Click or tap here to enter text.

Does the Subrecipient have policies and procedures to comprehensively implement this requirement? [24 CFR 92.504(a)]	Did the Subrecipient determine construction documents adequately describe the rehabilitation scope to be performed so that inspections can be conducted to determine compliance with the Subrecipient’s rehabilitation standards? [24 CFR 92.251(b)(2)]	
<input type="checkbox"/> Yes <input type="checkbox"/> No	File # 1:	<input type="checkbox"/> Yes <input type="checkbox"/> No
	File # 2:	<input type="checkbox"/> Yes <input type="checkbox"/> No
	File # 3:	<input type="checkbox"/> Yes <input type="checkbox"/> No
	File # 4:	<input type="checkbox"/> Yes <input type="checkbox"/> No
	File # 5:	<input type="checkbox"/> Yes <input type="checkbox"/> No
Describe Basis for Conclusion: Click or tap here to enter text.		

75.

Does the Subrecipient have policies and procedures to comprehensively implement this requirement? [24 CFR 92.504(a)]	Did the Subrecipient conduct an initial property inspection to identify the deficiencies that must be addressed during the rehabilitation? [24 CFR 92.251(b)(3)]		
<input type="checkbox"/> Yes <input type="checkbox"/> No	File # 1:	<input type="checkbox"/> Yes <input type="checkbox"/> No	Inspection Date: Click or tap here to enter text.
	File # 2:	<input type="checkbox"/> Yes <input type="checkbox"/> No	Inspection Date: Click or tap here to enter text.
	File # 3:	<input type="checkbox"/> Yes <input type="checkbox"/> No	Inspection Date: Click or tap here to enter text.
	File # 4:	<input type="checkbox"/> Yes <input type="checkbox"/> No	Inspection Date: Click or tap here to enter text.
	File # 5:	<input type="checkbox"/> Yes <input type="checkbox"/> No	Inspection Date: Click or tap here to enter text.
Describe Basis for Conclusion: Click or tap here to enter text.			

Does the Subrecipient have policies and procedures to comprehensively implement this requirement? [24 CFR 92.504(a)]	Did the Subrecipient conduct progress inspections to determine work was done in accordance with work write-ups? [24 CFR 92.251(b)(3)]		
<input type="checkbox"/> Yes <input type="checkbox"/> No	File # 1:	<input type="checkbox"/> Yes <input type="checkbox"/> No	Inspection Date: Click or tap here to enter text.
	File # 2:	<input type="checkbox"/> Yes <input type="checkbox"/> No	Inspection Date: Click or tap here to enter text.
	File # 3:	<input type="checkbox"/> Yes <input type="checkbox"/> No	Inspection Date: Click or tap here to enter text.
	File # 4:	<input type="checkbox"/> Yes <input type="checkbox"/> No	Inspection Date: Click or tap here to enter text.
	File # 5:	<input type="checkbox"/> Yes <input type="checkbox"/> No	Inspection Date: Click or tap here to enter text.
Describe Basis for Conclusion: Click or tap here to enter text.			

77.

Did the project comply with the lead-based paint requirements of 24 CFR part 35 ? (Use Exhibit 24-1, <i>Guide for Review of Lead-Based Paint Compliance in Properties Receiving Federal Rehabilitation Assistance</i> to answer this question). [24 CFR 92.251(b)(1)(iii)]	
File #1:	<input type="checkbox"/> Yes <input type="checkbox"/> No
File #2:	<input type="checkbox"/> Yes <input type="checkbox"/> No
File #3:	<input type="checkbox"/> Yes <input type="checkbox"/> No
File #4:	<input type="checkbox"/> Yes <input type="checkbox"/> No
File #5:	<input type="checkbox"/> Yes <input type="checkbox"/> No
Describe Basis for Conclusion: Click or tap here to enter text.	

Does the Subrecipient have policies and procedures to comprehensively implement this requirement? [24 CFR 92.504(a)]	<u>At completion</u> , did the Subrecipient conduct a final inspection of the work? [24 CFR 92.251(b)(3) and 24 CFR 92.504(d)(1)(i)]		
<input type="checkbox"/> Yes <input type="checkbox"/> No	File # 1:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	Inspection Date: Click or tap here to enter text.
	File # 2:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	Inspection Date: Click or tap here to enter text.
	File # 3:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	Inspection Date: Click or tap here to enter text.
	File # 4:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	Inspection Date: Click or tap here to enter text.
	File # 5:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	Inspection Date: Click or tap here to enter text.

Describe Basis for Conclusion:
Click or tap here to enter text.

79.

Does the Subrecipient have policies and procedures to comprehensively implement this requirement? [24 CFR 92.504(a)]	<u>At completion</u> , did the final inspection indicate that the property met the Subrecipient's property standards? [24 CFR 92.251(b)(1)]		
<input type="checkbox"/> Yes <input type="checkbox"/> No	File # 1:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
	File # 2:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
	File # 3:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
	File # 4:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
	File # 5:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	

Describe Basis for Conclusion:
Click or tap here to enter text.

Does the Subrecipient have policies and procedures to comprehensively implement this requirement? [24 CFR 92.504(a)]	Do records indicate that the work was performed in conformance with the Subrecipient's written rehabilitation standards? [24 CFR 92.251(b)(1) and 24 CFR 92.508(a)(3)(iv)]	
<input type="checkbox"/> Yes <input type="checkbox"/> No	File # 1:	<input type="checkbox"/> Yes <input type="checkbox"/> No
	File # 2:	<input type="checkbox"/> Yes <input type="checkbox"/> No
	File # 3:	<input type="checkbox"/> Yes <input type="checkbox"/> No
	File # 4:	<input type="checkbox"/> Yes <input type="checkbox"/> No
	File # 5:	<input type="checkbox"/> Yes <input type="checkbox"/> No
Describe Basis for Conclusion: Click or tap here to enter text.		

81.

Does the Subrecipient have policies and procedures to comprehensively implement this requirement? [24 CFR 92.504(a)]	Does the project file include records that demonstrate the inspections were conducted prior to, during, and upon completion of the rehabilitation? [24 CFR 92.508(a)(3)(iv)]	
<input type="checkbox"/> Yes <input type="checkbox"/> No	File # 1:	<input type="checkbox"/> Yes <input type="checkbox"/> No
	File # 2:	<input type="checkbox"/> Yes <input type="checkbox"/> No
	File # 3:	<input type="checkbox"/> Yes <input type="checkbox"/> No
	File # 4:	<input type="checkbox"/> Yes <input type="checkbox"/> No
	File # 5:	<input type="checkbox"/> Yes <input type="checkbox"/> No
Describe Basis for Conclusion: Click or tap here to enter text.		

Acquisition

NOT APPLICABLE – Subrecipient did not use HOME funds for acquisition.

82.

<p>Does the Subrecipient have policies and procedures to comprehensively implement this requirement? [24 CFR 92.504(a)]</p>	<p>Did the Subrecipient determine that existing rental housing newly constructed or rehabilitated within 12 months of the date of commitment, met the applicable property standards of 24 CFR 92.251(a) or (b) by reviewing the approved building plans and certificate of occupancy, and inspecting the project no earlier than 90 days before the commitment of HOME funds for acquisition? [24 CFR 92.251(c)]</p>	
<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p>File # 1:</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
	<p>File # 2:</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
	<p>File # 3:</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
	<p>File # 4:</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
	<p>File # 5:</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>Describe Basis for Conclusion: Click or tap here to enter text.</p>		

83.

<p>Does the Subrecipient have policies and procedures to comprehensively implement this requirement? [24 CFR 92.504(a)]</p>	<p>Did the Subrecipient determine that existing rental housing that was not newly constructed or rehabilitated within the past 12 months met the rehabilitation standards of 24 CFR 92.251(b) by inspecting the property no earlier than 90 days before the commitment of HOME funds? (Note: if the property did not meet the standards in 24 CFR 92.251(b), the property cannot be acquired with HOME funds unless it is rehabilitated to meet 24 CFR 92.251(b)) [24 CFR 92.251(c)(2)]</p>	
<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p>File # 1:</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
	<p>File # 2:</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
	<p>File # 3:</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
	<p>File # 4:</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
	<p>File # 5:</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>Describe Basis for Conclusion: Click or tap here to enter text.</p>		

Disaster Mitigation

NOT REVIEWED DURING MONITORING – Check all that apply:

- Policies and Procedures NOT REVIEWED, and/or
- Project files NOT REVIEWED

84.

<i>Where applicable</i> , did the property meet the disaster mitigation requirements? [24 CFR 92.251(a)(2)(iii) (new construction) or 24 CFR 92.251(b)(1)(vi) (rehabilitation)]	
File # 1:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
File # 2:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
File # 3:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
File # 4:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
File # 5:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
Describe Basis for Conclusion: Click or tap here to enter text.	

Broadband

NOT REVIEWED DURING MONITORING – Check all that apply:

- Policies and Procedures NOT REVIEWED, and/or
- Project files NOT REVIEWED

NOT APPLICABLE - HOME Funds were committed prior to January 19, 2017.

85.

Does the Subrecipient have policies and procedures to comprehensively implement this requirement? [24 CFR 92.504(a)]	<i>If the HOME funds were committed to the project after January 19, 2017 and the project involves new construction or substantial rehabilitation (as defined in 24 CFR 5.100) of a building with more than 4 rental units, did the construction include the installation of broadband infrastructure, as the term is defined in 24 CFR 5.100?</i> [24 CFR 251(a)(2)(vi)]	
<input type="checkbox"/> Yes <input type="checkbox"/> No	File # 1:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
	File # 2:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
	File # 3:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
	File # 4:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
	File # 5:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
Describe Basis for Conclusion: Click or tap here to enter text.		

86.

<p>Does the Subrecipient have policies and procedures to comprehensively implement this requirement? [24 CFR 92.504(a)]</p>	<p><u><i>If the HOME funds were committed to the project after January 19, 2017, and the project did not include broadband infrastructure, did the Subrecipient determine:</i></u></p> <p><u>For new construction projects:</u></p> <ul style="list-style-type: none"> ● The location of the project makes installation of broadband infrastructure infeasible, or ● The cost of installing the infrastructure would result in a fundamental alteration of the Subrecipient’s program or activity, or in an undue financial burden? <p>[24 CFR 92.251(a)(2)(vi)]</p> <p><u>For substantial rehabilitation (as defined in 24 CFR 5.100) of a building with more than 4 rental units:</u></p> <ul style="list-style-type: none"> ● The location of the substantial rehabilitation makes installation of broadband infrastructure infeasible, ● The cost of installing broadband infrastructure would result in a fundamental alteration in the nature of the Subrecipient’s program or activity, or in an undue financial burden, or ● The structure of the housing to be substantially rehabilitated makes installation of broadband infrastructure infeasible. <p>[24 CFR 92.251(b)(1)(x)]</p>	
<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p>File # 1:</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</p>
	<p>File # 2:</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</p>
	<p>File # 3:</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</p>
	<p>File # 4:</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</p>
	<p>File # 5:</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</p>
<p>Describe Basis for Conclusion: Click or tap here to enter text.</p>		

H. PROCUREMENT AND CONTRACTOR OVERSIGHT (if applicable)

Instructions: If the Subrecipient procured the services of a contractor to administer its rental development program, the Subrecipient must adhere to the procurement requirements of [2 CFR part 200](#). The HOME regulations at [24 CFR 92.504\(b\)](#) require the Subrecipient to execute a written agreement with the contractor. Reviewers must complete the following Exhibits: Exhibit 7-34, *Guide for Review of Contractor Written Agreement* **and** Exhibit 34-3, *Guide for Review of Procurement*.

- NOT REVIEWED DURING MONITORING
- NOT APPLICABLE – Procurement and Contractor Oversight not applicable to the Subrecipient’s rental development program.

87.

<p><i>If the Subrecipient procured the services of a contractor to administer its rental development program, did the Subrecipient adhere to the procurement requirements of 2 CFR part 200? Summarize the results of Exhibits 7-34 and 34-3 to answer this question.</i></p> <p>[24 CFR 92.504(b)]</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
<p>Describe Basis for Conclusions: Click or tap here to enter text.</p>	

I. PROJECT COMPLETION

NOT REVIEWED DURING MONITORING – Check all that apply:

- Policies and Procedures NOT REVIEWED, and/or
- Project files NOT REVIEWED

88.

<p>Does the Subrecipient have policies and procedures to comprehensively implement this requirement? [24 CFR 92.504(a)]</p>	<p><i>If the project is complete, was the project completed within 4 years of the date the HOME funds were committed to the project?</i> [24 CFR 92.205(e)(2)]</p>	
<input type="checkbox"/> Yes <input type="checkbox"/> No	File # 1:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
	File # 2:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
	File # 3:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
	File # 4:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
	File # 5:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
<p>Describe Basis for Conclusion: Click or tap here to enter text.</p>		

89.

<p>Does the Subrecipient have policies and procedures to comprehensively implement this requirement? [24 CFR 92.504(a)]</p>	<p>Was all project completion information entered in IDIS within 120 days of the final project draw? The data entered in IDIS (e.g., project address, number of units, beneficiary information) should accurately reflect the data included in the written agreement and project files. [24 CFR 92.502(d)(1)]</p>	
<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p>File # 1:</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
	<p>File # 2:</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
	<p>File # 3:</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
	<p>File # 4:</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
	<p>File # 5:</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>Describe Basis for Conclusion: Click or tap here to enter text.</p>		

90.

<p>Does the Subrecipient have policies and procedures to comprehensively implement this requirement? [24 CFR 92.504(a)]</p>	<p><i>If the project was not completed within 4 years of commitment</i>, did the Subrecipient request an extension from HUD with all the required information listed in 24 CFR 92.205(e)(2), (i.e., status of project, steps being taken to overcome any obstacles to completion, proof of adequate funding to complete project, and a schedule with milestones for completion), or repay the HOME funds to the Subrecipient’s HOME Investment Trust Fund? [24 CFR 92.205(e)(2)]</p>	
<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p>File #1:</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</p>
	<p>File #2:</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</p>
	<p>File #3:</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</p>
	<p>File #4:</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</p>
	<p>File #5:</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</p>
<p>Describe Basis for Conclusion: Click or tap here to enter text.</p>		

J. RECORD RETENTION

NOT REVIEWED DURING MONITORING

91.

92.

Is the PJ retaining rental project written agreements for five years after the agreement terminates? [24 CFR 92.508(c)(4)]	<input type="checkbox"/> Yes <input type="checkbox"/> No
Describe Basis for Conclusion: Click or tap here to enter text.	

Owner Name: _____

Project ID: _____ Date: _____

Reviewer: _____

ARE ITEMS IN PROJECT CASE FILE?	ANSWER Y	N	NOTES
UNDERWRITING INFORMATION			
1. Project Underwriting Worksheet			
2. Project Activity Log			
APPLICANT INFORMATION			
3. Authorization to Release Information			
4. Verification of Employment/Income			
5. Credit Report			
6. Program Application Form			
LEGAL DOCUMENTS			
7. Copy of Deed			
8. Title Search and/or Title Opinion			
9. Closing Documents			
10. Copies of Post Closing Documents			
PROPERTY INFORMATION			
11. Appraisal/Market Analysis			
12. Work Write-Up/Cost Estimate			
13. Rehabilitation Contract			
14. Addendum to Construction Contract (if applicable)			

15. Sub-Contractor Agreements (if applicable)
16. HUD Debar/Suspension Clearance Forms

A SFRRP Program Model

ARE ITEMS IN PROJECT CASE FILES	ANSWER	DATE	N
CONSTRUCTION MANAGEMENT			
17. Initial Inspection Form			
18. Notice to Proceed			
19. Progress Inspection Reports (if applicable)			
20. Punch List (if applicable)			
21. Change Orders (if applicable)			
22. Contractor Payment Requests			
23. Subcontractors Final Lien Releases (if			
24. Contractors Final Lien Release			
25. Documentation of Final Inspection			
26. Receipt of Final Payment Form			

Monitoring SFRRP Program Performance

Owner Name:

Project ID: _____ Date:

Reviewer:

Monitoring staff should reference the Documentation: Homeowner Rehabilitation Project Checklist (4-B) to answer the following question.

1. Does the file contain properly completed and executed copies of the documents listed in the Documentation: Homeowner Rehabilitation Project Checklist?			
B. PARTICIPANT ELIGIBILITY			
2. Did program staff properly establish the income eligibility of the applicant? a. Was the applicant's gross annual income properly calculated? b. Were household income sources adequately verified? c. Was the applicant's gross annual income compared to the applicable HOME program income limit to ensure that income was less than or equal to 80 percent of the median income?			
3. Did program staff obtain acceptable evidence of ownership? (NOTE: A deed alone is generally not considered acceptable. A title search or a recent review of recorded ownership is necessary.) ___ Fee simple title ___ 99 Year Leasehold ___ Ownership/membership in a co-operative			
4. Is there a signed certification that the household uses this property as its principal residence?			
C. PROPERTY ELIGIBILITY			
5. Based on the information in the project application, is the property located within the agency's boundaries?			

6. Does the project application list the property as an acceptable single family home (1-4 units)?			
7. Does the work write-up/cost estimate establish that at least \$1,000 of state-funded rehabilitation work is required?			

C

A SFRRP Program Model



QUESTIONS	ANSWER		NOTES
	Y	N	
8. Does the estimate of after-rehabilitation property value confirm that the property did not exceed the 95 percent of the median property value limit for the area as determined by HUD/PJ?			
D. PROPERTY STANDARDS			
9. Does the project file include: a. Work write-up/cost estimate? b. Documentation of initial inspection? c. Documentation of final inspection?			
10. Were the work write-up/cost estimate and the inspections performed by agency staff?			
11. Does the initial inspection report appear to observe all applicable property standards?			
12. Does the work write-up include all work noted on the initial inspection report?			
13. Is the work write-up consistent with the PJ's SFRRP Rules and Guidelines?			
14. Does the work write-up contain enough detail to enable a contractor to provide a reliable bid?			
15. Does the final inspection confirm that all necessary work was completed?			
E. ELIGIBLE COSTS			
16. Are all costs detailed on the cost estimate and in the rehabilitation contract eligible under the HOME Program? a. If costs were not eligible, did the homeowner pay for these costs?			
17. Was the cost estimate reviewed by the person that performed the inspection?			
F. CONTRACTOR SELECTION			
18. Does the project file include verification of contractor eligibility?			
19. Was the proposal selected cost reasonable? (e.g., within 10 percent of the cost estimate?)			
20. If the agency selected the contractor, was a competitive bid process used? a. Were multiple bids solicited? b. Were they reviewed using consistent criteria?			



21. If the homeowner solicited the bids, was more than one bid solicited?			
---	--	--	--

Monitoring SFRRP Program Performance

QUESTIONS	ANSWER		NOTES
	Y	N	
G. CONSTRUCTION MANAGEMENT			
22. Was the rehabilitation contract properly executed?			
23. Were progress inspections of the project performed prior to approving the contractor's request for payment?			
24. Did the agency and the owner review and approve change orders for any changes in the scope of work for the project? (if applicable)			
25. Does the project file contain: a. Final lien release: b. Contractor Warranty c. Certificate of final inspection?			
H. LOAN PROCESSING AND SERVICING			
26. Are the terms of the loan consistent with the program's underwriting guidelines?			
27. Did the homeowner sign the loan agreement?			
28. If a loan was used for refinancing, is there documentation in the file demonstrating that the household's (overall housing) costs were reduced?			
29. If any significant event has occurred such as a foreclosure or retirement of debt, is this reflected in the case file?			
30. Were all loan instruments properly executed and recorded?			
31. Does the project finance summary sheet properly reflect all sources of project financing?			
I. ON-SITE INSPECTION (If applicable)			
<i>If the project has been selected for an on-site inspection to examine the quality of the rehabilitation work, the monitor should perform a walk-through of the property with the work write-up and the initial inspection and final inspection reports.</i>			
32. Based upon observable conditions, have the deficiencies identified in the initial inspection report been corrected?			
33. Based upon observable conditions, was the rehabilitation work outlined in the work write-up and any change orders satisfactorily performed?			

QUESTIONS	ANSWER		NOTES
	Y	N	
34. Is the homeowner satisfied with the rehabilitation?			



Monitoring SFRRP Program Performance

Agency Name: _____

Subrecipient Name (if applicable): _____

Reviewer: _____ Date: _____

QUESTIONS	ANSWER		NOTES
	Y	N	
A. PROGRAM RECORDKEEPING			
1. Based upon a review of project case files, are all files complete with adequate documentation?			
B. EXCEPTIONS			
C. NOTES			

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A SFRRP Program Model

Agency's Name: _____

_____ Borrower's

Name: _____

Loan #: _____

_____ Reviewer:

_____ Date:

Questions	Answer			Notes
	Yes	No	N/A	
Borrower Criteria:				
1. Does Borrower have a legal guardian? a. If yes, does the guardian have a 24 month history of managing the borrower's finances?				
2. Does Borrower have a co-borrower? a. If yes, is the co-borrower a family member or legal guardian? b. Did all co-borrowers sign the Note?				
3. Did the borrower attend the homebuyer education program? a. Is the certificate in the file?				
4. If the borrower has SSI income, was it grossed up correctly? (1.25%)				
5. Is the borrower's income at or below 80% AMI?				
6. Is the borrower's debt-to-income at or below 45%?				
7. Does the file contain the account statements for checking, savings and credit card(s)?				
8. Is there a copy of the credit report in the file? a. Are there any liens or judgements against the borrower(s)? b. Has the borrower(s) declared bankruptcy within the past two (2) years? c. If yes, has a two-year waiting period, with good credit, been established?				
9. Did borrower put down at least \$500 of his/her own money? a. Is it properly documented?				
10. Minimum down payment is 3%. \$500 must come from the buyer. Was the minimum down payment reached?				

Mortgage Criteria			
11. Is the first mortgage fully amortized with a fixed rate?			
12. Was the first mortgage approved by a HomeChoice Committee?			
13. Were the FHA mortgage limits applied correctly?			

Questions	Answer		Notes
	Yes	No	
14. Is the HomeChoice loan at or below \$45,000?			
15. Is the loan-to-value less than 97% on a purchase or 95% on a refinance transaction?			
16. Is the OWHLF loan less than 30% of the total loan amount?			
17. Does the OWHLF loan have a 1% interest rate?			
18. Are closing costs less than 3% of the total loan amount?			
Property Criteria			
19. Is the property an eligible property type?			
20. Will the property be the buyer's primary residence?			
21. Does the property have a clean and clear title?			

Notes:

Monitoring Results:

Section 8 Landlord Incentive Program Monitoring Checklist

Program Specialist reviews the Section 8 claims annually.

Are the following required documentation in each reviewed claims?

Yes	No	
<input type="checkbox"/>	<input type="checkbox"/>	- Copy of the judgement
<input type="checkbox"/>	<input type="checkbox"/>	- Has judgement expired with no appeal or further judicial review?
<input type="checkbox"/>	<input type="checkbox"/>	- Itemized list of damages
<input type="checkbox"/>	<input type="checkbox"/>	- Proof of Section 8 Housing Choice participation
<input type="checkbox"/>	<input type="checkbox"/>	- Completed W-9
<input type="checkbox"/>	<input type="checkbox"/>	- Other as needed
<input type="checkbox"/>	<input type="checkbox"/>	- Are all reviewed claims more than \$500, but less than \$5,000?
<input type="checkbox"/>	<input type="checkbox"/>	- Are all costs listed limited to the following?
		- Property damage
<input type="checkbox"/>	<input type="checkbox"/>	- Attorney fees
		- Court costs and fees
<input type="checkbox"/>	<input type="checkbox"/>	- Actual damages paid (treble damages are not eligible costs)
		- Copy of the filed satisfaction of judgement (if more than 30 days after landlord received the payment).
		- Are there any reimbursed costs that are ineligible?

Notes:

Results of Monitoring:

Name: _____

Date: _____

Individual Development Accounts (IDA) Monitoring

Program Specialist reviews the IDA project files from NeighborWorks Salt Lake annually.

Are all required application materials in participant file?

Yes	No
<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>

Participant File

- Copy of certificate of training
- Copy of the check to title company for matching funds
- Copy of the check from the participant's IDA account for their share of the down payment/closing cost assistance.
- Copy of the settlement statement prepared by the title company, for each individual participant. The settlement statement must identify the different sources of funds used for down payment/closing cost assistance.
- Is participant's income below 80% AMI?

Contract File

- The signed contract and all contract correspondence
- Deposit slips documenting that all payments made by the STATE have been deposited into CONTRACTOR's account
- Invoices, billings, or statements documenting all expenditures made with these funds
- Canceled checks for each expenditure made
- Have the organizational review and approval process been reviewed?

Notes:

Results of Monitoring:

Name: _____

Date: _____

Veterans First Time Home Buyer Monitoring

Program Specialist reviews the Veterans project files from Utah Housing Corporation annually.

Are the following required application materials in participant file?

- | Yes | No | |
|--------------------------|--------------------------|---|
| <input type="checkbox"/> | <input type="checkbox"/> | - Application Disclosure |
| <input type="checkbox"/> | <input type="checkbox"/> | - Lender Certification |
| <input type="checkbox"/> | <input type="checkbox"/> | - Wire Request |
| <input type="checkbox"/> | <input type="checkbox"/> | - Validation Certificate from Department of Veterans and Military Affairs (UDVMA) |
| <input type="checkbox"/> | <input type="checkbox"/> | - Recorded Deed of Trust |
| <input type="checkbox"/> | <input type="checkbox"/> | - Have reports been provided monthly to HCD? |
| <input type="checkbox"/> | <input type="checkbox"/> | - Has the organizational review and approval process been reviewed? |

Notes:

Results of Monitoring:

Name: _____

Date: _____

Pre-Development Grant Monitoring

Program Specialist reviews the Pre-Development project files.

Files reviewed annually

Are all required application materials in project file?

Yes

No

- Is it an eligible project?

- Are costs in the reimbursement claim eligible costs with back-up documentation?

- Was there a change or reorganization in ownership?

- Was HCD notified of the change?

- Have progress reports been provided quarterly to HCD?

- Is the project complete?

Scheduled completion date: _____

Notes:

Results of Monitoring:

Name: _____

Date: _____

HOUSING AND COMMUNITY DEVELOPMENT DIVISION

HOUSING PROGRAM

UTAH HOUSING PRESERVATION FUND

Project Name: _____

Project Address:

MONITORING CHECKLIST:

By checking the box you are verifying the that item has been completed and that it meets the requirement. If an item does not meet the requirement don't check the box and make a comment below. Notify the Housings Programs Manager of an issue is identified.

Verified funds were used in no less than a secondary or tertiary position behind conventional debt and PRI (Program Related Investments) funds

Comments:

A review of the organizational review and approval process was conducted and complete.

Comments:

An examination of signed and recorded loan documents for each funding source on the property

Comments:

A review of funds was conducted to ensure UHPF funds did not exceed 20% of the capital requirement on a single project.

Comments:

A physical inspection of the property and its amenities was conducted with no issues identified.

Comments:

Photos were taken of the property.

Comments:

Additional notes:

Results of Monitoring: _____

Monitor: _____

Date: _____

**HOUSING AND COMMUNITY DEVELOPMENT DIVISION
HOUSING PROGRAM
UTAH HOUSING PRESERVATION
FUND**

MONITORING CHECKLIST:

By checking the box you are verifying the that item has been completed and that it meets the requirement. If an item does not meet the requirement don't check the box and make a comment below. Notify the Housings Programs Manager of an issue is identified.

A minimum of 30% of Funds shall be distributed to rural areas of the State

Comments:

Verified no more than 2% of Funds were used for administrative expenses

Comments:

A review of the portfolio documentation to ensure at least 70% of the funds are benefiting persons with annual income at or below 50% AMI.

Comments:

Additional notes:

Results of Monitoring: _____

Monitor:

Date:

Landlord/Tenant Mediation Program Monitoring

Program Specialist reviews the Mediation program annually.

		Contractor Responsibilities
Yes	No	
<input type="checkbox"/>	<input type="checkbox"/>	- Have Contractor Responsibilities been met as outlined in the contract scope of work?
<input type="checkbox"/>	<input type="checkbox"/>	- Have recipients of mediation services been below 80% AMI?
<input type="checkbox"/>	<input type="checkbox"/>	- Have Reporting requirements been met as outlined in the contract scope of work?
<input type="checkbox"/>	<input type="checkbox"/>	- Was gap funding limited to \$1,200 per household/unit?
<input type="checkbox"/>	<input type="checkbox"/>	- Are all tenants that received services at or below 80% AMI?
<input type="checkbox"/>	<input type="checkbox"/>	- Were tenant's incomes calculated correctly using 24 CFR 5.609?
<input type="checkbox"/>	<input type="checkbox"/>	- Are any tenants that received services ineligible?
<input type="checkbox"/>	<input type="checkbox"/>	- Was there sufficient documentation to determine income eligibility of tenants (i.e., two months income verification)?

Notes:

Results of Monitoring:

Name: _____

Date: _____

Law Enforcement Officer First Time Home Buyer Program Monitoring

Program Specialist reviews 10% of the Law Enforcement Officer First Time Home Buyer Program grants annually.

Yes	No	
<input type="checkbox"/>	<input type="checkbox"/>	- Have the Contractor Responsibilities been met as outlined in the contract scope of work?
<input type="checkbox"/>	<input type="checkbox"/>	- Have the Reporting requirements been met as outlined in the contract scope of work?
<input type="checkbox"/>	<input type="checkbox"/>	- Have all required application materials been reviewed?
<input type="checkbox"/>	<input type="checkbox"/>	- Has the organizational review and process been reviewed?
<input type="checkbox"/>	<input type="checkbox"/>	- Have all signed forms and required documents been reviewed?
<input type="checkbox"/>	<input type="checkbox"/>	- Has officer employment compliance been reviewed?
<input type="checkbox"/>	<input type="checkbox"/>	- Has officer residency compliance been reviewed? <ul style="list-style-type: none"> - In cases of divorce or reassignment, compliance with UHC's policies and procedures compliance
<input type="checkbox"/>	<input type="checkbox"/>	- Does file contain verification of employment either by attestation or employer verification?
<input type="checkbox"/>	<input type="checkbox"/>	- Does the file contain an attestation by the Officer of residency compliance and verification of County property tax records for Officer ownership as well as verification of the responsible party's property tax obligation for the subject property?

Notes:

Results of Monitoring:

Name: _____

Date:

Glossary

Adjusted Gross Income (AGI):	Gross income minus authorized adjustments as determined by the Internal Revenue Service (IRS) for Form 1040
Affordability	Percentage of income in relation to the cost of housing both at initial occupancy and over established timeframes
After Rehab Value or Maximum Mortgage Limits	HOME maximum purchase price or after-rehab value limits are based on the HUD Single-family Mortgage Limits.
Anticipated Income	All income from all sources expected to be received in the coming year.
Application	Application means the Olene Walker Housing Loan Fund Application submitted by an Applicant for a project. The Application includes all information submitted through the online portal or directly to staff, and any subsequent documentation, whether submitted electronically or in hard copy.
Area Median Income	Mid-point income with half the population above and half below in a particular area. The HUD Area Median Incomes are published every year for metropolitan and county areas. The AMI is adjusted for household size.
AUGF (Authority to Use Grant Funds)	A HUD form (Form HUD-7015.16) that releases HUD funding to be to be used for a project that has been awarded Federal/HUD funds.
Building Code	Local and state regulations for all new and existing buildings. Building codes include property standards, new construction specifications, and rehabilitation standards
Borrower	Entities or individuals who are awarded a loan.

Cash Flow	Available cash flow available after operating expenses and debt service. OWHLF multifamily projects must have minimum per-unit cash flow per unit in accordance with the <i>Safe Harbor Schedule</i> .
Community Housing Development Organization (CHDO)	Independent non-profit organizations certified by a participating jurisdiction (PJ) to develop affordable housing utilizing up to 15% of HOME set-aside funds.
Certificate of Occupancy	Serves as proof that a property has complied with all local standards and codes and is now fit for occupancy.
Consolidated Plan	A plan of up to five years in length which describes a community's needs, resources, priorities and proposed activities to be undertaken with HUD funding, including HOME and HTF funding
Corporation	A legal entity duly organized as a for-profit or not-for-profit organization with appropriate documentation on file with the state regulatory agencies, and which has fulfilled all legal requirements for engaging in the business of owning and renting real property.
Debt Service Coverage Ratio (DCR).	This is a commonly used measure of project feasibility. It is the annual net operating income before income taxes divided by the annual debt service.
Deferred Loan	These loans are not fully amortized. Some or all principal and interest payments are deferred at the time of a sale or transfer of the property or at the end of a fixed time. These loans can accrue interest or be non-bearing. The property is the collateral.
Developer	The party responsible for preparing the project for residential use as a project and who is responsible for ensuring that a material portion of all phases of the development process are accomplished.
Dwelling Unit	A residential space, which, after rehabilitation, will qualify under the laws of the state and locality as a place of permanent habitation or abode for a household of one or more individuals.

Eligible Activities	Activities, which are eligible to use HOME, HTF, or LIH funds for the repair, rehabilitation or reconstruction of the owner-occupied unit.
Energy Star	Energy Star qualified construction incorporates: 1. Tight construction (reduced air infiltration) 2. Tight ducts 3. Improved insulation 4. High performance windows 5. Energy efficient heating & cooling equipment. The Utah Energy Conservation Coalition (UECC) does the rating certification and certifies other analysts. A project must be rated by UECC, or equivalent, and then certified after construction to be an Energy Star qualified project. See website www.energystar.gov
Extremely Low-Income	Household or family whose income does not exceed 30% of the median family income for the area (adjusted for family size). HUD may establish income ceilings higher or lower than 30% of median income for an area.
Final Rule	For HOME, the Final Rule was published at 24 CFR 92 on July 24, 2013, effective on January 1, 2014. For the HTF, the Interim Rule published at 24 CFR 93 on January 30, 2015 effective March 1, 2015.
FHA Mortgage Limits	The maximum loan amount that a lender can allow an applicant in a geographic area to borrow.
Funds	May include state allocations, Federal HOME funds, HTF funds, LIH, or program income (loan repayment) funds.
General Property Improvements (GPI)	Rehabilitation that does not correct a deficiency but may be needed to complete a correction of a deficiency to maintain quality and investment standards.
GRAMA	Utah's Government Records Access and Management Act (Utah Code § 63G-2-101, et seq.).

HERS (Home Energy Rating System)	A nationally-recognized industry standard method developed to measure a home’s energy efficiency by assessing its energy consumption; the lower the score, the more energy efficient the home is.
HOME Investment Partnership Program (HOME)	HUD administered affordable housing program. See 24 CFR Part 92
HOME Funds	Funds provided by HUD through the HOME Program to finance affordable housing, including appropriations and all repayments and interest or other returns on the investment of these funds.
Housing and Community Development Division (HCD)	The Housing and Community Development Division (HCD) within the Utah Department of Workforce Services.
Homeownership	Fee Simple Title or a 99-year lease.
Household	One or more individuals, who do not need to be related in any legal capacity, residing in a dwelling unit
Household Income	Monthly income of all persons 18 years of age or older living in the property, or who have an ownership interest in the property. Income will be calculated using HUD adjusted gross income as defined for purposes of reporting under IRS Form 1040 series for individual federal annual income tax purposes.
Housing Credit Program	The Utah Housing Corporation’s program for awarding, reserving, and allocating Housing Credits and monitoring projects for compliance with Housing Credit Program and §42 of the Code, as set forth in the QAP, and UHC’s agreements, contracts, manuals, guides, and other documents.
Housing Unit	Housing Unit means an Affordable Housing Unit and/or market rate Housing Unit in a building that is available for rent or rented by residents. A common area unit is not a Housing Unit in a project.
Housing Quality Standards (HQS)	The HUD minimum quality standards for housing assisted under the Housing Choice Voucher program (24 CFR 982.401).

HUD	U.S. Department of Housing and Urban Development.
IDIS (Integrated Disbursement and Information System)	HUD's nationwide database that provides HUD with current information regarding program activities funded with HOME and HTF funds.
Initial Inspection	Identifies property deficiencies such as violations of housing codes, incipient housing deficiencies, site considerations such as surrounding properties, remains of previous structures, and buried structures such as tanks.
Interest Bearing Loans	Loans for which a specified amount of interest is charged on the principal loan amount. Payments may or may not be required.
Interest Rate	The rate of interest charged on the outstanding principal balance on the loan. This can take the form of a "simple" interest rate that calculates interest on the loan's outstanding principal balance, or a "compounding" interest rate that calculates interest on the Loan's outstanding principal and any unpaid or accrued interest.
IRS Adjusted Gross Income	Final Rule allows the HOME participants to determine annual income by using the calculation for "adjusted gross income" outlined in the Federal income tax IRS Form 1040.
Loan Term	Determined by the amount of monthly payment borrowers qualify for.
Loan to Value Ratio (LTV)	At least 95% of the value of the property must support the loan.
Local Rehabilitation/Housing Standards	Housing standards adopted by the Olene Walker Housing Loan Fund Board.
Low Income	Household or family whose income does not exceed 80% of the median family income for the area (adjusted for family size). HUD may establish income ceilings higher or lower than 80% of median income for an area.

Low Income Family Loan	Any Loan given to the Borrower(s) whose Annual Gross Income does not exceed 80% of the median family income for the area (adjusted for family size). HUD may establish, on an exception basis, income ceilings higher or lower than 80% of median income for an area.
Low Income Housing Tax Credit (LIHTC)	An affordable housing program created by the Tax Reform Act of 1986 providing tax credits to producers of affordable housing defined as targeted to households with income at or below 60% of AMI.
Maximum Mortgage Limits	HOME maximum purchase price limits are based on the Section 203(b) Single-family Mortgage Limits in accordance with the procedures described in the HOME regulations at 24 CFR 92.254. HUD's Office of Single-family Housing determines the Section 203(b) limits.
Minority	Individuals who are disadvantaged in comparison to members of the majority based upon their race, religion, ethnicity, or other characteristics, and may include women, Blacks, American Indians, Alaskan Natives, Hispanics, Asians, and Pacific Islanders.
Moderate Income	Households or persons whose incomes are from 50% to 80% of the AMI.
Moderate Income Housing Plan	Per Utah Code (Sections 10-9a-408 and 17-27a-408), certain jurisdictions are required to report on their moderate income housing efforts on an annual basis. Please visit (https://jobs.utah.gov/housing/affordable/moderate/reporting/) for a list of required Utah cities and additional information regarding Moderate Income Housing Plans.
National Housing Trust Fund (HTF)	HUD affordable housing program for extremely low-income and very low-income households, including homeless families.
Net Proceeds	The sale proceeds less any amount deposited in a reserve fund and does not appear to include investment proceeds. (26 USC Code Section 150(a)(3)).
New Capacity	New construction of affordable housing, or conversion of formerly market-rate units to affordable units through acquisition or rehabilitation, but excluding projects with previous Federal subsidy such as LIHTC, USDA-RD 515, or HUD Section 8 and/or 202 Elderly/811 Disabled projects.

New Construction	The creation of new dwelling units. Any project that includes the creation of additional dwelling units outside the existing walls of a structure is also considered new construction.
Net Operating Income (NOI)	Income from all sources less all operating expenses.
HTF Funds	All appropriations for the HTF Program, plus all repayments and interest or other returns on the investment of these funds
Non-Interest Bearing Loan	Loan for which no interest is charged. Payments may or may not be required.
Nonprofit Organization	An organization organized and operated exclusively for charitable purposes and that is tax-exempt under the Code. Examples of these are organizations described in Sections 501(c)(3) and 501(c)(4) of the Code. A Nonprofit Organization also includes PHA's and public development corporations and agencies that are tax exempt.
Olene Walker Housing Loan Fund (OWHLF)	A pool of funds, administered by HCD, inclusive of federal and program income used exclusively to support affordable housing in the state of Utah.
Owner Occupied	One-to-four-unit property owned by a borrower whose principal residence is a dwelling unit in that property.
Operating Expenses	Periodic expenses which are essential for a project's continuous operation and maintenance. Operating Expenses may be fixed, such as property taxes and insurance, or they may be variable, such as utilities or payroll. Operating and Replacement Reserve contributions are Operating Expenses; mortgage principal and interest and depreciation are not.

Permanent Supportive Housing (PSH)	Permanent Supportive Housing, or PSH, is a model that combines low-barrier access to affordable housing and dedicated supportive services in an effort to help individuals and families lead more stable lives. PSH targets the homeless or chronically homeless and those with psychiatric disabilities, chronic health challenges, or other barriers to accessing or retaining stable housing. PSH provides robust supportive services to reduce instability in housing. PSH projects will deliver supportive services through a combination of on-site services and linkages to available community services. PSH projects will have tenant selection policies that prioritize people who have been homeless the longest or have the highest service needs as evidenced by vulnerability assessments. PSH projects are 100% PSH units and must be rent restricted at or below 35% AMI and are required to have a minimum 15-year commitment of project-backed rent subsidy.
Pre-development Costs	Costs incurred in conjunction with, but prior to, the actual commencement of the project's construction, such as site option costs, site carrying charges, architectural and engineering fees, and appraisal fees.
Primary Applicant	Each multifamily applicant must designate a "primary applicant" for the project. Only the primary applicant's experience will qualify for "Good Standing" points.
Project	The facility/construction/development for which the applicant is seeking an allocation of private activity bonds..
Property Standards/Housing Code	Minimum housing quality standards used to determine whether a housing unit is decent, safe and sanitary. A housing inspector identifies any deficiencies that must be addressed (24 CFR 92.251 and 24 CFR 93.301).
Project Completion	The date on which all necessary title transfer requirements and construction work have been completed; the project complies with all HOME and HTF requirements: the final drawdown has been disbursed for the project; and the project completion information has been entered into HUD's IDIS system.

Qualified Allocation Plan (QAP)	A plan prepared by the Utah Housing Corporation and adopted by the State of Utah pursuant to §42 that establishes the criteria and preferences for allocating Housing Credits.
Qualified Census Tract (QCT)	Census tracts where 50% or more of households have incomes of less than 60% of the AMI. Projects located in a QCT can increase their Eligible Basis by 30%. A list of Qualified Census Tracts is published by HUD and updated annually. See https://www.huduser.gov/portal/datasets/qct.html for more information.
Recipient	A borrower or issuing authority that has been awarded an allocation of volume cap.
Reconstruction	Rebuilding of housing standing on a site at the time of project commitment. The number of housing units on the lot may not be reduced as part of the reconstruction project, but the number of rooms per unit may change. Reconstruction includes replacing an existing substandard unit of manufactured housing with a new or standard unit of manufactured housing. Reconstruction includes replacing a substandard unit of housing with manufactured housing.
Rehabilitation	Improvement or repair of an existing structure to provide decent, safe and sanitary dwelling units in accordance with applicable local rehabilitation standards and housing codes.
Rehabilitation Standards (also see Substantial Rehabilitation)	Requirements, sometimes referred to as “specs” or “specifications”, to bring substandard housing into compliance with the property standard. The standard prescribes the methods and materials to be used, such as the grade of lumber, the number of nails per square foot, the type of material to be used for fire exits, and the distribution pattern and material of roofing tiles.
Related Party	An entity or party joined by a preexisting business relationship or common interest in a property.
Replacement Reserve	The amount set aside at the time of initial occupancy, or each month thereafter, for the future replacement of items including, but not limited to, flooring, plumbing systems, heating systems, security systems, electrical systems, roofs, and window and door units.

Restricted Rent	The rent limitation for a dwelling unit for purposes of qualifying for Housing Credits through the Utah Housing Corporation.
Request for Release of Funds and Certification (RROF)	A HUD form (Form HUD-7015.15) that requests the release of HUD funding to be issued to a project that has received approval for OWHLF funding.
Rural Provider Agency (RPA)	Organization that contracts with HCD and administers the Single-family Rehabilitation and Reconstruction Program.
Scope of Work	An attachment to the HCD contract that lists the project funding approval, source of funds, Board-approved loan terms, number of assisted units, and any additional set-aside units. For multifamily projects, also lists project quality and design commitment as represented in the original OWHLF application.
Senior Loan	A loan which the OWHLF loan is typically subordinated to, or the loan in first lien position for a property.
Set-Aside Unit(s)	Units that are to be occupied specifically by targeted special-needs populations (i.e., chronically mentally ill, domestic violence, HOPWA, etc.), as listed in the original OWHLF application.
Single-Family Property	Residential property with one to four dwelling units after rehabilitation.
Single-family Rehabilitation and Reconstruction Program (SFRRP)	Housing program developed by HCD to provide qualified rural homeowners an inspection service and loans to eliminate deficiencies on their property.
Site Control	Site Control must encompass the entire parcel or parcels of land, or existing building or buildings and land, that is (are) the subject of the Application. Control of the site must be possessed by the Owner, and no other entity whether an affiliate, a subsidiary, parent entity, or any individuals who are affiliated with the Owner.

Soft Costs	Costs, other than for acquisition and construction/ rehabilitation, which are incurred while holding unimproved property or during construction. Soft Costs may include such items as carrying charges (interest, real estate taxes, and ground rents), professional service and audit fees, offering plan/prospectus costs, surveys, relocation expenses, insurance, assessment, mortgage insurance premiums, inspection, recording and filing fee, not-for profit Developer's allowance, FNMA/GHMA fee, mortgage recording tax, title examination costs, and others.
Standard Housing	Housing that meets the minimum qualifications of HUD's Housing Quality Standards ("HQS").
Subordination	Process of ranking mortgage loans by order of importance by assigning a lien position to the loans.
Substandard Housing (also referred to as "Substandard but Suitable for Rehabilitation)	Housing that does not presently meet the minimum qualifications of HUD's Housing Quality Standards ("HQS") for occupancy but is suitable for rehabilitation.
Substantial Rehabilitation	Required repairs, replacements, and improvements that involve the replacement of two or more building components whose cost exceeds either 15 percent of the property's fair market value replacement cost after completion or \$6,500 per dwelling unit multiplied by the authorized high cost percentage (HUD Handbook 4460.1).
Subsidy Limits	HOME and HTF maximum per unit subsidy limits are based on the Section 234-Condominium for elevator-type projects set by HUD's Office of Multi-Family Housing Programs (24 CFR 92.250). The minimum HOME/HTF investment in rental housing or homeownership is \$1,000 times the number of HOME-assisted units (24 CFR 92.205(c)).
Tax Exempt Bond	<p>Congress established government bonds that could be used for private activities; these activities include mortgages, student loans, and industrial loans. States may issue these bonds to foster economic and housing development. Interest paid to owners of these bonds is exempt from federal and in some cases state income taxes.</p> <ul style="list-style-type: none"> • An obligation of a state or political subdivision. • The interest is exempt from federal income taxation. • The interest income is also usually exempt from state income taxation where the issuer of the obligation is located.

Technical Assistance	Provided by HCD to property owners, Associations of Government, and Housing Authorities. This assistance includes property inspections, cost estimates, work descriptions, bidding, and construction oversight.
Total Debt on the Property	Any liens superior to the loan (principal only) secured by the property and the principal of the rehabilitation loan.
Transit Oriented Development (TOD)	Development of projects located within 1/2 mile of walking distance along public access to an existing or currently under construction Trax or FrontRunner stop/station or core bus routes.
Underwrite, or Underwriting	The process of assessing the financial risks of a particular loan, based on a careful analysis of (1) whether there is a need for rehabilitation or new construction; (2) whether the requirements detailed in these guidelines are met; (3) the likelihood that the prospective borrower will repay the loan, including the prospective borrower's ability to afford the loan and the prospective borrower's credit worthiness; (4) the security available for the loan; (5) the scope of the proposed rehabilitation or new construction work; (6) and a certification of adherence to program requirements.
U.S. Department of Agriculture Rural Development Service (USDA-RD)	Federal government agency responsible for economic and housing development in rural areas.
Verifications	Agency must verify income using such sources as wage statements, interest statements, and unemployment compensation statements as well as other 3 rd party verifications as listed in the file checklist in the single-family application. Verifications are valid for six months.
Very Low-Income	Household or family whose income does not exceed 50% of the median family income for the area (adjusted for family size). HUD may establish income ceilings higher or lower than 50% of median income for an area.
Volume Cap (Cap)	Tax-exempt bonds allocated by the PAB Board to issuing authorities in accordance with the Code and Utah statute in a certain amount. See IRC § 141 et seq and Utah Code § 35A-8-2101 et seq