



Wyoming Community Development Authority

2017

Affordable Housing Allocation Plan

(HOME, NHTF, Tax Credit & Tax-Exempt Programs)

ALLOCATION PLAN INDEX

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I. OVERVIEW

This Allocation Plan was designed to select those developments which satisfy the most pressing housing needs of the State, within the guidelines established by Section 42 (m)(1)(B) of the Internal Revenue Code, under HUD's HOME Investment Partnerships Program at 24 CFR Part 92, and under HUD's National Housing Trust Fund (NHTF) program at 24 CFR Part 93. The four most significant criteria for Tax Credit, HOME, and NHTF approval are:

- Need,
- Quality of construction,
- The characteristics of the households being served, and
- Affordability

The **Low-Income Housing Tax Credit** was created by the Tax Reform Act of 1986 to encourage the construction and rehabilitation of housing for very low, low, and moderate-income individuals and families. Congress mandated that housing credit agencies adopt an "Allocation Plan" which defines the process used to distribute the Credit among projects.

The Tax Credit Program is a regulated and highly complicated program. Final interpretations of certain rules and regulations governing various facets of the program have not yet been issued by the U.S. Department of Treasury; consequently, additional requirements or conditions applying to the tax credit may be forthcoming.

The total amount of Tax Credits available in Wyoming is disclosed in the Current Year Summary Attachment "A".

The **HOME Investment Partnership Program (HOME)** was created under Title II (the Home Investment Partnerships Act) of the National Affordable Housing Act of 1990. The HOME Final Rule is codified under 24 CFR Part 92 (HOME Investment Partnerships Program). The general purposes of HOME include: 1.) the expansion of the supply of decent and affordable housing, particularly rental housing, for low and very-low-income Americans, 2.) strengthening the abilities of State and local governments to design and implement strategies for achieving adequate supplies of decent, affordable housing, and 3.) extending and strengthening partnerships among all levels of government and the private sector, including for-profit and non-profit organizations, in the production and operation of affordable housing.

The **National Housing Trust Fund** was established under Title I of the Housing and Economic Recovery Act of 2008, Section 1131 (Public Law 110-289). Section 1131 of HERA amended the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4501 et seq.) (Act) to add a new section 1337, entitled "Affordable Housing Allocation" and a new section 1338, entitled "Housing Trust Fund." The program is codified under 24 CFR Part 93. NHTF is an affordable housing production program that will complement existing Federal, State, and local efforts to increase and preserve the supply of decent, safe, and sanitary affordable housing for extremely low-income (ELI) and very low-income households (VLI), including homeless families.

It is strongly suggested that project sponsors interested in the Tax Credit Program, the HOME program, and/or the NHTF program contact their tax accountant and/or attorney before developing projects under

any of these programs. While WCDA will endeavor to assist applicants, WCDA personnel are not tax or legal experts and applicants should not rely on WCDA personnel for tax and/or legal advice.

The **Consolidated Plans** for Housing and Community Development for the City of Casper, the City of Cheyenne, and the State of Wyoming ("Consolidated Plans") identify several priorities for housing. This Affordable Housing Allocation Plan is designed to allocate funding based on these priorities to the citizens of Wyoming. Those applying for funding under HOME, NHTF, and/or Tax Credits must consider how their project addresses the needs for the State of Wyoming. See Item 17 in the Current Year Summary, Attachment "A".

All recipients of Tax Credit, HOME and/or NHTF funding must meet the following definition:

Recipient means an organization, agency, or other entity (including a public housing agency, or a for-profit entity or a nonprofit entity) that receives Tax Credit, HOME and/or HTF assistance from a grantee as an owner or developer to carry out a Tax Credit, HOME and/or HTF-assisted project. A recipient must:

1. Make acceptable assurances to the grantee that it will comply with the requirements of the Tax Credit, HOME and/or HTF program during the entire period that begins upon selection of the recipient to receive funds, and ending upon the conclusion of all funded activities;
2. Demonstrate the ability and financial capacity to undertake, comply, and manage the eligible activity;
3. Demonstrate its familiarity with the requirements of other Federal, State, or local housing programs that may be used in conjunction with Tax Credit, HOME and/or HTF funds to ensure compliance with all applicable requirements and regulations of such programs; and
4. Have demonstrated experience and capacity to conduct an eligible activity as evidenced by its ability to:
 - a. Own, construct, or rehabilitate, and manage and operate an affordable multifamily rental housing development OR
 - b. Design, construct, or rehabilitate, and market affordable housing for homeownership; and
 - c. Provide forms of assistance, such as down payments, closing costs, or interest rate reductions for purchasers.

In the event there are changes in federal law subsequent to the adoption of this Allocation Plan or additional regulatory guidance or clarifications regarding the Tax Credit Program, the HOME Investment Partnerships Program, and/or the National Housing Trust Fund Program becomes available, the Authority may modify, supplement or make conforming amendments to this Allocation Plan and all related documents without formal amendment or additional public hearings. WCDA will notify applicants affected by these changes and in addition, information about such subsequent changes will be posted on the Authority's website at www.wyomingcda.com.

II. APPLICATION PROCESS

The WCDA utilizes a single application for all Tax Credit Program, HOME, and NHTF funding. Available funding levels and allocations are outlined in the Allocation Plan Current Year Summary Attachment “A”. In addition, specific set-asides and their eligibility criteria are outlined in Section III of this document. Please note that if the WCDA deems additional cycles as necessary to obligate funds in a timely manner, WCDA may conduct additional application cycles within the current funding year.

ALL projects applying for **Tax Credits or Tax Exempt Bond Financing** must comply with all aspects of the Wyoming Community Development Authority Affordable Housing Allocation Plan (Allocation Plan). This includes, but is not limited to, those projects applying for credits under the state Tax Credit Cap, and those projects applying for credits when utilizing Tax-Exempt Bond financing, whether or not WCDA is the Bond Issuer.

ALL projects applying for HOME funds must comply with all pertinent aspects of the Wyoming Community Development Authority Affordable Housing Allocation Plan (Allocation Plan). This includes compliance with 24 CFR Part 92 as detailed in the WCDA HOME Program Description (Allocation Plan Current Year Summary Attachment “E”). The Developer will certify that housing assisted with HOME funds will comply with all HOME requirements.

ALL projects applying for NHTF funds must comply with all pertinent aspects of the Wyoming Community Development Authority Affordable Housing Allocation Plan (Allocation Plan). This includes compliance with 24 CFR Part 93 as detailed in the WCDA NHTF Program Description (Allocation Plan Current Year Summary Attachment “I”). The Developer will certify that housing assisted with NHTF funds will comply with all NHTF requirements.

All projects receiving HOME funds, NHTF funds, and/or an allocation of Section 42 Tax Credits will be responsible for indemnifying WCDA in the event HUD and/or Treasury enforce any type of recapture or other penalties on the project.

The application fee for **Tax Credits** is \$500 for projects with twenty four units or less and \$1,500 for projects with over twenty four units. This fee must be included with the application. Applications received without this fee may be returned. The application fees may be subject to change at a later date. There are no application fees for projects which are applying for HOME and/or NHTF funds.

Those applying for funding under any of these programs need to submit:

1. Completed original signed physical copy of the WCDA 2017 Affordable Housing Programs Application (Application), including all supplements and appropriate Exhibits (The most current application must be used; no substitutions or changes to any forms will be accepted);
2. Electronic version of the Application in Microsoft Excel format via your preferred media format (CD or USB drive). Make sure it is not locked or a shared file;
3. Affirmative Fair Housing Marketing Agreement (Application Exhibit A-1);
4. Development Team Experience (Application Exhibit A-2);
5. Previous Participation Statement and Authorization for Release of Information (Application Exhibit A-3);
6. HUD Environmental Checklist (Application Exhibit A-4);
7. WCDA Non-Profit Participation Questionnaire, if applicable (Application Exhibit A-5);

8. WCDA Application for Community Housing Development Organization (CHDO) Status Under the HOME Investment Partnership Program (HOME) as stated in 24 CFR Part 92, if applicable (Application Exhibit A-6);
9. 15 year Projected Cash Flow;
10. Utility Allowances;
11. Independent comprehensive, timely, and professional Market Study. At a minimum, the Market Study must include those items outlined in the Current Year Summary Attachment “A” Item “13” and the Market Study Recap located in the Current Year Summary Attachment “B” Item “1”. If the Market Study contradicts current economic statistics on file with WCDA, the project may not rank in the needs category. A Market Study will be accepted by WCDA if it meets the required elements as listed in the Allocation Plan Current Year Summary Attachment “A” Item “13”, and includes a completed Market Study Recap sheet found in the Allocation Plan Current Year Summary Attachment “B” Item “1”;
NOTE: WCDA does not approve individual market study providers. Each Developer/Owner is responsible for providing a market study which accurately reflects the information necessary for WCDA to evaluate the current and future need for the project being proposed.
12. Current letter of consistency with the Consolidated Plan from the appropriate jurisdiction if the project is located in an entitlement city (required on all projects requesting HOME funding);
13. Documentation showing the local jurisdiction has been notified and given specific information regarding the project;
14. Site Control documentation;
15. Documentation of proper zoning;
16. Flood Plain Documentation;
17. Estimated tax expense from County Assessor (or current assessment for Rehabilitation projects);
18. Location Map showing location of the site relative to the surrounding neighborhood;
19. City Map showing location of the site;
20. Map showing zoning of the site and adjacent areas;
21. Sketch plan of the site (3-dimensional if possible);
22. Floor plans;
23. Capital Needs Assessments including an Economic Feasibility Assessment of Expenses, stating the viability and long-term feasibility of the project (required on all rental rehabilitation projects);
24. All Acquisition/Rental Rehabilitation project must provide a timely appraisal by an independent 3rd party (generally appraisals are considered timely if less than 6 months old – the acquisition price on which tax credits are allocated will be limited to the lesser of the sales price or the appraised value of the property prior to rehabilitation);
25. Itemized list, by unit, of rehabilitation activities and costs;
26. Projects built in phases are to complete the application reflecting information on the current phase, and explain each phase and the entire project in the narrative;
27. Narrative Description of Project (Allocation Plan Current Year Summary, Attachment “D” Item “1”);
28. Detailed written explanation of how and why the applicant feels the scoring criteria has been met;
29. Appropriate Application Fee;
30. Copy of Deed showing ownership changes proving 10-year rule requirements (for Acquisition/Rehabilitation projects with Tax Credits);
31. Developer Fee Agreement;
32. Current documentation from the local jurisdiction that the project is in a Community Revitalization Plan (CRP) area (if applicable);
33. Certification of Compliance Training;

34. Financial Statements of Owner, Developer, General Partner and all Guarantors;
35. Owners and Developers applying for federal funding for all Occupied Acquisition/Rehabilitation projects must provide every tenant with a General Information Notice (GIN) per HUD requirements prior to the application being submitted. A copy of the GIN and proof of delivery must accompany the application;
36. Projects with occupied units are eligible for HOME or NHTF funding, however the Developer must address all requirements under Attachment "F", Other Federal Requirements, Section 92.353 Displacement, Relocation and Acquisition;
37. All Tax Credit projects must provide a Letter of Intent from a minimum of one syndicator which must include an anticipated date of when a firm commitment will be issued;
38. All projects requesting credits that exceed the Total per unit Eligible Basis published by WCDA in the Current Year Summary Attachment "A", must include documentation satisfactory to WCDA, justifying the higher costs, and thus the higher Eligible Basis. [E.g. Three or more bids for construction items, current Real Estate listings for like properties in the area (to help justify land cost), costs to address seismic or other unique building requirements, impact on the community, etc.]; and
39. Determination letter from the State Historic Preservation Office (SHPO), clearing the site for improvements or necessary mitigation requirements.

Tax Credit Initial Allocations, HOME, and/or NHTF funded Initial Allocations are NOT transferable. Once an Initial Allocation is granted, the project may not be changed in any way without WCDA's prior written consent. In addition, prior to application, it is highly recommended the owner verify the name they intend to use is available by obtaining a Certificate of Good Standing from the State.

Scattered Site projects are acceptable under this plan only if all units are covered under the same financing, and are located within the same city, or if none of the individual sites are within city limits, within the same county *However, the Primary Market Area defined in the Market Study must make sense.* To receive the 130% increase in basis allowed under Section 42 the **entire** project must also be located within a Qualified Census Tract or Difficult Development Area. While separate applications are required for projects located in different cities, projects may be bundled for outside financing and syndication purposes.

All housing that is constructed or rehabilitated must meet all applicable local codes, rehabilitation standards, ordinances, and zoning ordinances at the time of project completion. In absence of a local code new construction or rehabilitation must meet, as applicable, the International Building Code (as applicable to the type of housing) of the International Code Council.

Newly constructed housing using HOME funding must also meet the requirements of 24 CFR Part 92.251(a)(2)(i) through (V).

Newly constructed housing using NHTF funding must meet requirements of 24 CFR Part 93.301(a).

All projects must be located on a site eligible for federal financial assistance. The types of items that are reviewed when looking at a site are listed below:

- The site's proximity to noise sources such as railroads, highways or busy streets, and airports or military airfields.
- The site and the project must have a clearance from the state historic preservation office.

- The site cannot be in a 100-year flood plain.
- Lead-based paint and asbestos are concerns and must be dealt with in accordance with HUD and state requirements.
- The site's proximity (within 3,000 feet) to a hazardous waste site
- The site's proximity to above ground or underground storage tanks containing hazardous materials.
- Concentration of low income housing (Environmental Justice)
- Zoning and uses of land surrounding the site
- Proximity to Services

WCDA will also do a site visit to determine the site's suitability for the type of housing being proposed. All HOME funded projects will have to meet HUD's environmental review process and HUD's site and neighborhood standards requirement at 24 CFR Part 92.202. All NHTF funded projects will have to meet HUD's environmental review process and HUD's site and neighborhood standards requirement at 24 CFR Part 93.150. Site selection is extremely important and is part of the evaluation and ranking process.

Applicants must be current on all fees due and owing WCDA before an application will be accepted. An application may be denied if it is determined that the developer or other key participants have other projects that are not progressing or have not progressed as scheduled in the Development Timetable within WCDA's Application and/or Agreement. The Development Timetable will be proposed by the Developer and must be approved by WCDA for each Application and/or Agreement (See Column 2 "Application Planned Timetable" of Attachment "D").

Incomplete applications may be returned. Applications once submitted are considered final and may not be revised. WCDA has the right not to fund a draw or issue IRS form(s) 8609 if the project is not progressing or has not been completed according to the original application. However, WCDA may ask for additional information and updates as needed.

WCDA reserves the right to reject an application, or assess negative points, if the Owner, Management Company, or any material participant has outstanding non-compliance issues, or if an applicant, material participant or management company has a history of poor performance under any program administered by WCDA, or under comparable programs in other states or jurisdictions.

Projects requesting tax credits from the non-profit set-aside need to submit a Non-Profit Certification (See Application Exhibit A-6) as to the non-profit's involvement in the project. This certification must be submitted with the application and updated annually throughout the compliance period.

Wyoming has not set specific geographic areas in which assistance will be directed over the coming year. However, as more and more affordable housing units are developed, it is becoming increasingly more important to target these funds to the areas of the greatest need. Applicants for funding will need to show that there is a demand for the type and price of unit they are proposing. WCDA will be utilizing the Wyoming Housing Database Partnership Reports (Semiannual Profiles, Housing Conditions Report & Forecasts) for comparison to the Developers own information. While the WCDA continues to recognize need as the primary driver of housing within any given community and maintains scoring that reflects this principle, a scoring category for geographic distribution is included in the allocation plan. This category will help ensure that affordable housing resources are distributed throughout the state and no one community shall benefit disproportionately to the rest of the state. The WCDA provides a list of funded projects by community on its web-site for its housing programs.

Developments which need additional Tax Credits, HOME, and/or NHTF funding to be viable must submit a new Application for funding with the Authority during a normal funding round. Said applications will not be considered for substitution of Tax Credits if their Application has substantially changed. In order to receive additional funding the project must successfully compete against other projects in that round. Further, the Authority may not consider any other Applications for Tax Credits, in its sole discretion, for a new development submitted by the same applicant (or related entity or material participant) during the same or following funding round for Tax Credits if it provides this extraordinary relief due to the Developer's inability to complete the project.

Notwithstanding anything herein to the contrary, the Authority may, in its sole discretion and in accordance with any such additional guidance or regulatory direction implementing amendments to Section 42 of the Code, 24 CFR Part 92, and/or 24 CFR Part 93 establish alternative, supplemental, or additional processing requirements and deadlines. Any such changes or supplements shall be effective upon written instruction by the Authority to the affected developments.

Applications and other supporting documentation should be mailed or delivered to by the date and time indicated in Current Year Summary, Attachment "A":

WCDA

Attn: Federal Programs

155 North Beech (82601)

P.O. Box 634 (82602)

Casper, WY

III. SET-ASIDES

Tax Credit Program

Non-Profit Set-aside

Ten percent (10%) of the total annual credit available is required to be set aside for projects in which 501(c)(3) or 501(c)(4) non-profit organizations materially participate in the development and management of the project.

In the event there are insufficient tax credits available to fully fund all projects that meet minimum scoring thresholds, the respective set-aside categories shall be funded in the following order of priority: 1.) Non-Profits; 2.) Small Rural Projects; 3.) Open Allocation.

In the event that funds in the Non-Profit Set-Aside have been exhausted, unfunded applications meeting the minimum scoring threshold will compete in the Open Allocation category. In the event that funds in the Small Rural Set-Aside have been exhausted, unfunded applications meeting the minimum scoring threshold will be funded by a reallocation from the Open Allocation category.

See Current Year Summary Attachment "A".

Small Rural Project Set-aside

Small projects in rural areas are extremely difficult to develop. As such, a set-aside has been created for small rural projects allowing these projects to compete on a more even level. The amount of the set-aside is disclosed in the Current Year Summary Attachment "A".

In order to qualify for the Small Rural Project Set-aside the following criteria applies:

- The project must be in a small community with a population under 15,000 and no communities with a population over 15,000 are within 20 miles of the project.
- The project must have 24 or fewer units
- The project must not be done in conjunction with a separate project in the same locale.

Due to the fact that Market Rents are typically lower than Tax Credit Rents in Rural areas, projects may have a 10% variance in Income and Rent levels when qualifying for the Small Rural Project Set-aside.

Other financing partners in small and/or rural projects typically require higher Reserve Accounts. WCDA in its sole discretion may remove these costs when analyzing the total projects costs for scoring purposes.

Projects of 12 units or less that qualify under the Small Rural Project Set-aside will be allowed to earn a Developer Fee up to \$500,000 per project. Developer fees for projects of 13 to 24 units will be calculated per normal WCDA guidelines.

HOME Program

Open Category

The approximate amount of funding set-aside in this category for Rental Housing Production programs is outlined in the Current Year Summary, Attachment “A”. These funds will be distributed through a competitive application process. If through this process, not all of the funds are allocated in the specified funding cycles, WCDA will allocate them to eligible projects through a second competitive application process or to projects meeting the minimum ranking criteria on a first-come, first-served basis as determined by WCDA in its sole discretion.

HOME/WRAP

The approximate amount of funding set-aside in this category for HOME/WRAP programs is outlined in the Current Year Summary, Attachment “A”. These funds will be administered by WCDA similar to the WRAP program created under the Neighborhood Stabilization Program. If all the HOME funds are not allocated in the first funding cycle, WCDA may retain any funds under any of the set asides for this eligible activity. In addition, as Program income is received and the available funding is increased, such funds may also be used under this set-aside.

Community Housing Development Organizations (CHDO)

Fifteen percent (15%) of the Fiscal Year HOME funding allocation will be set aside for CHDO's. Applications will be accepted from certified CHDO's for CHDO eligible activities through a competitive application process. If through this process, not all of the funds are allocated in the specified funding cycles, WCDA will allocate the funds to eligible projects through a second competitive application process or to projects meeting the minimum ranking criteria on a first-come, first-served basis as determined by WCDA in its sole discretion. Ten percent of this set aside may be available for which CHDOs may apply for Project Specific Technical Assistance and Site Control Loans.

CHDO General Operating costs and Capacity Building Reserve

Approximate funding as disclosed in the Current Year Summary Attachment “A” will be set-aside in this category. CHDO's may apply to WCDA on an annual basis, prior to September 1st of each year, for Operating Costs and/or Capacity building funds.

Small Rural Project Set-Aside

In recent years it has been evident that the small communities have been overlooked on their affordable housing needs. In order to create an incentive for developers to consider more rural areas, and satisfy HUD's geographic distribution requisite, this Small Project Set-Aside was created. The amount of the set-aside is disclosed in the Current Year Summary Attachment “A”.

In order to qualify for the Small Rural Project Set-aside the following criteria applies:

1. The project must be in a small community with a population under 15,000 and no communities with a population over 15,000 are within 20 miles of the project.
2. The project must have 24 or fewer units

3. Project must not be done in conjunction with a separate project in the same locale.

Due to the fact that Market Rents are typically lower in rural areas, projects may have a 10% variance in Income and Rent Levels when qualifying for the Small Rural Project Set-aside.

Administration and Contingency Reserve

Approximately 10% of the HOME funding allocation will be set aside for this account. WCDA Administrative costs, and a reserve for project over-runs that cannot be met from other funding sources, are all authorized uses for this set-aside.

If it appears that not all funds under any set-aside will be committed or utilized, the funding may revert to other set-asides as determined by WCDA.

NHTF Program

Rental Production and Rehabilitation

The approximate amount of funding set-aside in this category for Rental Housing Production programs is outlined in the Current Year Summary, Attachment "A". These funds will be distributed through a competitive application process. If through this process, not all of the funds are allocated in the specified funding cycles, WCDA will allocate them to eligible projects through a second competitive application process or to projects meeting the minimum ranking criteria on a first-come, first-served basis as determined by WCDA in its sole discretion.

Small Rural Project Set-Aside

In recent years it has been evident that the small communities have been overlooked on their affordable housing needs. In order to create an incentive for developers to consider more rural areas, and satisfy HUD's geographic distribution requisite, this Small Rural Project Set-Aside was created. The amount of the set-aside is disclosed in the Current Year Summary Attachment "A".

In order to qualify for the Small Rural Project Set-aside the following criteria applies:

1. The project must be in a small community with a population under 15,000 and no communities with a population over 15,000 are within 20 miles of the project.
2. The project must have 24 or fewer units
3. Project must not be done in conjunction with a separate project in the same locale.

Administration

III. Set-Asides

Approximately 10%, or \$300,000.00 of the NHTF funding allocation will be set aside for this account. WCDA Administrative costs, and a reserve for project over-runs that cannot be met from other funding sources, are all authorized uses for this set-aside.

If it appears that not all funds under any set-aside will be committed or utilized, the funding may revert to other set-asides as determined by WCDA at its sole discretion.

Due to the fact that Market Rents are typically lower in rural areas, projects may have a 10% variance between Income and Rent Levels when qualifying for the Small Rural Project Set-aside.

IV. INITIAL ALLOCATION PROCESS

WCDA will review all applications in each cycle for completeness and eligibility based on federal requirements and selection criteria. Applications will be selected for initial allocation based on the selection criteria outlined in this Allocation Plan.

Applications for initial allocation of Tax Credits, HOME, and/or NHTF funds may be submitted based on the Allocation Cycles outlined in the Current Year Summary Attachment "A".

The WCDA Board of Directors reviews and approves the Allocation Plan on an annual basis. Projects are recommended to the WCDA Board of Directors based on a scoring criteria detailed in the Affordable Housing Plan. Scoring is completed by staff based on information provided by the applicant in their application. The WCDA Board of Directors may, at their sole discretion, approve or deny an application recommended by staff.

Projects utilizing Low Income Housing Tax Credits will be required to pay a reservation fee equal to 3% of the annual Tax Credit amount approved by WCDA at time of Reservation. A 10% Certification Fee equal to 2% of the annual Tax Credit amount approved by WCDA will be required at time of 10% Certification and a Final Allocation Fee of 2% of the annual Tax credit amount approved by WCDA will be required no later than at time of Final Application prior to issuance of the 8609(s), or a Final Allocation fee of 4% of the annual Tax Credit amount approved by WCDA will be required no later than at time of Final Application prior to issuance of the 8609(s) if no Carryover occurs.

Projects utilizing tax-exempt financing will be required to pay a 5% Commitment Fee upon issuance of the intent letter. A Final Allocation Fee of 2% of the annual Tax Credit amount approved by WCDA will be required at time of Final Application. The initial allocation and commitment fees may be subject to change at a later date.

There are no initial allocation fees for projects that apply for HOME and/or NHTF funds.

WCDA reserves the right not to allocate Tax Credits, HOME, and/or NHTF funding for any project if it determines that an initial allocation for such project does not meet the four most significant criterion set forth in Section I or the available funding is insufficient for all projects that meet primary and secondary scoring minimums. The four most significant criteria for Tax Credit, HOME, and NHTF approval are:

1. Need,
2. Quality of Construction,
3. The characteristics of the households being served, and
4. Affordability.

WCDA may recapture credits from defunct projects after providing notice and conducting an administrative hearing.

WCDA reserves the right to allocate all or a portion of the available Tax Credits, HOME, and/or NHTF funds in any of its funding cycles. WCDA reserves the right to issue reservations for future year Tax Credit allocations.

In the event of a major natural disaster (the area has been declared a disaster area by federal, state, or local elected officials) or disruption in the financial markets, the WCDA may disregard any section of the Plan, including point

scoring and evaluation criteria, that interferes with an appropriate response. This may include, but is not limited to, the right to immediately allocate Low Income Housing Tax Credits, HOME, and/or NHTF funds to any eligible project in such area that can meet the minimum point criterion. This may be done without opening a competitive application cycle and funding may be allocated even to the extent of forward allocating.

The purpose of the Initial Allocation Cycle is to enable WCDA to competitively review applications and to award Tax Credits, HOME, and/or NHTF funds to those projects that most aggressively address the selection criteria. If another allocation cycle is held, new applications will be accepted and, will be subjected to the review process as outlined in the Allocation Plan.

WCDA may rescind a Tax Credit, HOME, and/or NHTF Initial Allocation if it is determined that the developer or other key participants have current projects in development that are not progressing as scheduled in the Development Timetable within WCDA's Application and/or Agreement.

If there are insufficient Tax Credit, HOME, and/or NHTF funds remaining to allocate the minimum necessary to make a project feasible, WCDA, at its sole discretion, may forward allocate or award Tax Credit, HOME, and/or NHTF funds to the next highest scoring project for which the available Tax Credit, HOME, and/or NHTF funds are sufficient to meet that project's needs.

Tax Credit Initial Allocations, HOME funded Initial Allocations, and/or NHTF Initial Allocations are NOT transferable. Once an Initial Allocation is granted, the project (as presented in the application, including but not limited to the project location, OWNER and other participating parties) may not be changed in any way without WCDA's prior written consent.

V. INITIAL ALLOCATION CRITERIA

Proposed projects will be ranked based on primary and secondary criteria. Where an applicant's Market Study differs from the current economic statistics available to WCDA, the project may be ranked using the most recent data available to WCDA. Although projects may rank, WCDA reserves the right to add requirements to address any concerns to the Initial Allocation Document, which it may have for the long-term viability of the project. When scoring applications, WCDA will utilize data at the Primary Market Area level.

Primary Criteria	Negative Points	Minimum Required*	Maximum Points
1) Housing Needs Characteristics		120	
a) Need	-100		192
b) Vacancy in Community	-16		48
c) Vacancy in Subsidized Projects	-10		10
d) Geographic Distribution	-200		0
SUB TOTAL HOUSING NEEDS CHARACTERISTICS	-326	120	250
2) Quality of Construction			
a) Minimum Construction Standards		1	1
b) Construction Standards Exceeded			85
c) Energy Efficiency and/or Sustainability Certification			35
d) HERS Rating			5
SUB TOTAL QUALITY OF CONSTRUCTION	0	1	126
3) Income Levels			
a) Meeting Market Study		10	10
b) Lower Income Targeting			5
c) Deep Income Targeting			10
d) Extreme NHTF Income Targeting			15
SUB TOTAL LOWER INCOME TARGETING	0	10	40
4) Affordability Levels (monthly housing costs)		8	38
5) Extended Low-Income Use		2	35
6) Community Revitalization in Qualified Census Tracts			5
PRIMARY TOTAL	-326	141	494

Wyoming Community Development Authority

IV. Initial Allocation Criteria

*All applications must score the Minimum Required points under each individual Primary Criterion as well as the Minimum Required points under the Primary Total or the application will be rejected.

Secondary Criteria	Negative Points	Minimum Required+	Maximum Points
1) Project Location			
a) Appropriate Location			35
b) Concentration of Low-Income Housing			15
c) Inappropriate Location	-200		
d) Developer not at site visit	-200		
SUBTOTAL PROJECT LOCATION	- 400	0	50
2) Project Characteristics			
a) Project Design			40
b) Private-Public Partnerships			10
c) Site Control			3
d) Proper Zoning			3
e) Subsidy	-200		
f) Other Supportive Financing			5
g) Community Revitalization Plan			5
SUBTOTAL PROJECT CHARACTERISTICS	-200	0	66
3) Sponsor/Applicant Characteristics			
a) Experience and Credibility			40
b) Poor Performance	-200		0
c) Financial Capacity		5	10
SUBTOTAL SPONSOR/APPLICANT CHARACTERISTICS	-200	5	50
4) Public Housing Waiting Lists	0	2	2
5) Families or Individuals with Children	0	0	4
6) Financial Support from Local Sources			35
7) Management Capacity			
Poor Performance	-200		
SUBTOTAL MANAGEMENT CAPACITY	-200	0	0
8) Total Project Costs	-1000	0	0
9) Owner/General Partner Equity in Project	0	0	20
SECONDARY TOTAL	-2000	55+	227

IV. Initial Allocation Criteria

+ Applications must score the Minimum Required points under each Secondary Criterion as well as the Minimum Required points under the Secondary Total or the application will be rejected. (Does not add, minimum 55 is required across Secondary Criteria.)

Tie Breaker Criteria	Negative Points	Minimum Required+	Maximum Points
1) Total Project Costs	0	0	40
2) Reduced Fees	0	0	30
Tie Breaker TOTAL	0	0	70

In order to be considered for points in any category, sufficient documentation must be included and applications must include a detailed written explanation of how and why the applicant feels the criteria has been met.

Information in the developer-provided Market Study, the Wyoming Profile of Demographics, Economics and Housing and other publications are used extensively in the Scoring analysis. However, WCDA reserves the right to consider any other information available or known to us.

Primary Criteria

1. HOUSING NEEDS CHARACTERISTICS (Up to 250 points – Must score a minimum 120)

- a. **Need** (Maximum 192 points up to negative 100 points)
 A Project will receive up to 192 points if the applicant can substantiate need for the specific housing for which it is applying (must include where tenants are currently residing [in town, out of town, relatives, subsidized housing, and/or substandard housing]).

Income Levels (28 points)

Income Levels being served vs. Income Levels identified in the Market Study as defined by the Capture Rate in the Market Study.

Capture Rate	Points	Capture Rate	Points
0.0 - 5.0	28	40.1 - 45.0	12
5.1 - 10.0	26	45.1 - 50.0	10
10.1 - 15.0	24	50.1 - 55.0	8
15.1 - 20.0	22	55.1 - 60.0	6
20.1 - 25.0	20	60.1 - 65.0	4
25.1 - 30.0	18	65.1 - 70.0	2
30.1 - 35.0	16	70.1 - 75.0	0
35.1 - 40.0	14	75.1 +	0

Affordability (48 points)

Income vs. Rent Limit meets variance (8 points)

Proposed monthly housing expense (rent and utilities) vs. monthly average Market Rate Rents by bedroom size as defined in the Market Study. (40 points)

Concentration of Low Income Households (28 points)

As concentration of Low-Income/Affordable housing units increase in the vicinity, fewer points are awarded. WCDA will consider data available for comparable and market rate units in the area, such as visual observation, maps, etc.

Appropriate Housing (10 Points)

Appropriate housing for need identified in Market Study i.e. Family, elderly, special needs.

Type of housing and quality of construction (16 Points)

Apartment (2 points), duplex/four-plex (4 points), single family (6 points) stick built (10 points), modular (5 points), manufactured (1 point) etc.)

Saturation prorated by the number of units needed vs. proposed as defined in the Market Study (48 Points)

Absorption Rate as defined in the Market Study (14 Points)

b. **Vacancy in Community** (Maximum 48 points up to negative 16 points)

The project will be awarded points as follows, using vacancy rates from both the Market Study and the most recently published Wyoming Demographics Profile:

Vacancy Rate	Market Study (Primary Market Area)	WY Demographics Profile (County Data)
0% - 1%	30 points	18 points
1.01% - 2%	27	16
2.01% - 3%	24	14
3.01% - 4%	21	12
4.01% - 5%	18	10
5.01% - 6%	13	7
6.01% - 8%	8	4
8.01% - 10%	3	1
10.01% - 12%	-5	-3
12.01% +	-10	-6

For Preservation projects, WCDA will consider the property’s historical vacancy rates on a case-by-case basis and award points in this category accordingly. Please provide detail regarding reasons for vacancy rates in Project Narrative and Self-Scoring Narrative.

c. **Vacancy in Subsidized Projects** (Maximum 10 points up to negative 10 points)

If a project is placed in a community with substantiated vacancy rates in subsidized projects based on the Market Study, the following points will be awarded:

Vacancy Rate	Market Study (Primary Market Area)
0% - 1%	10
1.01% - 2%	9
2.01% - 3%	8
3.01% - 4%	6
4.01% - 5%	4
5.01% - 6%	2
6.01% - 8%	0
8.01% - 10%	-2
10.01% - 12%	-5
12.01% +	-10

For Preservation projects, WCDA will consider the property’s historical vacancy rates on a case-by-case basis and award points in this category accordingly. Please provide detail regarding reasons for vacancy rates in Project Narrative and Self-Scoring Narrative.

*Projects located in a city which contains a comparable property with a vacancy rate of greater than 10% will receive up to a negative 100 points.

d. **Geographic Distribution** (Up to negative 200 points)

In an effort to equitably distribute funding throughout the state, negative points will be assessed based on the number of affordable units (regardless of source) awarded funding in the last four years compared to the population of the city where the proposed project will be located. Projects proposing newly constructed units will be assessed 150 negative points for every one percent (1%) of affordable units the proposed community has received in relation to their population the previous four (4) years and projects proposing rehabilitated units will be assessed seventy-five negative (-75) points for every one percent (1%) of funded affordable units the proposed community has received in the previous four (4) years in relation to their population. (Example: Total units funded in last 4 years = 200; population of community 50,000 = $200/50,000 = .4\%$; $.4 \times 150 = 60$ negative points.)

2. **QUALITY OF CONSTRUCTION** (Maximum 126 points)

a. **Minimum Construction Standards** (Must score a minimum of 1 point, with a 1 point maximum)

A project will receive 1 point if it meets the International Building Code (as applicable to the type of housing) of the International Code Council, the local code adopted by the presiding jurisdiction, the Minimum Property Standards for HOME at 24 CFR Part 92.251(a)(2)(i) through (V) or for NHTF at 24 CFR Part 93.301(a), as amended, and meets Accessibility Requirements under ADA. More restrictive codes or regulations may be required by local cities, counties or towns, but in no case may new construction projects (and to the maximum extent feasible for rehabilitation projects) fail to meet the applicable Code of the International Code Council.

b. **Construction Standards Exceeded** (Maximum 85 points)

To obtain additional points, applications must clearly demonstrate that the project undisputedly exceeds the minimum specified in Section 2, "A". See Current Year Summary Attachment "A" Item "12" for more information on this category.

c. **Energy Efficiency and/or Sustainability Certification** (Maximum 35 points)

One point will be awarded for each of the following sustainable building strategies implemented. Must be certified by project architect AND product/warranty information must be provided.

- Built above 100 year floodplain defined by FEMA – must provide documentation
- Locate trees/planting to provide shade for 50% of hardscapes – must provide specific plant information, including # of each plant to be provided.
- Drought resistant plants and landscaping – must provide specific species and documentation supporting drought resistance
- Keep all exterior wood at least 12" above soil
- Seal external cracks, joints, etc. with caulking and install pest proof screens
- Include no wood to concrete connections, or separate connections with dividers
- Average flow rate of lavatory faucets is < 2.00 gpm
- Average flow rate for all showers is <2.00 gpm per stall
- Average flow rate for all toilets is <1.30 gpf
- Toilets are dual flush or toilets meet the EPA water sense specification

- Investigate local options for waste diversion and document diversion rate for construction waste
- No unvented combustion appliances
- Carbon monoxide monitors in each unit
- Space water heating equipment designed with closed combustion or space and water heating equipment has power vented exhaust or space and water heating equipment located in detached or open air facility
- Active fan radon venting system
- Intermittent or Passive ventilation
- Install heat recovery system
- Energy Star labeled bathroom exhaust fans
- Permanent walk-off mats at each entry
- Insulation meets R-value requirements of IECC – must provide exact R value
- Insulation meets HERS Grade II specifications
- Insulation exceeds R-value requirements of IECC by 5% – must provide exact R value
- Insulation meets HERS Grade I specifications
- At least R-6 insulation around ducts in unconditioned spaces – must provide exact R value
- At least R-3 insulation around pipes in unconditioned spaces – must provide exact R value
- Design and size HVAC equipment using ACCA Manual J or equivalent
- Install Energy Star programmable thermostat
- Energy Star lighting throughout the project
- Motion controlled exterior lighting
- Energy Star Refrigerator, dishwasher, ceiling fans (if applicable) and washer and dryer (if applicable)
- Low VOC paints, stains, finishes adhesives and sealants and carpet
- Formaldehyde free shelves, cabinets, countertops and insulation

d. **HERS Rating** (Maximum 5 points)

Up to 5 points will be awarded if the developer commits to obtaining an Energy Star Certification from a HERS rater for every unit.

3. **INCOME LEVELS** (Maximum 40 points – must score a minimum 10 points)

A proposal will receive points for eligible low-income units with income restricted to the percentage of HUD Median Income as stated below.

IV. Initial Allocation Criteria

- a. **Meeting Market Study** (Must score a minimum 10 points)
Where income levels proposed meet those substantiated in the Market **Study** for the project, it will receive 10 points.
- b. **Lower Income Targeting** (Maximum 5 points)
Where income levels proposed meet those substantiated in the Market Study for income levels between 41-50% of HUD Median Income.
- c. **Deep Income Targeting** (Maximum 10 points)
Where income levels proposed meet those substantiated in the Market Study for income levels at or below 40% of HUD Median Income.
- d. **Extreme NHTF Income Targeting** (Maximum 15 points)
Where income levels proposed meet those substantiated in the Market Study for income levels at or below 30% of HUD Median Income.

4. **AFFORDABILITY LEVELS** (Maximum 38 points - Must score a minimum 8 points)
A proposal will receive a proportionate percentage of points for eligible low-income units where rent is restricted to 30% of the HUD Area Median Income as stated in the chart below.

30% and below	=	36 points
35% and below	=	30 points
40% and below	=	24 points
45% and below	=	18 points
50% and below	=	12 points
60% and below	=	8 points

[Example – 50% of the units restricted at 30% or less (50% of 36 points = 18), and 50% of the units restricted at 50% or less (50% of 12 points = 6). Thus 18 + 6 = 24 total points.]

In order to receive points in this category, rents must be limited to the percentages chosen. Projects will be underwritten at the maximum rent level chosen. If using HOME funds, the maximum rent level must be at or below the Low HOME Rent as defined in the HOME Program Application. If using NHTF funds, the maximum rent level must be at or below the Low NHTF Rent as defined in the NHTF Program Application.

Rent restrictions float within the project. When a household's income increases above the limit for that unit, the next available unit must be rented at the lower level. Every effort must be made to insure the required income and rent levels are attained at all times throughout the compliance period. As such, projects with multiple rent and or income levels must recertify each household on an annual basis.

A proposal will receive 2 points if 4% or more of the units are set aside for transitioning homeless households. This would include Gross rent under \$200.00 a month and working with other organizations to provide payment of utilities.

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5. **EXTENDED LOW-INCOME USE** (Maximum 35 points - Must score a minimum 2 points)

A proposal will receive the following points for committing to a WCDA Compliance Period over and above HUD’s Affordability or IRS’ Compliance Period where the owner waives the right to a Qualified Contract and agrees to follow the restrictions as set forth in their Application:

Example for Tax Credit Project			
IRS Required Years	Additional Initial Years	Total Years Restricted	Points
15	5+	20	2
15	10+	25	3
15	15+	30	5
15	20+	35	10
15	25+	40	17
15	35+	50	35

Example for HOME Rental Rehab Projects Less than \$15,000 per unit			
HOME Required Years	Additional Initial Years	Total Years Restricted	Points
5	5+	10	2
5	10+	15	3
5	15+	20	5
5	20+	25	10
5	25+	30	17
5	35+	40	35

Example for HOME Rental Rehab Projects between \$15,000 - \$40,000 per unit			
HOME Required Years	Additional Initial Years	Total Years Restricted	Points
5	5+	10	2
5	10+	15	3
5	15+	20	5
5	20+	25	10
5	25+	30	17
5	35+	40	35

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Example for Home Rental Rehab Projects Over \$40,000 per unit			
HOME Required Years	Additional Initial Years	Total Years Restricted	Points
15	5+	20	2
15	10+	25	3
15	15+	30	5
15	20+	35	10
15	25+	40	17
15	35+	50	35

Example for HOME Rental New Construction Projects, All Amounts			
HOME Required Years	Additional Initial Years	Total Years Restricted	Points
20	5+	25	2
20	10+	30	3
20	15+	35	5
20	20+	40	10
20	25+	45	17
20	35+	55	35

Example for NHTF Rental, New Construction or Rental Rehab Projects, All Amounts			
NHTF Required Years	Additional Initial Years	Total Years Restricted	Points
30	5+	35	5
30	10+	40	10
30	15+	45	17
30	25+	55	35

The Affordability Period must be equal to or greater than the term and amortization period of HOME or NHTF financing.

Tax Credit Projects requesting credits that exceed the total per unit Eligible Basis published by WCDA in the Current Year Summary Attachment “A”, must score a minimum of 35 points in the Extended Use Category.

At the time of allocation, a Restrictive Land Use Covenant, HOME and/or NHTF Agreement shall be executed between the applicant and WCDA to define the terms and length of the affordability period.

6. COMMUNITY REVITALIZATION IN QUALIFIED CENSUS TRACTS (5 points)

A proposal will receive 5 points if the project being developed is located in a Qualified Census Tract and contributes to a concerted Community Revitalization Plan. Until “Community Revitalization Plan” (CRP) has been formally defined by HUD or the IRS, a Developer may provide a letter from the local jurisdiction, or the state, that the project sits in a CRP area.

Secondary Criteria

1. PROJECT LOCATION (Maximum 50 points, and/or up to negative 200 points). As project location is an integral part of the scoring process Developers must attend the site visit scheduled by WCDA.

a. Appropriate Location (Maximum 35 points)

A project may receive up to 35 points for being within a proximity of 2 miles (1 mile for elderly) of appropriate services needed by the residents occupying the units (must list services and distance from project to be eligible to receive points).

Distance from other locations			
	Points		Points
Employment opportunities	3	Elementary School	2
Fire	2	Junior or Middle School	2
Police	2	High School	2
Proximity to Public Transit	3	College	1
Hospital	2	Convenience Store	1
Senior Center	3	Church	1
Bank	2	Post Office	1
Doctor Offices	2	Park	1
Laundry Mat - if facilities not on site	3	Recreation	1
Grocery Store	3	Library	1
Is there a Grocery Store that delivers?	1	Discount Store	1
Pharmacy	2		
Is there a Pharmacy that delivers?			

b. Concentration of Low-Income Housing (Maximum 15 points)

A project may receive up to 15 points if it is demonstrated that the project will not contribute to a concentration of Low-Income housing. WCDA will consider available data for comparable units in the area, such as visual observation, maps, etc.

c. Inappropriate Location (Up to a Negative 200 points)

Inappropriate locations such as locations in 100-year flood areas, noise areas, areas of concentrated low-income, near hazardous site areas (above ground storage tanks of hazardous materials), airport clear zones, those sites listed in the EPA CERCLIS data base, other hazards outlined by HUD in

IV. Initial Allocation Criteria

their Environmental Review Requirements and other items of concern such as topography of the site or surrounding area and other issues that may require an abnormal amount of land to be purchased or an unusual amount of site work known or discovered by WCDA, etc., may receive up to a negative 200 points. The points will be assigned as follows (more than one category may apply):

- Points Location contains:
- 200 Items that can NOT be mitigated
- 175 Mitigation required, but not addressed or budgeted in the application
- 150 Mitigation required which has been addressed but not budgeted
- 50 Mitigation May be required, not addressed and not budgeted (each item)
- 0 Mitigation required which has been addressed and cost is included in the budget (each item)
- 100 Located in a commercial area
- 150 Located in a light industrial area
- 200 Located in an industrial area

- d. **Developer not at site visit** (Negative 200 points)
A negative 200 points may be assessed if the developer fails to be present for the site visit.

2. PROJECT CHARACTERISTICS (Maximum 66 points, or up to negative 275 points)

- a. **Project Design** (Maximum 40 points)
A project may receive up to 40 points for the design of the project provided it addresses the need outlined in the Market Study for the appropriate unit size, project size and type.

Project Amenities (Maximum 20 points)

PROJECT AMENITIES	POINTS
Laundry-open 24/7	1
Tot lot	1
Historic Character	2
Preserves Project Based Assistance at Risk of Going Market Rate	2
UNIT AMENITIES	POINTS
Dishwasher	1
Garbage Disposal	2
Microwave	1
Energy Star Appliances	1
Self-Cleaning Stove	2
Wash/Dry Hookup	1
Air condition	1
Emergency Call	2
Wired high speed internet	1
Frost Free Refrig.	2

Project Financing (Maximum 20 points)

Points will also be awarded taking into consideration the type of financing (conventional vs. subsidized), total amount of subsidy, and cost reduction items (i.e. substantiated lower lot costs, value engineering, etc.).

b. **Private-Public Partnerships** (Maximum 10 points)

To encourage private sector financing up to 10 points will be awarded for projects that have non-WCDA and non-subsidized private financing as a portion of the permanent financing package. Applications will be awarded 0.5 points for every percentage of private financing in the deal (not counting developer contribution). For example, an application with 10% private financing will receive 5 points in this category.

c. **Site Control** (Maximum 3 points)

A proposal will receive up to 3 points for having control of the site.

STATUS	POINTS
Own	3
Option to Buy	2
Letter of Intent	1

d. **Proper Zoning** (Maximum 3 points)

A proposal will receive up to 3 points for having the proper zoning and all other necessary approvals (i.e. PUD’s etc.).

STATUS	POINTS
Zoning in Place, No Approval Required	3
Zoning in Place, Other Approvals Required	2
Re-zoning in Process	1

e. **Subsidy** (Up to a Negative 200 points)

Projects requesting tax credits that exceed the total per unit Eligible Basis or projects where all subsidy sources exceed the limits published by WCDA in the Current Year Summary Attachment “A”, will receive a negative 10 to 200 points. Projects with subsidy exceeding limits will receive negative 10 pts per every 1% over subsidy limit.

f. **Other Supportive Financing** (Maximum 5 points)

Projects with other committed Below Market Interest Rate Permanent Financing will receive up to 5 points. (i.e. USDA Rural Development – Rural Housing Service, other first mortgage private financing, etc.)

g. **Community Revitalization Plan** (Maximum 5 points)

- A proposal will receive up to 5 points if the current project involves use of existing housing as part of a community revitalization plan. Until “Community Revitalization Plan” (CRP) has

- been formally defined by HUD or the IRS, a Developer may provide a letter from the local jurisdiction, or the state, that the project sits in a CRP area; or,
- A proposal will receive up to 5 points if the community is actively reducing barriers associated with Affordable Housing i.e.:
 1. Reducing or waiving fees or real estate tax concessions for Affordable Housing.
 2. Within the last year the Jurisdiction has convened or funded comprehensive studies, commissions, or hearings, or has established a formal ongoing process, to review, the rules, regulations, development standards and processes of the jurisdiction to assess their impact on the supply of Affordable Housing.
 3. Within the last year the Jurisdiction has initiated regulatory reforms as a result of the above.
 4. Jurisdiction has a single consolidated permit application process for housing development that includes building, zoning, engineering, environmental and related permits or “fast track” permitting and approvals for all affordable housing projects.
 5. Reduction or waiver of parking or green space requirements for all affordable housing developments.
 6. The jurisdiction has funded, directly or through partnerships, comprehensive studies of current and estimated housing needs taking into account the anticipated growth of the region, for existing and future residents, including low-, moderate-, and middle-income families for at least the next five years.
 7. Lower cost land development requirements for Affordable Housing developments, i.e. higher density, narrower streets, sidewalks on only one side of the street etc.

3. SPONSOR/APPLICANT CHARACTERISTICS (Maximum 40 points to negative 200 points)

a. Experience and Credibility (Maximum of 40 points)

A proposal will receive up to 40 points based on the developer's experience, financial stability and credibility in developing the proposed housing. Items considered include, but are not limited to, number of projects successfully completed, like projects completed with like sources, experience with WCDA or other allocating agencies (must provide contact person to verify experience with other allocating agencies). A proposal will receive up to the following points if the sponsor has had experience developing housing which resulted in successful, compliant projects:

- | | |
|--|-----------|
| • With no Federally imposed Restrictions | 10 Points |
| • With Federally imposed Rent and Income Restrictions
and cross cutting federal regulations | 30 Points |
| • Using Tax Credits, HOME, and/or NHTF funds | 40 Points |

Developers will be classified by amount of experience and experience relevant to the type of project proposed. Based on this experience, developers will be classified as Tier 1, Tier 2 or Tier 3 defined as follows:

Tier 1 - Any developer who receives 35-40 points for Sponsor/Applicant Characteristics shall be classified as a Tier 1 developer and will only have to meet minimum requirements as set forth in the Affordable Allocation Plan for construction progress reporting throughout the construction period.

Tier 2 - Any developer who receives 20-34 points for Sponsor/Applicant Characteristics shall be classified as a Tier 2 developer and will be required to submit monthly progress reports and quarterly site visits will be performed throughout the construction period by the Wyoming Community Development Authority. Tier 2 developers will be required to engage a property management firm that has successful experience in managing projects under Low Income Housing Tax Credit, HOME Investment Partnerships, and/or NHTF programs within the State of Wyoming and has no outstanding compliance issues.

Tier 3 - Any developer who receives 0-19 points for Sponsor/Applicant Characteristics shall be classified as a Tier 3 developer and will be required to partner with a Tier 1 developer, or a consultant experienced with LIHTC, HOME and/or NHTF.

b. **Developer Management Capacity** (Up to a Negative 200 points)

Up to a negative 200 points will be assessed for any or all of the following:

- Non-compliance with WCDA restrictions with no effort to correct will be assessed the full negative points.
- Financial condition of any and all existing projects
- Frequency, conditions and type of waivers requested from WCDA or other allocating agencies on previously funded projects
- Poor performance by Sponsors and developers, including but not limited to failure to provide all close out documents within 6 months of being placed in service, liens filed against projects, etc.
- Number of returned or recaptured allocations or awards
- Number of cleared and/or outstanding compliance issues.
- Sponsors or Developers with projects in the process of or in foreclosure, receivership, or similar legal action
- Financial stability of developer including, but not limited to, analysis of liquidity, short and long term liabilities and total assets and cross-collateralization.
- If a Developer, sponsor, related entity or material participant has ever been removed from a project or given a project back to a Syndicator, Investor or other financial source.
- Inconsistent information in the application and attachments.
- Excessive line item variances between original budget and actual costs on prior projects.

c. **Financial Capacity** (Maximum 10 points – Must score a minimum of 5 points)

Developer must be able to substantiate financial capacity to the Authority's satisfaction. WCDA will examine key financial factors and ratios, including but not limited to liquidity, net worth, leveraging, etc., to assess adequate financial capacity.

4. **PUBLIC HOUSING WAITING LISTS** (Maximum 2 points – Must score a minimum of 2 points)

Proposals that commit to giving preference to individuals and families on the public housing waiting lists, will receive 2 points.

5. **HOUSING NEEDS FOR FAMILIES OR INDIVIDUALS WITH CHILDREN** (Maximum 4 points)

A proposal will receive up to 4 points for targeting unit occupancy to Families or Individuals with Children.

6. SUPPORT OR CONTRIBUTIONS FROM LOCAL SOURCES (Maximum 35 points)

A proposal will receive up to 35 points for financial support or contributions from local sources derived from non-federal sources (i.e. donated real estate, labor, materials, cash, or waiver of local fees etc.), which results in reduced project costs and reduced federal subsidy only to the extent that the project costs do not exceed the maximum costs outlined in Section 8 below and are above any required amounts from other sources (i.e. HOME Match requirement). In order to receive points, documentation from the provider of the Financial Support must be provided showing award and specifics of the Financial Support (i.e. Grant award notification, firm commitment of Below Market Interest Rate loan).

7. PROPERTY MANAGEMENT CAPACITY (Up to negative 200 points)

Up to a negative 200 points will be assessed for any or all of the following:

- a. Physical condition of any and all existing projects
- b. Frequency, conditions and type of waivers requested from WCDA on previously funded projects
- c. Managers associated with any project that has a history of poor performance
- d. Number of cleared compliance issues
- e. Number of outstanding compliance issues
- f. Ongoing maintenance issues
- g. Managers who have had a project placed or in the process of being placed in foreclosure, receivership, or similar legal action

For applicants without existing WCDA-funded projects, please submit letters of good standing from all Tax Credit agencies the applicant has done business with for the last 5 years.

8. TOTAL PROJECT COSTS

Projects submitted with Total Project Costs above the tolerance level published in the Current Year Summary Attachment "A", will receive up to a negative 10 points for every 1% over the tolerance level. WCDA reserves the right to waive, all or a portion of the assessment of negative points, if in WCDA's sole discretion, high project costs are justifiable from information provided by the applicant.

9. OWNER/GENERAL PARTNER EQUITY IN PROJECT (Maximum 20 points)

A proposal will receive up to 20 points for financial support or contributions from the Owner or General Partner derived from non-federal sources (i.e. donated real estate, labor, materials, cash, or waiver of local fees etc.), which results in reduced project costs and reduced federal subsidy only to the extent that the project costs do not exceed the maximum costs outlined in Section 8 above less the donated equity. In order to receive points, documentation must be provided to support value of donation (i.e. appraisal for land donation).

Tie Breaker

1. TOTAL PROJECT COSTS (Maximum 40 points)

a. New Construction

New Construction rental projects submitted with Development costs below the tolerance level published in the Current Year Summary Attachment “A”, will receive the following points:

Below Tolerance	Points
10-14%	5
15-19%	15
20-24%	30
25%+	40

b. Rehabilitation Project

Rehabilitation projects will receive up to 40 points for amenities and/or cost-effective upgrades incorporated into the rehabilitation.

2. REDUCED FEES (Maximum 30 points)

a. For Projects in which the **combined** Developer and Builder fees are less than 15%, tie breaker points will be awarded as follows:

Combined feed at or below	Points
13%	1
11%	3
9%	5
7%	15
5%	30

VI. MAXIMUM ALLOCATIONS

The following outlines the WCDA's allocation priorities to maximize state-wide impact and responsible utilization of federal resources.

- A. WCDA in its sole discretion reserves the right to limit funding to no more than 60% of available credits, HOME, and/or NHTF funds to any one project. WCDA reserves the right to redirect funds within a project between Tax Credits, HOME, TCAP, NHTF and/or other resources available to WCDA which best utilizes the available resources.
- B. Federal law mandates that, although a proposed development may be eligible for a 9% or a 4% tax credit amount, WCDA may not allocate more credit than is necessary for the financial feasibility of the project and its viability as a qualified low-income housing project throughout the compliance period. Accordingly, WCDA may designate a lesser amount of credits than otherwise permissible, as it solely determines.
- C. WCDA may designate a project as being in a Difficult Development Area, thereby receiving up to a 30% increase in the Eligible Basis, if the project needs the increase to be financially feasible. See definition of Difficult Development Area in the Current Year Summary Attachment "A" Item "16".
- D. Section 102(d) of the 1989 HUD Reform Act requires HUD to certify that any new or additional HUD assistance for a project is "not more than is necessary to provide affordable housing" after taking into account any other governmental support. Therefore, WCDA reserves the right to disclose a project's application information to appropriate Federal, State or Local authorities and take the necessary actions to accomplish the intent of the subsidy layering rules. Projects needing the Subsidy Layering Review may need to be submitted to HUD.
- E. WCDA will evaluate each proposed Tax Credit project's financial feasibility and its viability at three different times; time of application, time of allocation, and the date the building is placed in service. This financial evaluation will take into consideration:
 - 1. Sources and uses of funds;
 - 2. Total financing planned for the project;
 - 3. Proceeds expected to be generated from the sale of tax credits;
 - 4. Annual operating expenses;
 - 5. Debt coverage ratio;
 - 6. Vacancy rate;
 - 7. Total project costs;
 - 8. All projects will be underwritten and the calculation of the amount of Tax Credits awarded shall not exceed the Anticipated Eligible Basis multiplied by the lesser of the 3 month or the 6 month average published IRS Applicable Percentage;
 - 9. Any other relevant factors.
- F. Projects must meet the limitations and restrictions as outlined in the Allocation Plan at each underwriting. Thus, the amount of credit allocated to a project may change at any of these evaluation times.

- G. HOME and NHTF funding is evaluated in much the same manner as Tax Credits with the exclusion of the proceeds expected to be generated from the sale of tax credits. This evaluation occurs at the time of application and continues during the course of project construction. Projects must meet the limitations and restrictions as outlined in the Allocation Plan at each underwriting. Thus, the terms of the HOME and/or NHTF funds may change at any of these evaluation times.

VII. PROGRAM REQUIREMENTS

Projects must adhere to the following programmatic requirements. Pay particular attention to the specific guidelines related to the type of project by funding source being considered.

ALL PROJECTS MUST ADHERE TO THE FOLLOWING:

- A. All Projects must provide a Narrative as outlined in the Current Year Summary Attachment “D” Item “1” with every application.
- B. WCDA reserves the right to negotiate lower Developer and Builder fees on projects when there is an identity of interest among parties.
- C. A Quarterly/Monthly Progress Report (See Current Year Summary Attachment “D” Item “2”) must be filed with the WCDA outlining progress toward completion. Quarterly reports must be received by the 1st day of March, June, September, and December, until 8609’s are issued (for Tax Credits) or HOME and/or NHTF project completion reports have been completed. Tier 2 and 3 Developers will be required to submit Monthly Progress Reports in lieu of Quarterly Progress Reports.
- D. All parties must sign a release form allowing WCDA to check their references.
- E. The land purchased for the project must be of appropriate size for the proposed project. (i.e. additional land may not be purchased in hopes of a second phase or for other purposes.) Partial Releases will not be granted by WCDA for unused land. If WCDA, in its sole discretion, approves in writing additional land to be purchased, an appraisal must be obtained outlining the value for each separate parcel. The amount of Land cost allowed in the application will be the lesser of the appraised value and/or the pro-rata share by square footage of the original cost.
- F. All projects must meet or exceed the requirements published in the Current Year Summary Attachment “A”. The Tax Credit Allocation, HOME funds, and/or NHTF funds may be pulled if any violations are found and the participants may be banned from participating in the program.
- G. During construction, all projects must supply both a Performance and a Payment Bond, or an acceptable Irrevocable Letter of Credit.
- H. Once the project is completed and placed in service the architect and the developer must sign a certification and acknowledgement that the project meets or exceeds all specifications, and they have read and understand consequences of violating these minimums. (See Current Year Summary Attachment “B”)
- I. As-built plans and specifications must be provided before final allocation and release of final funding.
- J. Copies of Federal Cost Certifications for Rural Development, FHA, and Tax-Exempt financed projects must be submitted at final cost certification.
- K. All projects that exceed the Total per unit Costs published by WCDA in the Current Year Summary Attachment “A”, must include documentation, satisfactory to WCDA, justifying the higher costs. (e.g.

three or more bids for construction items, current Real Estate listings for like properties in the area, impact on the community, etc.)

- L. Project Design and Materials must comply with all applicable codes, rules and regulations, including but not limited to; zoning, building, and energy codes, accessibility requirements, and other local, state and federal requirements. At a minimum, projects must meet as applicable, the International Building Code (as applicable to the type of housing) of the International Code Council, the local code adopted by the presiding jurisdiction, the requirements of HOME's 24 CFR Part 92.251(a)(2)(i) through (V), and/or NHTF's 24 CFR Part 93.301(a), and meet Accessibility Requirements under ADA. More restrictive codes or regulations may be required by local cities, counties, or towns, but in no case may new construction projects fail to meet the above.
- M. All projects must submit proof the project will not be located in a 100-year flood plain.
- N. Projects returning a current allocation of funding (HOME, HTF, NHTF and/or Tax Credits) and submitting a new application for any type of funding may jeopardize the allocation of the other WCDA funding sources and WCDA may, in its sole discretion, rescind the allocation of the other funding sources if a new allocation is not awarded.
- O. The purchase price of land and/or improvements thereupon, where there is an identity of interest or is not considered an arm's length transaction, is restricted to the lesser of:
 - 1. the appraised value of the land and or buildings to be owned by the project, as determined by an appraisal that is less than 6 months old; or
 - 2. the pro-rata share of the original purchase price, if the original purchase was within one year of application; or
 - 3. if owned by a related party which was provided subsidy, the land acquisition price shall be zero.
- P. All projects must meet the minimum and maximum levels (i.e. income, rent, purchase price, etc.) in effect and published as of 30 days prior to the application deadline date. These minimums and maximums will be used by WCDA when underwriting the project.
- Q. If at any time WCDA becomes aware of a Fair Housing violation it will be reported to the appropriate officials which will include but may not be limited to HUD, and/or the Department of Justice.
- R. WCDA staff, or their delegate, will conduct periodic site visits. A final inspection will be conducted upon notice of project completion before 10% retainage and 8609's are released.
- S. Restricted Budget Differential – Developer must make every effort to have costs allocated to the appropriate categories from the first initial application. Variances in cost categories (e.g. Land, Site Work, Rehabilitation/New Construction, Professional Fees, Soft Costs, etc.) in excess of 10% must be justified when submitting the Progress Reports, 10% Cost Certifications, and Final Cost Certifications, and may result in negative points in future applications.

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- T. All Project Owners must attend Fair Housing training by a nationally-recognized firm as approved by WCDA, prior to the project applying for an award of funding, or provide a Certification showing they have completed the training in the past 5 years.

- U. A Representative of the Management Company for all projects must attend Fair Housing training by a nationally-recognized firm as approved by WCDA, prior to the project beginning Lease-up, or provide a Certification showing they have completed the training in the past 3 years.

ALL RENTAL PROJECTS MUST ADHERE TO THE FOLLOWING:

- A. When underwriting a project, the Annual Operating Expenses that will be used are published in the Current Year Summary Attachment “A”.
- B. When underwriting a project, the Debt Coverage Ratio, using rent at the committed amount, must be between 1.20 [1.15 for Rural Housing Service (RHS)] and 1.25 for foreclosable debt plus HOME and/or NHTF loans. Projects with 12 units or less, at the sole discretion of WCDA, may be allowed to achieve a Debt Coverage Ratio of 1.3 in order to insure long term financial viability.
- C. When underwriting a project, the following vacancy rate shall be used:
- | Units | Vacancy Rate |
|---------|--------------|
| 1 - 24 | 10% |
| 25 - 35 | 8% |
| 36> | 7% |
- D. Operating Reserves to be equal to four to six months of projected operating expenses, plus debt service payments, and annual reserve payments. Operating reserves in excess of six months will not be considered when calculating eligible basis or performing the gap calculation. WCDA may in its sole discretion allow a higher Operating Reserve in the event the higher reserve is required by another agency providing financing.
- E. Minimum Replacement Reserves must equal \$250.00 per unit annually for New Construction developments for seniors and \$300.00 per unit annually for new construction for families and developments involving rehabilitation. The required contributions must be placed in a restricted access Reserve Account which would require prior authorization from WCDA for any withdrawals which equal 15% or greater of the total account balance.
- F. For projects with HOME funding committed prior to August 23, 2013, utility allowance requirements must be followed according to §1.42-10 using:
1. the methods outlined in §1.41-10 for projects with other funding sources,
 2. local Public Housing Authority Estimate,
 3. Energy Consumption Model as defined in §1.42-10 by a properly licensed engineer,
 4. Utility Company Estimate, or
 5. HUD Utility Schedule Model.

Projects with HOME funding committed on or after August 23, 2013, must follow the utility allowance requirement at §92.252(d) in the HOME Final Rule. These projects may calculate utility allowances using one of the following methods:

1. HUD Utility Schedule Model;
2. Multifamily Housing Utility Analysis;
3. Utility Company Estimate; or,
4. Energy Consumption Model (Engineer Model).

Projects with only Tax Credit funding must calculate utility allowances in accordance with IRC§1.42-10. The local Public Housing Authority Estimate may be used on a Tax Credit project IF no HOME or NHTF

funds are utilized.

If a project is anticipating the use of HOME, NHTF, and/or LIHTC funding, the HUD Utility Schedule Model MUST be used during the application process. Once the project is built and has an energy consumption history it may utilize the Energy Consumption Model as defined in §1.42-10 by a properly licensed engineer. However the same method must be used for every unit in the project.

G. Preference must be given to individuals and families on the public housing waiting lists.

H. Rental Rehabilitation projects

1. Rehabilitation projects must have a minimum expenditure of thirty thousand dollars (\$30,000) of actual rehabilitation hard costs (not including General Requirements, Contractor Overhead or Profit) per unit in Life, Safety, Health, or Code Requirements which includes required major systems repairs or replacements of:

- a. Electrical
- b. Heating
- c. Roofing
- d. Foundation/Structural
- e. Major energy upgrades

Creation of additional units and/or common space (i.e. community room, laundry room, or an office) is considered new construction, not rehabilitation.

2. No more than 30% of rehabilitation costs can fund required General Property Improvements, (non-Life, Safety, Health, or Code Requirements).

3. A Capital Needs Assessment (CNA) must be provided by an unrelated Professional CNA provider to include a unit by unit breakdown and budget at time of application. The CNA must include an estimate of the remaining useful life of major systems and estimates of replacement costs. Major systems include: structural support, roofing, cladding, weather proofing (windows, doors, siding, gutters), plumbing, electrical and heating, ventilations, and air conditioning.

The assessment should include an opinion as to the proposed budget for recommended improvements and should identify critical building systems or components that have reached or exceeded their expected useful lives. The Assessment should also include a projection of recurring probable expenditures for significant systems and components impacting use and tenancy, which are not considered operation or maintenance expenses, to determine the appropriate replacement reserve deposits on a per unit per year basis. The assessment should examine and analyze the following:

- a. Site, including topography, drainage, pavement, curbing, sidewalks, parking, ingress and egress, landscaping, amenities, water, sewer, storm drainage, and gas and electric utilities and lines;
- b. Structural systems, both substructure and superstructure, including exterior walls and balconies, exterior doors and windows, roofing system, and drainage;
- c. Interiors, including unit and common area finishes, carpeting, tile, plaster walls, paint condition, etc.), unit kitchen finishes, cabinets and appliances, unit bathroom finishes and fixtures, and common area lobbies and corridors; and
- d. Mechanical systems, including plumbing and domestic hot water, HVAC, electrical, lighting fixtures, fire protection, and elevators.

4. Financial Statements from the property to be acquired including Income and Expense statements for the past 3 years must be provided.

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5. The acquisition price on which Housing Credits are allocated will be limited to the lesser of the sale price or the appraised value of the property prior to rehabilitation.
- I. When calculating maximum rents, all rents must be rounded down to the next dollar.
- J. Projects must submit Audited Financial Statements including a copy of the Management Letter to WCDA by March 31 of each year during the compliance period. (Audited if available)
- K. All projects submitted with an interest rate, for the permanent financing, above the market rate will be underwritten at the average market rate.
- L. Rents committed to as a percentage of Area Median Income will be used in the Land Use Restrictive Covenants Agreement, cash flows, and ranking criteria.
- M. There may be no more than a 5% differential between rent and income levels, unless the project is under the Small Rural Set-Aside for which there is a 10% differential allowed.
- N. Rental projects will be monitored for compliance by WCDA. A Compliance Manual, including submission requirements and forms is located on our web site, or you may obtain a copy by contacting Judy Koski at WCDA at 307-265-0603. Failure to provide information, and in the format as required in the manual, will be considered non-compliance and reported to the IRS. It is important to note that an owner's representative must be present during all times during the inspection, preferably a maintenance staff person familiar with the building systems and an administrative person familiar to the residents. WCDA policy forbids any inspector from going into any unit or part thereof unaccompanied. Monitoring time at each property is limited and we request that you help WCDA in maintaining its monitoring schedule. Failure to provide assistance will result in a failed unit, possible loss of credit, and/or a re-inspection that will be billed to the owner. The IRS now requires that unit inspections be performed on the same units that are selected for file review. Units where admittance is not possible for any reason will be failed and/or subject to re-inspection at the owner's expense. Any unit issue corrected before the inspector leaves the property will be cleared. If an owner chooses to have a re-inspection done the owner will be responsible for any additional fees and/or costs associated with the re-inspection. And if it cannot be completed until after the close of that correction period, an IRS form 8823 will be issued.
- O. The definition of a Qualifying Manager's Unit for a Tax Credit project is:
 - If the Manager is full-time – the unit will be considered part of Common Space and you may charge rent at the level presented in the application.
 - If the Manager is part-time – the unit is a restricted unit and the Manager must income qualify and sign a Lease like any other qualifying tenant.

ALL HOME AND NHTF FUNDED PROJECTS MUST ADHERE TO THE FOLLOWING:

- A. Projects must be prepared to provide WCDA, within 30 days of notification of funding, the exact legal description of property and other information necessary to conduct an Environmental Review.
- B. Final plans for the project must be filed with the local jurisdiction within 60 days of notification of funding.
- C. All zoning and PUD approvals must be secured within 120 days of notification of funding.
- D. Construction must be scheduled to start within 6 months from notification of funding award.
- E. Final HOME and/or NHTF Award documents cannot be executed until firm financing is in place for ALL other funding sources. Thus, firm commitments from all funding sources must be provided to WCDA within 90 days of notification of award of funding.
- F. The owner/applicant must secure appropriate title prior to funding. Appropriate title includes fee simple title or 99+ year lease. All lease forms of ownership must be Pre-approved by WCDA **PRIOR** to Application.
- G. HOME and/or NHTF funds can only be used for reimbursement of Acquisition Costs and Hard Construction Costs. No Interim Costs, Financing Costs, Syndication Costs, Developer Fees, or Reserves will be funded with HOME and/or NHTF funds.
- H. The Title Company will act as disbursement agent for all construction funds.
- I. WCDA will determine the HOME and/or NHTF repayment terms in accordance with the Allocation Plan limits and restrictions when the HOME and/or NHTF documents are prepared for closing after the first mortgage rate and term have been set.
- J. The amortization period and term of the HOME and/or NHTF loan must be equal to or less than the affordability period.
- K. Projects located in the entitlement cities of Cheyenne and Casper must provide a current (no older than 6 months) signed letter of consistency with the Consolidated Plan from the applicable Jurisdiction.
- L. All HOME Match must be documented at time of application by the Source providing the Match that grant has been awarded or fee reduction has been approved, or by lending institution providing a firm commitment of a below market interest rate loan in order to receive allowable points.
- M. All projects seeking funding from the HOME CHDO set-aside, must submit a CHDO application and supporting documentation with each application.
- N. Extended title insurance must be provided including lien, survey and easement coverage, coverage for rights, interests or claims not shown of public record, and a foundation endorsement.

- O. The following Alta endorsements will be required on Title Policies
 - 1. Zoning (3.1 Improved or 3.2 Land Under Development)
 - 2. Environmental Protection Lien (8.1)
 - 3. Covenants, Conditions and Restriction (9.3)
 - 4. Access and Entry (17)
 - 5. Tax Parcels (18 Single Tax Parcel, 18.1 Multiple Tax Parcels)
 - 6. Contiguity (19 Multiple Parcels, 19.1 Single Parcel)
 - 7. Minerals Surface Damage (100.29)
 - 8. Location (22)

- P. HOME and/or NHTF funds may NOT be used for the cost of constructing Manager's unit(s). Other sources of funds must pay for the cost of developing the Manager's unit.

ALL HOME AND NHTF RENTAL PROJECTS MUST ADHERE TO THE FOLLOWING:

- A. When combining HOME and/or NHTF funds with the Tax Credit program, HOME and/or NHTF funds will be financed at 0% interest and must be amortized for no more than 40 years. Debt service on the HOME and/or NHTF funds must start no later than six months after the date the project is Placed-In-Service. (WCDA at its sole discretion may waive or modify the required terms on the HOME and/or NHTF repayment.)
- B. When utilizing NHTF funds and/or HOME funds only, deferred and/or forgivable loans may be considered. Please contact WCDA for consideration prior to finalizing your application.
- C. Rental Projects must restrict rents on HOME and/or NHTF units to not exceed the Low-HOME and/or NHTF rent.
- D. Maximum rents for HOME and/or NHTF units are outlined in each project's HOME and/or NHTF Agreement. These limits do not automatically change when HUD Income Limits change. Increases must be approved in writing by WCDA. Requests for increases will be reviewed no more than once a year, and the project cannot have had any outstanding compliance issues within the previous year.
- E. HOME and/or NHTF units in Rental Projects are floating within the project. When a household's income increases above the limit for that unit, the next available unit must be rented at the lower level. Every effort must be made to insure the income and rent levels are attained at all times throughout the compliance period. As such, projects with multiple rent and or income levels must recertify every household on an annual basis, and the lease for every unit (HOME, NHTF and non-HOME) must include all of HUD's required provisions.
- F. The Affordability Period for HOME and/or NHTF projects does not begin until all documentation, sufficient to close out the project, has been reviewed by WCDA. Project completion means that all necessary title transfer requirements and construction work have been performed, the project complies with the requirements of 24 CFR Part 92.2 for HOME and 24 CFR Part 93.2 for NHTF, the final drawdown has been disbursed for the project, and the project completion information has been entered in the disbursement and information system established by HUD, except that with respect to rental housing project completion, for the purposes of 24 CFR 93.402(d), project completion occurs upon completion of construction before occupancy.
- G. All HOME and/or NHTF Rental Project Owners must attend and pass the required testing to obtain a Compliance Certification by a nationally recognized firm as approved by WCDA, prior to the project applying for an award of HOME and/or NHTF funds or provide a Certification showing they have completed the training in the past 5 years.
- H. A Representative of the Management Company for all HOME and/or NHTF rental projects must attend and pass the required testing to obtain a Compliance Certification by a nationally recognized firm as approved by WCDA, prior to the project beginning Lease-up or provide a Certification showing they have completed the training in the past 3 years.

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- I. Violations of the HOME and/or NHTF Agreement or the WCDA Compliance Manual are considered non-compliance issues and reportable to HUD. (See Compliance Monitoring Package)
- J. WCDA will consider, in regards to HOME and/or NHTF funds, being in a subordinate lien position to other private financing on a case-by-case basis.
- K. The HOME and/or NHTF Agreement will not be subordinated to existing or future financing.

ALL TAX CREDIT PROJECTS MUST ADHERE TO THE FOLLOWING:

- A. For Tax Credit projects, owners must have appropriate title to the real property at time of 10% test and must submit documentation of such with the 10% test package. Appropriate title is fee simple title or 99+ year lease. All lease forms of ownership must be pre-approved by WCDA prior to submitting an Application.
- B. The Land Use Restrictive Covenants must be recorded and the Original recorded document must be submitted with the carryover/10% test package. This document must be recorded prior to any other encumbering documents, including but not limited to construction loan and bridge loan documents.
- C. IRS Rules and Regulations outline costs, which are not allowed in Eligible Basis. This Allocation Plan will also not allow the following costs in Eligible basis:
 - 1. Appraisals
 - 2. Construction interest on new construction after the Placed in Service Date
 - 3. Demolition
 - 4. Off-site Improvements
 - 5. Donated Services (such as cost reductions for HOME Match). Donated Services are also not included in the Gap calculation for total costs or sources of funds.
- D. Tax Credit projects submitted with a syndication rate below the published tolerance level in the Current Year Summary Attachment "A", will be underwritten at the average rate published.
- E. Extended Initial Compliance Period - Federal law requires a 15-year initial low income use and a 15 year extended use period with an option to sell the project at the end of the initial period. WCDA requires the initial compliance period to be a minimum of 20 years. Projects requesting credits that exceed the total per unit Eligible Basis published by WCDA in the Current Year Summary Attachment "A", must score a minimum of 35 points in the Extended Use Category.
- F. Violations of the WCDA Land Use Restrictive Covenant or the WCDA Compliance Manual are considered non-compliance issues and reportable to the IRS. (See Compliance Monitoring Package)
- G. Within thirty days of your completion of Part II of the Form 8609 and filing same with the Internal Revenue Service, a completed copy must be mailed to the compliance monitoring staff at the WCDA for its records. Failure to return the completed form to the compliance monitoring staff within the required timeframe is a form of noncompliance which will be reported by the WCDA to the Internal Revenue Service.
- H. Developer fees will be limited to no more than 15% of development costs up to a maximum of \$1,000,000.00. Development costs are defined as total project costs minus all acquisition costs, off-site improvement costs, developer's fees, syndication costs, reserves and consultant's fees. Developer's accounting fees, other than cost certification fees, must be included in the Developer fee limitation. (Total Project Costs are out of pocket money and do not include donated services, donated materials, and/or waived fees). For Acquisition/Rehabilitation and Rehabilitation projects, the Developer's fee on acquisition costs is limited to 15% on projects with 12 units or less; 10% on projects with 13 to 24 units; 5% on projects with

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- 25 to 36 units; and 0% on projects with over 36 units. Special consideration may be given for project size, project characteristics, and/or project location.
- I. Developers fees may not be increased above amount originally requested and approved in the Original Application (Cannot have additional Developer fees on cost overruns).
- J. Eligible consultant fees are defined as Architect's Fee and Engineer's Fee. All other consultant fees, including accounting fees, will be permitted only within the Developer's Fee limit.
- K. Builder's fees will be limited as follows:
1. Builder's Profit will be limited to no more than 6% of the construction costs.
 2. Builder's Overhead will be limited to no more than 2% of the construction costs.
 3. General Requirements/Conditions will be limited to no more than 6% of the construction costs. Construction costs equal, On-Site Work plus New Structures, Rehabilitation, and Accessory Structures.
- L. When combining the Tax Credit program with HOME and/or NHTF funds, the HOME and/or NHTF funds must be amortized at 0% for 30 – 40 years and debt service on the HOME and/or NHTF funds must start no later than six months after the date the project is Placed-In-Service. (WCDA may waive or modify the required terms on the HOME and/or NHTF repayment.)
- M. When combining the Tax Credit program with HOME and/or NHTF funds, neither the retention funds for the HOME and/or NHTF financing nor the IRS form(s) 8609 will be released until a site visit occurs, and all required documentation is received and accepted for both programs.
- N. All Tax Credit project owners must attend and pass the required testing to obtain a compliance certification by a nationally recognized firm as approved by WCDA, prior to applying for an allocation of Tax Credits or provide a certification showing they have completed the training successfully in the past 5 years.
- O. A representative of the management company for all Tax Credit projects must attend and pass the required testing to obtain a compliance certification by a nationally recognized firm as approved by WCDA, prior to the project beginning lease-up or provide a certification showing they have completed the training successfully in the past 3 years.
- P. The Placed in Service date is determined by the date of the Certification of Occupancy.
- Q. All projects will be underwritten and the calculation of the amount of Tax Credits awarded shall not exceed the Anticipated Eligible Basis multiplied by the lesser of the average of the last 3 months or the last six months published IRS Applicable Percentage.
- R. WCDA will include in the Low-Income Housing Tax Credit Land Use Restrictive Covenants, a commitment to re-underwrite the project using the current Affordable Housing Allocation Plan requirements in the event the Project Based Rental Assistance is not renewed. Rents would be increased to the lesser of Tax Credit Maximum Rents and the minimum amount necessary to meet the Allocation plan requirements.
- S. The Land Use Restrictive Covenants will not be subordinated to any existing or future financing.

- T. Projects already restricted by a Low Income Housing Tax Credit Land Use Restrictive Covenants or an affordability period under a HOME and/or NHTF Agreement, are not eligible for competitive 9% Low Income Housing Tax Credits. Projects may utilize tax exempt bond financing and apply for 4% Low Income Housing Tax Credits.

VIII. TAX CREDIT PROGRAM EVALUATION AND ALLOCATION

- A. In addition to adopting a qualified allocation plan, housing credit agencies must also evaluate each Tax Credit project to insure that the project receives only the amount of credit necessary to assure project feasibility and viability throughout the credit period. Therefore, evaluations will be performed by WCDA at the following times: 1) when the initial application is received, 2) when the 10% test application is received, and 3) when the project is placed-in-service and an application for Final Allocation is made.
- B. WCDA will make allocations of tax credits at the time an eligible project or portion of a project, which has received an Initial Allocation, is placed-in-service (available for rental occupancy), or when an application has been received, reviewed, and approved for an Initial Allocation.
- C. The Tax Credit amount allocated is based on WCDA's determination of the qualified basis for the project or portion of the project, the gap calculation, and costs per unit. A Cost Certification, a certification of sources of funds (financing, grants, etc.), the amount of funds received from the syndication of the credits, and the percentage of the housing credit dollar amount used for project costs other than the costs of intermediaries, by an independent qualified professional is required for a 10% Test Allocation (See 10% Test Allocation Package) and a Final Allocation (See Final Allocation Package of Tax Credits).
- D. The Tax Credit allocation may be reduced to comply with federal law based on WCDA's final review of the project.
- E. WCDA will provide a 10% Test Allocation package to applicants upon request. 10% Test allocations may be requested as soon as an eligible project has met the 10% requirement. Projects must supply a 10% Test Package and all required supporting documentation no later than as described in the project's Carryover document or within 11 months from the date of the Carryover document, whichever is less. Projects will be assessed a penalty-fee of \$500.00 per day for 10% Test Allocation packages received after the deadline. WCDA may establish different deadlines prior to year-end for allocation requests in order to permit timely processing of documents.
- F. WCDA will provide a Final Allocation Package to applicants upon request. A Final Allocation Package may be requested as soon as an eligible building is placed-in-service. Applications for final allocation must be received by WCDA not later than December 1 of the applicable year. Projects will be assessed a penalty-fee of \$500.00 per day for Final Allocation Packages received after December 1. WCDA may establish different deadlines prior to year-end for allocation requests in order to permit timely processing of documents. Should corrected 8609's be requested by the Developer, there will be a fee of \$500 per 8609, unless it was an error by WCDA.
- G. WCDA will provide the accountant's cost certificate form for the 10% Test and the Final Allocation. This form must be used without alteration to obtain a 10% test acknowledgement and/or IRS form 8609.
- H. Applicants must be current on all fees before IRS form 8609 will be issued.

IX. TAX CREDIT ASSISTANCE PROGRAM (TCAP)

The Tax Credit Assistance Program (TCAP) was established in the ARRA Act of 2008. All Program Funds have been allocated and expended on eligible projects. No additional Program Funds are anticipated. However, Program Income will be received from the original projects awarded TCAP funding.

A. Program Income from TCAP

Program Income received from TCAP projects will be administered following the established HOME Program Rules and Regulations.

B. Description of Competitive Selection Criteria

TCAP Program Income will follow the Competitive Selection Criteria as outlined for HOME projects.

C. Commitment and Expenditure Deadlines

Commitment and Expenditure Deadlines, if not established by other guidance, will follow the Commitment and Expenditure Deadlines established for the HOME program.

D. TCAP Compliance Monitoring

TCAP projects will be monitored utilizing the same rules and regulations as projects funded under the Low-Income Housing Tax Credit Program with the exception of:
Rent increases require written approval from WCDA and the project must show at least 12 months with no compliance issues outstanding.

X. COMPLIANCE MONITORING

A. Introduction

The Wyoming Community Development Authority “WCDA” is required by HUD’s HOME Investment Partnership Program at 24 CFR Part 92 and HUD’s NHTF program at 24 CFR Part 93 to monitor HOME and NHTF projects for noncompliance. WCDA is also required by Section 42 of the Internal Revenue Code of 1986, as amended (“IRC 42”), to monitor Low-Income Housing Tax Credit (“LIHTC”) projects for noncompliance with the provisions of IRC 42, and to notify the Internal Revenue Service (“IRS”) of such noncompliance of which the Authority becomes aware. In addition, the WCDA will monitor the projects during the remaining term of the Land Use Restrictive Covenants Agreement, as all restrictions continue for the full term of affordability.

WCDA has established certain Compliance requirements that are more restrictive than the IRS, the HOME Investment Partnerships Program, and the NHTF program. Project owners agree to follow these more restrictive requirements when they apply for funding. Non-compliance with any of these restrictions may be reported to IRS, may be reported to HUD, may be taken into account when ranking any future projects for funding, and WCDA has the right to enforce any of these restrictions as allowed by law.

WCDA may delegate the compliance monitoring function to an Authorized Delegate. WCDA has prepared this Compliance Monitoring Plan (the “plan”), and has prepared a Compliance Monitoring Manual (the “Manual”), which sets forth the procedures that WCDA shall follow, and those procedures that an owner of a HOME, NHTF, and/or LIHTC project (the “Project Owner”) is required to follow. It is important to note, however, that the Plan and Manual are to be used only as a supplement to compliance with 24 CFR Part 92 for HOME projects, 24 CFR Part 93 for NHTF projects, and Section 42 of the Internal Revenue Code of 1986 and the Treasury Regulations there under for Tax Credit projects. The Plan and Manual should not be considered a complete guide on compliance. The responsibility for compliance lies with the owner of the project. Because of the complexity of these Programs and the necessity to consider its applicability to specific circumstances, owners are urged to seek competent professional legal and accounting advice regarding compliance issues. WCDA’s and/or the Authorized Delegate’s obligation to monitor for compliance with the requirements of the Regulations does not make WCDA and/or the Authorized Delegate liable for an owner’s noncompliance.

The Compliance Monitoring Manual is available on WCDA’s web site at www.wyomingcda.com

As a condition to the allocation of HOME funds, NHTF funds, and/or Low-Income Housing Tax Credits, Project Owners are required to enter into a binding agreement to comply with the terms and conditions of the Plan and do so upon submission of an application. The Plan is part of the Agency’s Affordable Housing Allocation Plan for the State of Wyoming.

B. Owner’s Responsibilities

1. RECORDKEEPING AND RETENTION REQUIREMENTS

Each owner of a low-income rental housing project must keep records for each qualified low-income building in the project that show for each year in the compliance period:

- a. The total number of residential rental units in the building (including the number of bedrooms and the size in square feet of each residential rental unit);
- b. The percentage of residential rental units in the building that are rent restricted units;
- c. Designation of each unit as “Market”, “HOME”, “NHTF”, and/or “Tax Credit”;
- d. The rent charged to each tenant on each residential rental unit in the building (including any utility allowances);
- e. The rent subsidy and source received on each residential rental unit in the building;
- f. The number of occupants in each restricted unit;
- g. The restricted unit vacancies in the building and information that shows when, and to whom, the next available units were rented;
- h. The annual income certification of each tenant in restricted units;
- i. Documentation to support each tenant’s income certification;
- j. The Ethnicity of each occupant for each restricted unit (if known);
- k. Type of Household (Single/non-elderly, Elderly, Related/Single Parent, Related/Two Parent, Other, or Vacant Unit);
- l. The Character and use of the nonresidential portion of the building;
- m. The eligible basis and qualified basis of the building at the end of the first year of the credit period (applies to Tax Credit project only); and
- n. Any other information required, now or in the future, by any Federal or State Agency.

Forms to meet these requirements are available in the Compliance Monitoring Manual.

Owners must retain the original local health, safety, or building code violation reports or notices that were issued by the State or local government unit and copies of all documents pertaining to fair housing complaints which have been filed for WCDA’s and/or the Authorized Delegate’s inspection. Retention of the original violation reports or notices is not required once WCDA and/or the Authorized Delegate reviews the violation reports or notices and completes its inspection, unless the violation remains uncorrected.

Under the record retention provision for HOME and/or NHTF funded Projects, the owner/sponsor must retain the general records for five years after project completion. Tenant income, rent and inspection information must be kept for the most recent five years, until five years after the affordability period ends. Unless issues are not corrected, then records must be kept for five years after the project is brought back into compliance.

Under the record retention provision for tax credit projects, the owner must retain the records described above for at least 6 years after the due date (with extensions) for filing the federal income tax return for that year. The records for the first year of the credit period however, must be retained for at least 6 years beyond the due date (with extensions) for filing the federal income tax return for the last year of the compliance period of the building.

The IRS Code allows for various options in calculating the Utility Allowances. An owner may request a change in the option used for a project only once during the compliance period. Projects may not vacillate back and forth between options.

All project owners must provide tenant data annually including, **but not limited to**, tenant race, ethnicity, family composition, age, income, use of rental assistance or other similar assistance, disability status, and monthly rental payments via the Compliance On Line reporting system as required by the Housing Tax Credit Coordination Act of 2008.

2. CERTIFICATION

a. OWNER'S CERTIFICATION OF CONTINUING PROGRAM COMPLIANCE

Annual Owner's Certification

All Tax Credit, Bond, HOME, NSP and NHTF project owners are required to submit an annual certification to WCDA attesting to the fact that each project, building and unit has been kept in compliance with Federal Regulations. Owner's must mail the "Original, Signed and Notarized" certification to WCDA on or before February 28th of each year. Projects with more than one funding source must submit an original certification form for each source of funding.

Tax Credit & Bond Certifications can be filled out in the Compliance-On-Line (COL) system, then printed, signed, notarized and mailed to WCDA. After they have been printed you must also "submit" via the COL system.

HOME, NSP and NHTF Certifications can be found on the WCDA website at <http://www.wyomingcda.com/index.php/multifamily/C92>. At this time, the form is not fillable on the website, so it will need to be printed, filled out, signed, notarized and mailed to WCDA.

b. RE-CERTIFICATION OF TENANTS

HOME, NSP, NHTF

All tenants in HOME, NSP and NHTF assisted units must be re-certified on an annual basis. This can be done either by the anniversary date of the tenant's move-in, or for projects with 10 or less HOME units, all tenant re-certifications can be done at the same time each year. Re-certifications must be completed no later than the anniversary of the effective date of the tenants' original certification. Re-certifications of HOME tenants will include full third-party income/asset documentation and student certification.

Tax Credit, Bond

All tenants in Tax Credit or Bond assisted units must be re-certified no later than the first anniversary of the effective date of the tenants' original certification. The first year re-certification will include full third-party income/asset documentation and student certification. Following the first year re-certification WCDA will not require a full re-certification for Tax Credit or Bond units. WCDA will continue to require an annual Student Certification every year.

3. SUBMISSION OF REPORTS TO WCDA

- a. Each year during the Compliance period, every project must submit the following documents and fees as required by WCDA or their Authorized Delegate no later than February 28th:
 - Copies of any and all local/state/other health, safety, or building code violation reports, stating whether the violation has been corrected
 - Copies of all documents pertaining to fair housing complaints which have been filed
 - Any other reports required by WCDA or the Authorized Delegate in the Compliance Monitoring Manual

HOME and/or NHTF Funded Projects must also submit:

 - Owner's Certification of Continuing Program Compliance

Tax Credit Projects must also submit:

 - Owner's Certificate of Continuing Program Compliance
 - Compliance Monitoring Fees
 - Executed IRS Form 8821 (Tax Information Authorization)
 - Any other IRS forms necessary for compliance monitoring
- b. All Tax Credit projects and HOME projects with 20 units or more must submit Audited Year End Financial Statements including a copy of the Management Letter to WCDA by March 31 of each year during the compliance period. (Audited if available)
- c. Within thirty days of your completion of Part II of the Form 8609 and filing same with the Internal Revenue Service, a completed copy must be mailed to the compliance monitoring staff at the WCDA for its records. Failure to return the completed form to the compliance monitoring staff within the required time frame is a form of noncompliance which will be reported by the WCDA to the Internal Revenue Service.

C. Additional Requirements

1. All Leases must be reviewed and accepted by WCDA prior to Lease up and prior to any changes.
2. Income is calculated using Annual Income as defined under Section 8, Housing Assistance payments Program in 24 CFR Part 5.609.
3. When a household's income increases above the limit for that unit, the next available unit must be rented at the lower level. Every effort must be made to insure the income and rent levels are maintained at all times throughout the compliance period. As such, projects with multiple rent and or income levels must recertify each household on an annual basis.
4. When calculating maximum rents, all rents must be rounded **down** to the next dollar.
5. Foster Care exemption for student status, may only be used until the individual reaches 25 years old.
6. Sub-metering is NOT allowed.
7. The Utility Allowance source may not change from what is disclosed in the original Application throughout the compliance period without prior written permission from WCDA.
8. For projects with HOME funding committed prior to August 23, 2013, utility allowance requirements must be followed according to §1.42-10 using:

- a. the methods outlined in §1.41-10 for projects with other funding sources,
- b. local Public Housing Authority Estimate,
- c. Energy Consumption Model as defined in §1.42-10 by a properly licensed engineer,
- d. Utility Company Estimate, or
- e. HUD Utility Schedule Model.

Projects with HOME funding committed on or after August 23, 2013, must follow the utility allowance requirement at §92.252(d) in the HOME Final Rule. These projects may calculate utility allowances using one of the following methods:

- a. HUD Utility Schedule Model;
- b. Multifamily Housing Utility Analysis;
- c. Utility Company Estimate; or,
- d. Energy Consumption Model (Engineer Model).

Projects with only Tax Credit funding must calculate utility allowances in accordance with IRC§1.42-10. The local Public Housing Authority Estimate may be used on a Tax Credit project IF no HOME or NHTF funds are utilized.

If a project is anticipating the use of HOME, NHTF, and/or LIHTC funding, the HUD Utility Schedule Model MUST be used during the application process. Once the project is built and has an energy consumption history it may utilize the Energy Consumption Model as defined in §1.42-10 by a properly licensed engineer. However the same method must be used for every unit in the project.

9. All HOME and/or NHTF unit leases must be for a period of 12 months unless a lesser time frame is agreed upon by the tenant and the owner.
10. HOME and/or NHTF rent restrictions float within the project.
11. Rent increases on HOME and/or NHTF units require written approval from WCDA and the project must show at least 12 months with no compliance issues outstanding.
12. Owners and Managers must allow WCDA to do a site inspection at any time with or without prior notification.

D. Review and Inspections

As a condition of HOME and/or NHTF funding or the allocation of Tax Credits, WCDA and/or WCDA's Authorized Delegate have the right to perform on-site inspections of any restricted building or project.

An on-site review of tenant certifications including the applications, third-party verifications and supporting documentation of income, and physical inspections will be conducted in accordance with the applicable regulations. WCDA and/or the Authorized Delegate shall have access to all official project records, including IRS reporting forms, upon reasonable notification. All official project records or complete copies of such records must be made available to WCDA and/or the Authorized Delegate upon request.

1. HOME AND/OR NHTF PROJECTS

The WCDA or Authorized Delegate will conduct on-site physical and file inspections of all projects no less than:

- a. Every three years for a project with a total of 1 to 4 units
- b. Every two years for a project with a total of 5 to 25 units, and
- c. Annually for projects with a total of 26 or more units.

The WCDA or Authorized Delegate will physically inspect and review the tenant files at least 20 percent of the project's restricted units.

The WCDA or Authorized Delegate will randomly select which restricted units and tenant records are to be inspected and reviewed by the WCDA or Authorized Delegate. The unit and tenant records to be inspected and reviewed will be chosen in a manner that will not give owners of restricted projects advance notice that a unit and tenant records for a particular year will or will not be inspected and reviewed. However, the WCDA or Authorized Delegate may give an owner reasonable notice that an inspection of the building and restricted units or tenant record review will occur so that the owner may notify tenants of the inspection or assemble tenant records for review.

2. TAX CREDIT PROJECTS

The WCDA or Authorized Delegate will conduct on-site inspections of all buildings in the project by the end of the second calendar year following the year the last building in the project is placed in service and at least once every 3 years thereafter. The WCDA or Authorized Delegate will physically inspect at least 20 percent of the project's restricted units and review the low-income certifications, the documentation supporting the certifications, and the rent records for the tenants in those units.

The WCDA or Authorized Delegate will randomly select which restricted units and tenant records are to be inspected and reviewed by the WCDA or Authorized Delegate. The unit and tenant records to be inspected and reviewed will be chosen in a manner that will not give owners of restricted projects advance notice that a unit and tenant records for a particular year will or will not be inspected and reviewed. However, the WCDA or Authorized Delegate may give an owner reasonable notice that an inspection of the building and restricted units or tenant record review will occur so that the owner may notify tenants of the inspection or assemble tenant records for review.

E. Notification of Noncompliance Requirements

The WCDA or Authorized Delegate will give notification to owners within 90 days of the date of any findings of noncompliance. The owner will be allowed a correction period which will be determined by The WCDA or Authorized Delegate on an individual basis. The owner must notify The WCDA or Authorized Delegate of any and all corrections. 8823'S will be filed with the IRS for all non-compliance discovered. Projects will be fined \$25.00 per day for any non-compliance left uncorrected at the end of the correction period. Owners/management may request, from WCDA, an extension of the correction period when extenuating circumstances exist. If non-compliance is not corrected during the Correction Period, an uncorrected 8823 will be filed with the IRS, and the owner is responsible for paying any fees necessary to conduct an audit and/or re-inspection to obtain a corrected 8823.

For Tax Credit projects, WCDA will promptly notify the IRS of any project noncompliance within its responsibility as contained in the Code. Neither the Authorized Delegate nor WCDA have the jurisdiction to interpret or administer the Code, except in those instances where specific delegation has been authorized.

For HOME and/or NHTF projects, uncorrected compliance issues will be dealt with per the requirements of 24 CFR Part 92 and Part 93. This could include, but is not limited to, an extension of the affordability period and/or monetary fees as specified in under X. Compliance Monitoring section I. Annual Compliance and Compliance Penalty Fees.

Violations of the WCDA Extended Use Agreement are non-compliance issues and may be subject to penalty or fine.

F. Risk Assessment Monitoring

Tier 2 and Tier 3 Developers as described in the Sponsor Characteristics scoring portion of the QAP and projects with continuous significant compliance issues will be monitored more often than the above noted time frames.

A. New Projects:

a. Tier 1 Developers

- Will be monitored according to the standards outlined in the Initial Allocation Criteria of the Allocation Plan.

b. Tier 2 and Tier 3 Developers

- WCDA will do quarterly site visits throughout the construction period.
- WCDA will do a complete physical and file inspection of the project annually until WCDA is feels confident that the management company has a complete understanding of all compliance requirements.

2. Existing Projects:

Projects with continuous significant compliance issues - WCDA may do any or all of the following depending on the type of compliance issues occurring at the project

- WCDA may do quarterly or semi-annual physical inspections
- WCDA may require all new move-in tenant files be submitted quarterly, in hard copy format, to WCDA for review
- WCDA may require the Owner to submit quarterly financial statements for review by WCDA; these statements may be submitted via email or regular mail
- WCDA may change the frequency of these inspections and file reviews, at its sole discretion, as compliance is achieved
- WCDA will charge a \$275 non-compliance fee plus actual costs associated for each on-site re-monitoring required because of compliance issues.

G. Modification of the Compliance Monitoring Procedure

This Compliance Monitoring Procedure is subject to modifications by WCDA in order to comply with Section 42 of the Code, all regulations, rules, rulings, policies, procedures and any other official comments promulgated and issued by the Internal Revenue Service, or the Treasury Department (including currently existing and future promulgations and issuances) in the case of Low Income Housing Tax Credit projects, or 24 CFR Part 92 in the case of projects under the HOME Investment Partnerships Program, or 24 CFR Part 93 in the case of projects under the NHTF. Further, this Compliance Monitoring Procedure is also subject to any other modifications that WCDA in its sole discretion considers necessary.

H. Compliance Training Requirements

All Project Owners must attend and pass the required testing to obtain a Compliance Certification by a nationally-recognized firm as approved by WCDA, prior to the project being placed in service or provide a Certification showing they have completed the training successfully in the past 5 years.

A Representative of the Management Company must attend and pass the required testing to obtain a Compliance Certification by a nationally recognized firm as approved by WCDA, prior to the project being placed in service or provide a Certification showing they have completed the training successfully in the past 3 years.

Due to lack of entities offering testing on HOME and/or NHTF only projects, testing is not a requirement for projects which only contain HOME and/or NHTF funding. However if any project has a history of non-compliance, WCDA may require successful completion of a Compliance Seminar/Schooling etc. which may include passing the required testing for Certification.

For HOME and/or NHTF only projects, new management staff will be required to attend one-on-one training with the WCDA Compliance Officer.

I. Annual Compliance and Compliance Penalty Fees

1. A Tax Credit Project Owner is required to submit to WCDA the compliance fees annually on or before the 28th of February and Year End Audited Financial Statements including a copy of the Management Letter and updated contact information. The compliance fee is \$35.00 per unit due annually during the Compliance Period.
2. The Compliance Period is defined as the IRS Initial compliance period, plus the extended compliance period agreed to in the application, plus the IRS required Extended Use period, plus the 3 year vacancy de-control period. The Affordability Period is defined as the initial HOME or NHTF Affordability Period, plus the extended compliance period agreed to in the application. If an 8823 or a HOME Program and/or NHTF notice of non-compliance has been issued with continuing non-compliance, WCDA will charge a \$275 non-compliance fee plus actual costs associated for each on-site re-monitoring required.
3. WCDA has established certain compliance requirements that are more restrictive than the IRS, HOME, and/or NHTF requirements. Any non-compliance with IRS, HOME, and/or NHTF Rules and Regulations or WCDA more restrictive requirements will be assessed a penalty of \$25.00 per day for each occurrence not corrected within the correction period.

These fees may be adjusted from time to time as WCDA deems necessary.

J. Liability

COMPLIANCE WITH THE REQUIREMENTS OF THE HOME PROGRAM, THE NHTF PROGRAM, AND/OR THE TAX CREDIT PROGRAM IS THE RESPONSIBILITY OF THE OWNER OF THE BUILDING FOR WHICH THE FUNDING AND/OR CREDIT IS ALLOWABLE. WCDA'S OBLIGATION TO MONITOR FOR COMPLIANCE WITH THE REQUIREMENTS DOES NOT MAKE WCDA LIABLE FOR THE OWNER'S NONCOMPLIANCE.

XI. DISCLAIMER

WCDA's review of documents submitted in connection with this allocation is for its own purposes. WCDA MAKES NO REPRESENTATIONS TO THE OWNER OR ANYONE ELSE AS TO COMPLIANCE WITH THE INTERNAL REVENUE CODE, TREASURY REGULATIONS, OR ANY OTHER LAWS OR REGULATIONS GOVERNING LOW-INCOME HOUSING TAX CREDITS, THE HOME PROGRAM, AND/OR THE NHTF PROGRAM.

The Tax Credit, HOME, and NHTF amounts allocated shall be made solely at the discretion of the Wyoming Community Development Authority, but in no way represents or warrants to any sponsor, investor, lender or others that the project is, in fact, feasible or viable.

The Allocation Plan, Current Year Summary, Application Form, Tax Credit Carryover/10% Test Allocation package and Tax Credit Final Allocation Package, Compliance Monitoring Procedure Plan, HOME Program Description, NHTF Program Description, and Consolidated Plan may be amended, from time to time, as guidelines and regulations are issued under Section 42 of the Internal Revenue Code, or under 24 CFR Part 92 HOME Investment Partnerships Program, or under 24 CFR Part 93 NHTF Program, or as WCDA deems necessary to carry out the goals of these programs.

No board member, agent or employee of WCDA shall be personally liable concerning any matters arising out of, or in relation to, the allocation of the Low-Income Housing Tax Credit, the HOME Investment Partnerships Program funds, and/or the NHTF Program funds.

The information concerning housing needs in the State of Wyoming published in A Profile of Wyoming Demographics, Economics and Housing, is currently being used as a guide by the WCDA in its review of applications; however, applicants must provide their own information concerning housing needs to support their applications. An electronic copy of A Profile of Wyoming Demographics, Economics and Housing is available on WCDA's website (www.wyomingcda.com) or by contacting WCDA. WCDA makes no representations about the accuracy of its information, which was provided by a third party source. Developers should not rely on or use such information in underwriting the feasibility of their project or assessing local demand.



Wyoming Community Development Authority

2017

Current Year Summary

ATTACHMENT "A"

Item 1 – Initial Allocation Cycles for the year 2017.

Applications must be received in the WCDA office at 155 N. Beech, Casper, Wyoming on or before 5:00 p.m. local time on the dates listed below. Late applications will not be ranked.

<u>Cycle Number</u>	<u>Submission Deadline</u>
1	<u>RECEIVED</u> by 5:00 p.m. local time January 31, 2017
2	Additional rounds may be opened if funding is available.

Item 2 – Anticipated HOME Funding

Based on previous year's allocations, the WCDA **anticipates** approximately \$3.5 million in new HOME funding, \$4.5 million of carryover HOME funding and Program Income to be distributed as follows:

Open Category	\$ 4,000,000
Small Project Set Aside	1,650,000
HOME/WRAP	1,000,000
Community Housing Development Organizations (CHDO)	1,350,000
<small>(A Maximum of \$52,500 is available from the CHDO set-aside for Project Specific Technical Assistance and site Control Loans.)</small>	
CHDO General (not project) Operating costs and Capacity Building Reserve	100,000
Administration and Contingency Reserve	<u>900,000</u>
TOTAL AVAILABLE	\$ 9,000,000

Item 3 – Anticipated Tax Credit allocation

In the event there are insufficient tax credits available to fully fund all projects that meet minimum scoring thresholds, the respective set-aside categories shall be funded in the following order of priority: 1.) Non-Profits; 2.) Small Rural Project Set Aside; 3.) Open Allocation.

In the event that funds in the Non-Profit Set-Aside have been exhausted, unfunded applications meeting the minimum scoring threshold will compete in the Open Allocation category. In the event that funds in the Small Rural Set-Aside have been exhausted, unfunded applications meeting the minimum scoring threshold will be funded by a reallocation from the Open Allocation category.

The total amount of credit available in Wyoming for 2017 is estimated as follows:

*Per Capita Credits	2,710,000
Carryforward Credits	997,521
Return Credits	0
Forward Commitments from 2016	<u>0</u>
TOTAL AVAILABLE	\$ <u>3,677,521</u>

SET ASIDES

Non-profits (10%)	\$ 367,752
Small Rural Project Set Aside	\$ 1,500,000
Open Allocation	<u>\$ 1,809,769</u>

TOTAL \$ 3,677,521

* Based on 2016 Tax Credit authority.

Item 4 – Anticipated NSP Funding

The total amount of NSP funding available in Wyoming for 2017 is estimated as follows:

NSP Allocation	0
Program Income	<u>1,560,000</u>
TOTAL ESTIMATED AVAILABILITY	1,560,000
Estimated Disbursement:	
Wyoming Rehabilitation and Acquisition Program (WRAP)	1,404,000
Rental Opportunities (ReOpp)	0
Administrative Fees	<u>156,000</u>
Total Estimated Disbursement	1,560,000

Item 5 – Tax Credit Assistance Program (TCAP)

The total amount of TCAP available in Wyoming for 2017 is estimated as follows:

TCAP Allocation	0
Program Income	925,000
TOTAL ESTIMATED AVAILABILITY	925,000
Estimated Disbursement:	
	925,000

Item 6 – Anticipated National Housing Trust Fund Funding

Based on previous year's allocations, the WCDA anticipates approximately \$3 million in 2017 NHTF funding and \$3 million of carryover 2016 NHTF funding. As of November 1, 2016 WCDA is working with HUD on required documentation to receive the 2016 initial funding. When final approval is obtained the funds will be distributed as follows:

Estimated Disbursement:	
Rental Housing Production and Rehabilitation	\$ 4,000,000
Small Rural Project Set Aside	1,400,000
Administration	<u>600,000</u>
TOTAL ESTIMATED DISBURSEMENT	\$ 6,000,000

Item 7 – Total per unit Project Costs for RENTAL projects:

For underwriting, the Total per unit Project Costs for projects will be limited to the following:

# of Bedrooms	24 units or less	25 units or more
0	\$126,000	\$120,000
1	\$154,350	\$147,000
2	\$187,950	\$179,000
3	\$219,975	\$209,500
4+	\$255,150	\$243,000

In Senior Projects only, Community Rooms with a Kitchen and Bathroom are allowed an additional **\$135,000** and Community Rooms without a Kitchen and Bathroom are allowed an additional **\$52,000**. The project is allowed the additional cost allowance only if the Community Room is made available to the tenants 24 hours every day and has a minimum 750 square feet.

Item 8 – Operating Expenses Limitations for RENTAL projects:

The Annual Operating Expenses used for underwriting will be as follows:

# of Units	Maximum per unit per month
≤ 24	\$400.00
25-35	\$380.00
36-47	\$360.00
≥ 48	\$350.00

The numbers above assume owners pay water, sewer and trash, and tenants pay heating, hot water, lights, cooking. Adjustments will be made if different parties pay above listed utilities. WCDA reserves the right to adjust this amount to reflect current market conditions. Group homes under one roof are considered ONE unit. i.e. a 3-bedroom group home is considered ONE 3-bedroom unit, **not** three 1-bedroom units for Operating Expense Limitations.

Item 9 – Maximum HOME/NHTF Subsidy per unit - Rental Units

# Bedroom	Per Unit Limit
0	\$88,000.00
1	\$101,000.00
2	\$122,000.00
3	\$158,000.00
4	\$174,000.00

Item 10 – Maximum HOME Homeownership Value Limits

Laramie County	\$195,000.00
Natrona County	\$199,000.00

Item 11 –HOME Match Requirements

HUD Match Requirement for program	25.0%
WCDA Minimum Match Requirement for each project	5.0%

Item 12 - Property Development Standards

At a minimum, applicants must demonstrate their projects meet all applicable codes and regulations for new construction or rehabilitation, including but not limited to: All housing that is constructed or rehabilitated must meet all applicable local codes, rehabilitation standards, ordinances, and zoning ordinances at the time of project completion. In absence of a local code new construction or rehabilitation must meet: as applicable, the International Building Code (as applicable to the type of housing) of the International Code and Accessibility Requirements under the American with Disabilities Act (ADA). Newly constructed housing must also meet the requirements of HOME’s 24 CFR Part 92.251(a)(2)(i) through (V) and NHTF’s 24 CFR Part 93.301(a). In order to receive significant ranking points for project quality, the application must demonstrate in a narrative form, those steps the applicant has taken to create a project above and beyond the minimums.

Project components that significantly improve the Life, Safety and Health of occupants will be considered for additional points. Further, facets of the project that contribute to ease of maintenance, long term viability, and appeal of the project will be considered to be significant.

The applicant must clearly, concisely and undisputedly demonstrate that the project is significantly higher in quality than the minimums. This can be accomplished through straight narration, as well as with the addition of pertinent site plans, building elevations, and exhibits of similar types of developments. It must include ratings of products/materials used, i.e. Energy Star ratings, warranty information etc. to be considered.

Significant ranking upgrades include, but are not limited to, upgraded or unique features in categories such as:

Floor coverings	Durability roofing/siding materials	
Natural lighting	Quality and design of windows	Negative Air flow vents in crawl space
Bedroom Size	Items proven to reduce possible mold	Low maintenance Landscaping

Other cost effective maintenance reducing features
Sustainable Reuse of appropriate existing building materials
Amenities (i.e.) Washer and Dryer, Dishwashers, Garbage Disposals, Stove hood fan, air-conditioning, self-clean ovens, frost free refrigerator/freezer etc.

Item 13 - Market Study Requirements

Minimum Market Study requirements:

- A. a statement of the competence of the market analyst;
- B. a description of the proposed site;

- C. evaluation of the project's suitability for the local market (design, unit composition, physical characteristics and mix, amenities etc.);
- D. statement of reasonableness of proposed rent for the area;
- E. Comparative analysis of Net Adjusted Market Rent;
- F. Demographic analysis of the current number of households in the City and the Primary Market Area which are income eligible and can afford to pay the proposed rent, rent tenure, ownership tenure, and the number of units currently available to serve these households;
- G. Family projects may NOT use senior household population to justify need unless each unit can be accessed (e.g. elevators in multi-story buildings);
- H. Each unit composition (income and rent makeup) must have a breakdown of income eligibility, rent tenure, size appropriate households the above demographic analysis must be provided, for each income and rent level proposed in the application;
- I. Unit compositions which are less than 15% of the total number of units are not to be included in the overall total project needs recap;
- J. forecast of housing needs in the future;
- K. geographic definition and analysis of the market area;
- L. statement of reasonableness of Primary Market Area boundaries (Must make sense) Do Not Use the Entire County;
- M. analysis of practically available operating expenses and turnover rates of comparable properties in the market area;
- N. analysis of household sizes and types in the City and the Primary Market Area;
- O. analysis of the homeownership alternative and the effect it will have on the project;
- P. a description of comparable developments in the City and the Primary Market Area Primary Market Area;
- Q. if there are Market Rate units at the same rent levels in the Market Area, provide a narrative of why these units are or are not meeting the needs of the households that the project is trying to serve;
- R. a description of where the households are moving from (substandard housing, other communities, relatives homes etc.);
- S. a description of rent levels, amenities, concessions offered, vacancy rates and number of households on waiting lists by unit size of all projects in the city and the Primary Market Area;
- T. map with proposed Site and location of all competitive units, both Market and Subsidized.
- U. vacancy analysis of ALL housing;
- V. vacancy analysis of ALL rental housing in the city and the Primary Market Area;
- W. vacancy analysis of ALL subsidized rental housing in the city and the Primary Market Area;
- X. number of units needed, showing number of households in the market area which are income eligible, type eligible (senior vs. family vs. special needs populations, rent tenure (renters vs. homeowners), and the number of units currently available to serve these households;
- Y. current market saturation level (Units Needed vs. Proposed);
- Z. capture rate;
- AA. absorption period and absorption rate with a comparative analysis and/or a detailed description and support of how arrived at (this should include lease-up rate of all newly constructed multifamily housing gained through market participant interviews and/or local multi-family information database systems);
- BB. projected operating funds and expenses, when available at the time of the study;
- CC. expected market absorption of the proposed housing

- DD. a description of the effect on the market area, including the impact on Housing Credit and other existing affordable rental housing;
 - EE. If the project will include larger than average households that there be an analysis of the number of larger households, and their incomes, in the City and PMA who would qualify for the units;
 - FF. for the calculation of number of eligible households, the maximum net rent a household will pay must NOT exceed 30% of their household income (Acceptable Rent Burden);
 - GG. Analysis of Primary Market Area drivers, jobs and potential volatility of tenant base as a result of these factors.
 - HH. Calculation of Income Level with highest need in PMA.
 - II. Number of non-student, income eligible and size eligible households for the proposed project
 - JJ. Proportion of housing made up of rental vs. single family home ownership within the census tract per project size as defined in the "Avoiding Concentration of Low Income Households" category.
 - KK. Proportion of rental stock made up of subsidized housing within the census tract per project size as defined in the "Concentration of Low Income Housing" category.
 - LL. Market Study Recap (Attachment "B" Item "1"); and
 - MM. any other pertinent information that may be available.
-

Item 14 – Tax Credit Total per unit Eligible Basis

For underwriting the allocation of Tax Credits, the total per unit Eligible Basis for projects will be limited to the following:

# of Bedrooms	24 units or less	25 units or more
0	\$117,600	\$112,500
1	\$147,800	\$141,000
2	\$177,500	\$169,500
3	\$209,000	\$199,500
4+	\$232,900	\$223,500

*Senior projects only are allowed to receive an additional cost allowance for a Community Room if the Community Room is made available to the tenants 24 hours every day and has a minimum 750 square feet.

Item 15 – Tax Credit Syndication Tolerance Level

The tolerance level for the Syndication rate is currently suspended. WCDA reserves the right to negotiate with the Owner and the Syndicator to obtain the best rate available taking into account the current market conditions. The average rate obtained on all applications submitted will be taken into consideration when evaluating reasonableness of the Syndication Rate.

Item 16 – Qualified Census Tract (QCT) Numbers and Difficult to Develop Areas (DDA)
 (For Tax Credit Projects Only).

As a result of recent changes in the federal tax law, the definition of Qualified Census Tract has been expanded to include areas with a poverty rate of 25% or greater. HUD should be issuing new QCT's in the future. For the purposes of this Allocation Plan the following QCT's apply until modified by HUD.

Qualified Census Tract Numbers			
Metropolitan Areas		Non-Metropolitan Areas	
Cheyenne	Casper	Albany County	Fremont County
2.00	2.00	9630.00	9403.00
	12.00	9631.00	
		9634.00	
		9635.00	
		9637.00	

HUD DIFFICULT DEVELOPMENT AREAS

None

WCDA DIFFICULT DEVELOPMENT AREAS

WCDA has exercised its option to designate a project as being in a Difficult Development Area, allowing up to a 30% increase in eligible basis if all of the following requirements are met:

- The project needs the increase to be financially feasible.
 - No other affordable housing projects in the area show an annual vacancy rate in excess of a standard turnover rate.
 - The average rents for all proposed units are at or below 45% of the Area Median Income.
 - The project is being developed in a community with a population of 15,000 or less and there are no communities with a population over 15,000 within 20 miles of the project.
-

Item 17 – Priority Target Populations

The following populations are considered priorities for the State of Wyoming per the 2012-2017 Consolidated Plan:

Extremely Low Low Large Families Families with Children Elderly Public Housing Residents Rural Chronic Homelessness Individuals Families with Children Mentally Ill Chronic Substance Abuse Veterans Persons with HIV/AIDS	Victims of Domestic Violence Unaccompanied Youth Elderly Frail Elderly Persons with Mental Disabilities Persons with Physical Disabilities Persons with Developmental Disabilities Persons with Alcohol or Other Addictions Persons with HIV/AIDS and their Families Victims of Domestic Violence
---	---

ATTACHMENT “B” Item “1”

MARKET STUDY RECAP FOR RENTAL PROJECTS

PROJECT NAME: _____

PMA	CITY	ELIGIBLE HOUSEHOLDS
		Population
		Number of Households (HH)
		X Percent of HH Income Eligible and can afford to pay the rent without assistance*
		= Number of Income Eligible households
		X Percentage Rent Tenure
		= Number of Renter, Income Eligible households
		X Percentage Household Size Appropriate
		= Number of Renter, Income Eligible, Household Size Appropriate households
		X Percentage Households with special needs being targeted (i.e. elderly, handicapped etc., If applicable)
		= Number of Qualified Households
		- Existing Subsidized units meetings needs of Qualified Households
		- Existing Market Rate units meetings needs of Qualified Households
		= Number of units needed
		- units planned and/or under construction
		= NEW UNITS NEEDED

PMA	CITY	CURRENT CAPTURE RATE OF UNITS
		Number of Units Proposed
		/ Number of Qualified Households (from above)
		= Current Capture Rate

PMA	CITY	SATURATION
		Number of Units Proposed
		/ Number of New Units Needed (from above)
		= Saturation

PMA	CITY	AVERAGE RENTS
		Average Market Rate rents for 1-bedroom units (with utility adjustments if appropriate)
		Average Market Rate rents for 2-bedroom units (with utility adjustments if appropriate)
		Average Market Rate rents for 3-bedroom units (with utility adjustments if appropriate)
		Average Market Rate rents for 4-bedroom units (with utility adjustments if appropriate)
		Average Market Rate rents for 5-bedroom units (with utility adjustments if appropriate)

*omit “without assistance” on projects with Project Based Rental Assistance.

MARKET STUDY RECAP FOR RENTAL PROJECTS (cont.)

PROJECT NAME: _____

PMA	CITY	AVERAGE RENTS (SUBSIDIZED = LIHTC, HUD, RD ETC.)
		Average rents for SUBSIDIZED 1-bedroom units (with utility adjustments if appropriate)
		Average rents for SUBSIDIZED 2-bedroom units (with utility adjustments if appropriate)
		Average rents for SUBSIDIZED 3-bedroom units (with utility adjustments if appropriate)
		Average rents for SUBSIDIZED 4-bedroom units (with utility adjustments if appropriate)
		Average rents for SUBSIDIZED 5-bedroom units (with utility adjustments if appropriate)
		Average rents for COMPARABLE 1-bedroom units (with utility adjustments if appropriate)
		Average rents for COMPARABLE 2-bedroom units (with utility adjustments if appropriate)
		Average rents for COMPARABLE 3-bedroom units (with utility adjustments if appropriate)
		Average rents for COMPARABLE 4-bedroom units (with utility adjustments if appropriate)
		Average rents for COMPARABLE 5-bedroom units (with utility adjustments if appropriate)
		must include explanation of why COMPARABLE

PMA	CITY	AVERAGE SQUARE FOOTAGE
		Average square footage of 1-bedroom units in the community
		Average square footage of 2-bedroom units in the community
		Average square footage of 3-bedroom units in the community
		Average square footage of 4-bedroom units in the community
		Average square footage of 5-bedroom units in the community
		Average square footage of 1-bedroom COMPARABLE units in the community
		Average square footage of 2-bedroom COMPARABLE units in the community
		Average square footage of 3-bedroom COMPARABLE units in the community
		Average square footage of 4-bedroom COMPARABLE units in the community
		Average square footage of 5-bedroom COMPARABLE units in the community
		must include explanation of why COMPARABLE

PMA	CITY	INCOME LEVEL WITH HIGHEST NEED
		Level of Income with highest need in the community

ABSORPTION RATE	
	Number of months anticipated from Placed in Service Date to occupancy of all units
	Number of months from Placed in Service Date to Economic Stabilization

PMA Physical	PMA Economic	CITY Physical	CITY Economic	VACANCY RATE
				Vacancy rate of ALL units – Include chart showing vacancy by project
				Vacancy rate of Subsidized units – Include chart showing vacancy by project
				Vacancy Rate of Comparable Properties – Include chart showing vacancy by project & explanation of why "Comparable"

MARKET STUDY RECAP FOR RENTAL PROJECTS (cont.)

PROJECT NAME: _____

Distance from other locations (List distance from project to the following locations)			
	Employment opportunities		Elementary School
	Fire		Junior or Middle School
	Police		High School
	Proximity to Public Transit		College
	Hospital		Convenience Store
	Senior Center		Church
	Bank		Post Office
	Doctor Offices		Park
	Laundry Mat - if facilities not on site		Recreation
	Grocery Store		Library
	Is there a Grocery Store that delivers?		
	Pharmacy		
	Is there a Pharmacy that delivers?		

ENVIRONMENTAL ISSUES	
	Please list any and all environmental issues noted during site visit
	Flood Plain / Wetlands
	Proximity to Railroad Tracks
	Proximity to 4-lane thorough fares
	Proximity to above ground storage tanks
	Endangered species / animal habitat
	Proximity to Airport

ATTACHMENT “B” ITEM “2”
Contractor’s Certification

No Modifications are allowed to this Contractor’s Certification.
--

Project: _____

Property Legal Description: _____

Owners Name, and Address: _____

The undersigned has served as the general contractor of the real property constructed at _____
_____ (the “Premises”) for _____

(“Project Owner”) for which the undersigned acknowledges is to receive or has received Low Income Housing Tax Credits under Section 42 of the Internal Revenue Code, HOME funding under Title II of the Home Investment Partnerships Act of the National Affordable Housing Act of 1990, and/or NHTF funding under the Housing and Economic Recovery Act of 2008 in the Federal Housing Finance Regulatory Reform Act of 2008, Division A, Title I Section 1338. Accordingly, the undersigned hereby certifies to Owner and the Wyoming Community Development Authority that the Premises is in compliance with all requirements and restrictions of all applicable zoning, environmental, building, fire, health and other governmental ordinances, rules and regulations and the requirements of the appropriate board of fire underwriters or other similar body acting in and for the locality in which the Premises is located. Further, the Premises complies with the applicable edition of the International Building Code and National Electric Code, the local code adopted by the presiding jurisdiction and the Minimum Property Standards [MPS] in 24 CFR 200.926. This newly constructed housing meets the current edition of the Model Energy Code Published by the Council of American Building Officials and handicapped accessibility requirements under the Fair Housing Act (42 U.S.C. 3601-3620), where applicable. The Premises also meets all applicable State and local housing quality standards and code requirements and if there are no such standards or code requirements, the housing meets the housing property standards under the HOME’s 24 CFR Part 92.251(a)(2)(i) through (V) and/or NHTF’s 24 CFR Part 93.301(a). The undersigned further certifies that Premises were built to specifications of architectural drawings for _____ dated _____.

If this project consists of manufactured housing it meets the Manufactured Home Construction and Safety Standards established in 24 CFR Part 3280. These standards pre-empt State and local codes covering the same aspects of performance for such housing. The project complies with applicable State and local laws or codes governing installation. In the absence of such laws or codes, the project complies with the manufacturer’s written instructions for installation of manufactured housing units and is connected to permanent utility hook-ups.

Name of Contractor’s Company or Contractor’s Agent: _____

Name and Title of Contractor or Contractor’s Agent: _____

Street Address: _____

City, State, Zip Code: _____

Telephone Number (including area code): _____

Signature: _____ Date: _____

ATTACHMENT "B" ITEM "3"

ARCHITECT'S CERTIFICATE

Part I

The undersigned, an architect duly licensed and registered in the State of Wyoming, has prepared for _____, Project Owner, final plans, working drawings and detailed specifications (and addenda) dated _____, 20____ (collectively, the "Plans and Specifications") in connection with certain real property located at _____ (the "Premises") for which the undersigned acknowledges will receive low income housing tax credits under Section 42 of the Internal Revenue Code and/or HOME funding under Title II of the Home Investment Partnerships

Act of the National Affordable Housing Act of 1990, and/or NHTF funding under the Housing and Economic Recovery Act of 2008 in the Federal Housing Finance Regulatory Reform Act of 2008, Division A, Title I Section 1338, to finance or refinance the costs to acquire, rehabilitate, or construct the Project.

Accordingly, the undersigned hereby certifies to Project Owner and the Wyoming Community Development Authority that:

A. The Plans and Specifications comply with and conform in all respects to the requirements of existing law, have been duly filed with and have been approved by all governmental and municipal authorities having jurisdiction there over, and the Plans and Specifications are in compliance with all requirements and restrictions of all applicable zoning, environmental, building, fire, health and other governmental ordinances, rules and regulations and the requirements of the appropriate board of fire underwriters or other similar body acting in and for the locality in which the Premises is located. Further, the Plans and Specifications comply with:

1. the applicable edition of the International Building Code and National Electric Code; and the local code adopted by the presiding jurisdiction; and the Minimum Property Standards [MPS] in 24 CFR 200.925 or 200.926.
2. If this is a newly constructed housing project it meets the current edition of the Model Energy Code Published by the Council of American Building Officials.
3. The Plan and Specifications also meet all applicable State and local housing quality standards and code requirements and if there are no such standards or code requirements, the housing meets the housing quality standards in HOME's 24 CFR Part 92.251(a)(2)(i) through (V) and/or NHTF's 24 CFR Part 93.301(a).
4. the accessibility requirement at 24 CFR part 8, which implements Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and covered multifamily dwellings, as defined at 24 CFR 100.201, it also meets the design and construction requirement at 24 CFR 100.205, which implements Title III of the Americans with Disabilities Act of 1990 and the Fair Housing Act (42 U.S.C. 3601-3619), as it relates to the following:

Accessible Building Entrance on an Accessible Route:

Covered multifamily dwellings must have at least one building entrance on an accessible route, unless it is impractical to do so because of terrain or unusual characteristics of the site. For all such dwellings with a building entrance on an accessible route the following six requirements apply:

Accessible and Usable Public and Common Use Areas:

Public and common use areas must be readily accessible to and usable by people with disabilities.

Usable Doors:

All doors designed to allow passage into and within all premises must be sufficiently wide to allow passage by persons in wheelchairs.

Accessible Route Into and Through the Covered Dwelling Units:

There must be an accessible route into and through the dwelling units, providing access for people with disabilities throughout the unit.

Light Switches, Electrical Outlets, Thermostats and Other Environmental Controls in Accessible Locations:

All premises within the dwelling units must contain light switches, electrical outlets, thermostats and other environmental controls in accessible locations.

Reinforced Walls for Grab Bars:

All premises within dwelling units must contain reinforcements in bathroom walls to allow later installation of grab bars around toilet, tub, shower stall and shower seat, where such facilities are provided.

Usable Kitchens and Bathrooms:

Dwelling units must contain usable kitchens and bathrooms such that an individual who uses a wheelchair can maneuver about the space.

These Fair Housing Act requirements can be found in the Fair Housing Act Design Manual.

- B) The Plans and Specifications are in compliance with Standards so that _____ units in the project meet Energy Star Standards and _____ fully accessible and _____ sensory units meet Section 504 accessibility Standards.
- C) The Plans and Specifications do not require the installation or use of any asbestos containing materials in connection with the construction or use of the Premises.
- D) If this project consists of manufactured housing, it meets the Manufactured Home Construction and Safety Standards established in 24 CFR part 3280. These standards pre-empt state and local codes covering the same aspects of performance for such housing.
- E) All of the preconditions have been met justifying the issuance of all necessary approvals, certificates, permits and licenses that may be required from such governmental authorities having jurisdiction over the construction of the Premises.

Dated: _____, 20____

ARCHITECT SIGNATURE: _____

Name of Company: _____

(APPLICANT MUST RETURN TWO ORIGINALS WHICH HAVE BEEN EXECUTED ABOVE BY THE ARCHITECT. ONE OF WHICH WILL BE RETURNED TO THE DEVELOPER AFTER COMPLETION OF THE PROJECT FOR EXECUTION BELOW BY THE ARCHITECT IN REGARD TO THE ITEMS LISTED BELOW. A LIST OF SUSTAINABLE STRATEGIES INCORPORATED IN THE PROJECT, AS COMMITTED TO IN THE APPLICATION MUST BE INCLUDED WITH BOTH ORIGINAL COPIES OF THIS CERTIFICATION.)

Part II

The project now being completed, the undersigned, an architect duly licensed and registered as stated above, certifies to Project Owner and the Wyoming Community Development Authority that:

- A) There are no building code or other violations of municipal ordinances or county codes filed or noted against the Premises.
- B) All necessary gas, steam, telephone, electric, water and sewer services and other utilities required to adequately service the Premises are now available to the Premises. All street drainage, water distribution and sanitary sewer systems have been accepted for perpetual maintenance by the appropriate governmental authority or utility.
- C) If this project consists of manufactured housing, the project complies with applicable state and local laws or codes governing installation. In the absence of such laws or codes, the project complies with the manufacturer's written instructions for installation of manufactured housing units.

Furthermore, in the professional opinion of the undersigned, the Premises is constructed in a good and workmanship-like 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 Premises. In the further opinion of the undersigned, all of the preconditions have been met justifying the issuance of the permanent certificate or certificates of occupancy for the Premises (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).

ARCHITECT SIGNATURE: _____ Date: _____

Name of Company: _____

ATTACHMENT “C” ITEM “1”

TAX CREDIT INCOME AND RENT LIMITS - The Tax Credit income and rent limits are available on the WCDA website:

<http://www.wyomingcda.com/index.php/multifamily/C146>

HOME PROGRAM INCOME AND RENT LIMITS - The HOME income and rent limits are available on the WCDA website:

<http://www.wyomingcda.com/index.php/multifamily/C77>

NHTF PROGRAM INCOME AND RENT LIMITS - The NHTF income and rent limits will be posted when available on the WCDA website:

<http://www.wyomingcda.com/index.php/multifamily/C224>

WCDA posts the income and rent limits as a courtesy. For verification purposes, they may also be accessed on the HUD website:

<http://www.huduser.org/portal/datasets/il.html>

ATTACHMENT "D" ITEM "1"

Narrative Required with ALL Applications

This is your opportunity to describe your project and give us information that may be contained elsewhere in the application. In other words, draw us a picture, brag about your project, tell us things about your project you feel we should know.

A. **PROJECT DESCRIPTION**

1. Problem to be solved.
2. Completely describe the proposed program activities: Does the project involve the use of existing property; is demolition involved; what are the site requirements (slope, detention ponds etc.); what work has already been completed on the site and/or building; is the property privately or publicly owned; standard or substandard; occupied or vacant? For special needs housing projects, describe in detail the services that will be provided or coordinated for the property's residents and how client outreach will occur. Describe how the housing units and/or services proposed will be marketed to eligible participants and what kind of screening procedure, if any will be used. Outline the relationship of this proposal to establish local housing and community development plans, policies, and strategies and cite date of adoption. Provide any evidence of local support that will add to the assurance of successful program implementation. Describe any known opposition to this proposal. Give enough detail to clearly illustrate all activities associated with the proposed project.
3. State the number of persons who will benefit and their income levels (indicate data sources).
4. State the percentage of the funds that will benefit low income and very low income households.

B. **A STUDY OF NEEDS - (Indicate data sources)**

Given the nature of the proposed project, provide as much measurable/objective information as needed to adequately describe the problem or need this project is designed to address. Describe the target population and discuss the magnitude and duration of the problem and its impact on the target population and the community-at-large. Examples of data that may be used are housing needs studies, the State's Consolidated Plan for Housing and Community Development, condition surveys, market studies, agency service records, census data, and information from local housing and community development plans.

Data used to support an application must be cited in the application. Applicants may use data derived at the city or county level if they can satisfy WCDA that the data is accurate and will not give the applicant

ATTACHMENT "D" ITEM "1"

an unfair advantage over other applicants. The methodology used, sample size, data sources, etc., must be submitted to WCDA with the application if other than federal or state information is used.

C. MATCH REQUIREMENTS - list your match sources for HOME funds.

Match funds are the local contribution to the partnership. 25% of the HOME dollars requested must be matched with non-federal funds. For FY 2017, applicants will only be required to provide a match of 5% because WCDA has been able to accumulate banked match over the past several years.

1. The match obligations can be met with:
 - a. Cash from a non-federal source
 - b. Value of waived taxes, fees or charges
 - c. Value of donated land or real property
 - d. Cost of infrastructure improvements associated with HOME projects
 - e. Below market interest rate loans.
 - f. Banked Match from WCDA (this is not actual cash)

Owner's cash or equity in the project is not an eligible source of match.

D. LEVERAGING: List and describe all resources that will be leveraged by the requested HOME, NHTF, and/or Tax Credit funding.

Describe and quantify all resources that will assist with project implementation and management. Include a discussion that identifies whether commitments are firm or tentative and when and under what circumstances tentative commitments will become actualized. Briefly describe the general terms and conditions of other sources and give their expiration date. Explain the organization's ability to access other funds or in-kind contributions and the overall attempts to obtain additional resources. For non-cash contributions, please detail how dollar amounts were calculated.

E. RESULTS: Describe the results you expect to achieve.

Explain how the proposed activities are directly related to the problem and need described and what the anticipated direct and indirect results of the program will be. Include information on length of commitment to the original target population, the continued affordability of the assisted housing in terms of monthly rent or mortgage costs, and other program results that help illustrate the overall benefit of the proposal. If permanent or temporary displacement or relocation will occur a General Information Notice should already have been sent to each tenant per HUD requirements and you must discuss this process and provide proof of delivery to each tenant. You will need to describe the process used for relocation, the availability of comparable replacement units, and how and with what source these activities will be funded. Quantify whenever possible.

F. PROJECT MANAGEMENT: Describe your organization's management ability and management plan for this project.

Describe the mission, management structure and staffing of your organization. Provide a detailed description of your organization's experience and ability in implementing and managing low-income or special needs housing assistance programs or related activities. Explain any past or current experience with federal or state award or loan programs. Provide an organizational chart showing the staffing and line of authority for the key personnel to be used in the project. Give a brief job description of the overall duties of the staff assigned to manage the program during each phase, a description of related experience, and how the management plan will be structured. If staff has not been hired, provide a job description for each vacant position. If a third party will be involved in management, describe their role. If Davis Bacon and other Labor Laws apply, include experience with meeting these requirements.

G. STATEMENT: Explain why HOME, NHTF, and/or Tax Credit dollars are critical to the implementation of this proposal.

Briefly summarize why HOME, NHTF, and/or Tax Credit dollars, are necessary for project implementation and why the proposed activities cannot occur without the award of funds. List unsuccessful requests your organization has made for other resources for this project, including source, amount, and if known, reason for rejection. Explain why no other source of funds can replace HOME, NHTF, and/or Tax Credit resources. Discuss whether the project could be implemented at a lower level or smaller scale without the HOME, NHTF, and/or Tax Credit award. Describe known public and private projects that address a similar need in your area and explain how this project differs from each of the others.

H. AFFIRMATIVE MARKETING PLAN:

Based on criteria outlined in Attachment "E", HOME Program Description, Section XIII, Item "A" and/or Attachment "I", NHTF Program Description, Section VIII, Item "A", describe how you will market your project to minority populations, special needs, or hard-to-reach very-low income households.

NOTE: HOME and NHTF funds as described in this application are anticipated funding. Final HOME allocation amounts are subject to change based upon the receipt of Federal Award which is anticipated in March of 2017. Final NHTF allocation amounts are subject to change and are contingent upon approval from HUD of WCDA's NHTF Allocation Plan. Receipt of the NHTF Federal Award is anticipated sometime in the 2017 Program Year. **Inconsistent information between the core application, Narrative Attachment, Market Study or other documents may result in the application being rejected.**

Attachment “D” Item “2” Quarterly/Monthly Progress Report

Project Name: _____

Quarterly/Monthly Progress Reports must be filed with the WCDA outlining progress toward completion. These reports must be received by the 1st day of March, June, September, and December (or Monthly) until 8609(s) are issued (for Tax Credits) or HOME and/or NHTF project completion reports have been completed. If additional quarters/months are needed please make a copy of the form.

Activity	Application Planned Timetable	Quarterly/Monthly Progress Reports			
		Quarter/Month Ending	Quarter/Month Ending	Quarter/Month Ending	Quarter/Month Ending
1. Site	Scheduled Month/Day/Year	Actual or Scheduled Month/Day/Year	Actual or Scheduled Month/Day/Year	Actual or Scheduled Month/Day/Year	Actual or Scheduled Month/Day/Year
Acquisition					
Zoning Approval					
Tax Abatement					
Environmental Review Completed					
2. Construction Financing					
Loan Application					
Conditional Commitment					
Firm Commitment					
Closing and Disbursement					
3. Local Permits					
Conditional Use Permit					
Variance					
Site Plan Review					
Building Permit					
Other (specify)					
4. Other Loans and Grants					
Type & Source:					
Application					
Closing or Award					
5. Equity Syndication					
Letter of Commitment					
Partnership Closing					
6. Other					
10% of Project Costs Incurred					
Tax Credit Carryover Allocation					
Final Plans/Specs					
Construction Start					
Construction Completion					
Placed in Service					
Occupancy of All Low-Income Units					

Amount of material change orders for current period (please attach change order report) _____

Total Amount of material change order to date: _____

Estimation of total contractor/subcontractor labor hours for period: _____

Any other significant issues should be outlined on a separate sheet of paper and attached to the report

Signature _____

Date _____

Attachment "E" HOME Program Description

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**E. Minority Business Enterprise and Women-Owned Business Enterprise (MBE & WBE)
Outreach Program**

XIII. HOME PROGRAM DEFINITIONS

I. EXECUTIVE SUMMARY

The HOME Program was created under Title II (the Home Investment Partnerships Act) of the National Affordable Housing Act of 1990. The general purposes of HOME include:

- Expansion of the supply of decent and affordable housing, particularly rental housing, for low and very-low-income Americans.
- Strengthening the abilities of State and local governments to design and implement strategies for achieving adequate supplies of decent and affordable housing.
- Extending and strengthening partnerships among all levels of government and the private sector, including for-profit and non-profit organizations, in the production and operation of affordable housing.

HOME provides funding to meet both the short-term goal of increasing the supply and availability of affordable housing and long-term goals of building partnerships between State and local governments, private and non-profit organizations, while strengthening their capacity to meet the housing needs of low and very low-income residents.

For FY 1994 and subsequent years, there are match requirements that must be met under the HOME Program. Matching funds are the local contribution to the partnership. Match obligations must be met in the fiscal year they occur.

The State of Wyoming anticipates receiving an annual allocation in HOME funds of approximately \$3,500,000. See the WCDA Allocation Plan, Attachment "A" for actual funding levels. These HOME funds will be allocated to local governments, Community Housing Development Organizations (CHDOs), Public Housing Authorities, Non-profit Organizations and for-profit developers of Low-income housing as described below. All projects outside of Casper and Cheyenne must be developed pursuant to the State's Consolidated Plan for Housing and Community Development. Casper and Cheyenne (entitlement cities) projects must be developed pursuant to their respective local Consolidated Plans. Projects located in entitlement cities (Cheyenne and Casper) must have a current letter of consistency with the Consolidated Plan from the appropriate Jurisdiction.

HOME funds must be spent quickly. The time frames for committing and expending funds are very short. From the time WCDA signs a HOME Investment Partnerships Agreement for HOME funds with the Department of Housing and Urban Development, the following critical time frames apply:

- 24 months to enter into written agreements with an Owner/Developer to reserve HOME funds.
- 24 months to commit funds in the IDIS System for specific projects.
- Four years to actually expend funds.

In an effort to quickly allocate HOME funds prior to the construction season, WCDA's application period for HOME funding runs prior to WCDA's receipt of HOME funds from HUD. Therefore no funding can be allocated until after WCDA signs a HOME contract with HUD. The final allocation may be different from the anticipated amount.

II. ALLOCATION OF FUNDS

1. CHDOs - Community Housing Development Organizations

A. **CHDO ELIGIBLE ACTIVITIES**

Approximately fifteen percent (15%) of the Fiscal Year HOME funding allocation will be set aside for CHDO's. Applications for CHDO Eligible Activities will be accepted through a competitive application process during the initial application period at the beginning of each year. If funds are remaining, WCDA will open an additional competitive application process or, depending on the amount of remaining funds, accept applications on a first-come, first-serve basis to projects meeting the minimum ranking criteria until all funds are allocated to eligible projects. For actual funding levels, see WCDA Allocation Plan, Current Year Summary Attachment "A". Activities that are not eligible under the CHDO set aside are; HOME/WRAP, tenant based rental assistance, brokering or other real estate transactions.

B. **CHDO TECHNICAL ASSISTANCE-**

Ten percent of the CHDO set aside may be available to CHDOs for Project Specific Technical Assistance and Site Control Loans for items such as feasibility studies, consulting fees, architectural and engineering fees, etc. No administrative fees are eligible. Applicants who anticipate using the technical assistance and site control loans should apply to WCDA before any project costs are incurred in order to ensure eligibility for the funding.

2. CHDO General Operating Costs and Capacity Building Reserve (not project specific)

A CHDO may apply to WCDA for HOME funding for any fiscal year for organizational operating funds in an amount that provides not more than \$50,000 or fifty percent (50%) of the CHDO's organization's total operating expenses, whichever is less, in that fiscal year. No CHDO may receive funding for more than 3 years. To apply for this set-aside a CHDO may apply on an annual basis prior to September 1st of each year.

In order to receive CHDO operating funds a CHDO must:

1. enter into a written agreement with WCDA that states the CHDO is expected to own, sponsor or develop a project which will receive funds under the CHDO set-aside within 24 months of receiving funds for operating expenses
2. submit a Development Plan outlining the CHDO's proposed housing projects, type of housing, number of units, and populations to be served, over the next 5 years
3. submit a timeline under which these projects will be developed
4. submit a list of anticipated funding sources for the projects in the Development Plan
5. submit a five year operating budget with all sources of operating income listed, designating which sources are firmly committed and which sources are tentative
6. submit a list of staff, experience of each staff member and their job description.
7. submit a report or narrative of accomplishments achieved through prior HOME CHDO Operating funds received.

Applications will generally be accepted once a year and should be submitted to WCDA on or before September 1st. No more than \$100,000 of HOME funds may be allocated as Operating Funds in any given program year. Applications will be reviewed and funded according to the feasibility of the projects proposed

in the Development plan and an assessment by WCDA staff of the CHDO's capacity to successfully complete the Development Plan.

3. Small Rural Project Set-Aside

In Wyoming the HOME funding is allocated through a competitive process from applications received from outside Developers. WCDA does NOT retain any Rental funding to administer projects directly. Thus it is difficult to assure specific geographic distribution as applications are not received until after the Program Plan is approved. In an effort to achieve geographic distribution in areas of greatest need, WCDA analyzes information from various sources to ascertain where these locations are and then builds incentives in the Action Plan through scoring, set asides etc. In recent years it has been evident that the small communities have been overlooked on their affordable housing needs. In order to create an incentive for developers to consider more rural areas, and satisfy HUD's geographic distribution requisite, this Small Rural Project Set-Aside was created. The amount of the set-aside is disclosed in the Current Year Summary Attachment "A".

In order to qualify for the Small Rural Project Set-aside the following criteria applies:

- The project must be in a small community with a population under 15,000 and no communities with a population over 15,000 are within 20 miles of the project.
- The project must have 24 or fewer units
- Project must not be done in conjunction with a separate project in the same locale.

Due to the fact that Market Rents are typically lower in rural areas, projects may have a 10% variance in Income and Rent Levels when qualifying for the Small Rural Project Set-aside.

4. HOME/WRAP – The approximate amount of funding set-aside in this category for HOME/WRAP programs is outlined in the current Year Summary, Attachment "A". These funds will be administered by WCDA similar to the WRAP program created under the Neighborhood Stabilization Program. If all the HOME funds are not allocated in the first funding cycle, WCDA may retain any funds under any of the set asides for this eligible activity. In addition, as Program income is received and the available funding is increased, such funds may also be used under this set-aside.

5. Open Category – WCDA – The approximate amount of funding set-aside for Direct Administration is outlined in the current Year Summary, Attachment "A". This set aside is available for Rental Housing Production programs under which non-profit developers, for-profit developers, Local Governments, and public housing authorities may apply. Applications are anticipated to be accepted in January of each year. Projects are ranked competitively against the Ranking Criteria listed in the WCDA Allocation Plan. For actual funding levels, see WCDA's Allocation Plan, Current Year Summary Attachment "A".

6. Administration And Contingency Reserve -

Approximately 10% of Fiscal Year HOME allocation will be set-aside for WCDA administrative costs, and for a reserve for project over-runs that cannot be met from other funding sources. After the first round of funding, WCDA reserves the right to re-allocate funds between categories as needed to most expeditiously commit and spend the funding, provided the minimum CHDO set aside is maintained.

III. RENTAL HOUSING PRODUCTION PROVISIONS

A. **Rental Housing Production** - can be accomplished in the following ways:

1. Rehabilitation
 - a. Rehabilitation
 - b. Conversion
 - c. Reconstruction
 - d. Rehabilitation and Refinance
2. Acquisition and/or Rehabilitation
3. New Construction

There are three important things to remember about HOME-assisted rental housing:

1. Rents are strictly controlled
2. Tenants must be low-income (80% of Area Median Income adjusted for family size as determined by HUD). In fact, most tenants in HOME-assisted units must be very low-income (50% of Area Median Income adjusted for family size as determined by HUD).
3. Both occupancy and rents must be maintained and monitored for a minimum affordability period of 5 to 20 years depending upon the amount of HOME funds provided per unit and the type of project (new or existing). Actual project affordability may exceed 20 years.

Both the rent and income targeting requirements are enforced by deed restrictions and specify remedies for breach of the provisions.

B. **Eligible Property Types**

1. One or more buildings on a single site that are under common ownership, management and financing.
2. Scattered sites are eligible as one project as long as the sites are under common ownership, management and financing, and receive HOME assistance as part of a single undertaking.
3. There are no limits on the number of units per project.
4. There are no preferences for unit size and style except for what is identified in the applicable Consolidated Plan.
5. Properties may be privately or publicly owned.
6. A letter of notification for proposed development will be sent to the local jurisdiction.

C. **Initial HOME Rents**

Every HOME-assisted unit is subject to rent controls designed to make sure that rents are affordable to very low-income households. These maximum rents may be referred to as HOME Rents. HOME Rents are subject to change annually and will be made available to applicants by WCDA.

Low HOME Rent- 100% of HOME-assisted units must have rents that are at or below the Low HOME Rent. This requirement may be modified on a case by case basis at the discretion of WCDA and within the limits of the Federal Regulations.

The Low HOME Rent is available on HUD's website as disclosed in the Affordable Housing Plan Current Year Summary Attachment "C" Item "1".

Wyoming Community Development Authority
III. Rental Housing Production Provisions

The maximum allowable HUD HOME Rents must be reduced if the tenant pays for utilities. Utility adjustments are made in accordance with the HOME program Rules and Regulations. Utility adjustments proposed by owners/developers for specific projects must be approved by WCDA.

D. Affordability Period

HUD requires HOME-assisted Rental units be rent controlled for varying lengths of time depending upon the average amount of HOME funds invested per unit:

Rental Housing Activity	Minimum per unit HOME \$	Affordability Period
Rehab or Acquisition of Existing	<\$15,000/unit	5 years
Rehab or Acquisition of Existing	\$15,000-\$40,000	10 years
Rehab or Acquisition of Existing	>\$40,000	15 years
New Construction	All amounts	20 years

Maximum monthly rents and utility allowances must be recalculated annually by the owner. They are reviewed and approved by WCDA. Rent increases may be permitted, but tenants must be given at least 30 days written notice before increases are implemented. Any increases are also subject to other provisions of the lease agreements and subject to approval by WCDA.

E. Occupancy of HOME-Assisted Rental Units

There are two Federal constraints on occupancy:

1. **INCOME TARGETING:**
90% of the units assisted with HOME Funds for rental housing must be used to assist tenants who have annual incomes that are 60% or less of the area median income. The remaining dwelling units assisted with such funds may be used to assist families with household incomes between 60% and 80% of median.
2. **PROJECT REQUIREMENT:**
In projects with five or more rental units, or in the case of an owner of multiple one or two unit projects with a total of five or more rental units, not less than 20% of the rental units must be occupied by very low-income families (50% of area median income) bearing rents not greater than the Low HOME Rents determined by HUD, less any tenant paid utilities.

Owners of rental housing funded with HOME funds are required to have a written occupancy policy in place prior to the occupancy of HOME-assisted units. This policy should outline who is eligible for the units and be consistent with fair housing laws. The HOME regulations list a number of prohibited lease provisions and some required lease provisions with which owners should become familiar. WCDA has a Suggested Occupancy Policy and a list of these provisions that owners can adapt for their project.

F. Determining the Initial Income Eligibility of HOME Tenants/Homeowners

The HOME Program beneficiaries under Rental Housing Production are tenants with incomes at or below 50% of the Area Median Income. The income of each tenant/homeowner must be determined initially in

accordance with 24 CFR 92.203 by using Annual Income as defined under the Section 8 Housing Assistance Payments programs in 24 CFR Part 5.609.

G. Annual Recertification of Income

The annual incomes of tenants in HOME projects must be re-examined each year during the period of affordability. The project owner must re-examine each tenant's annual income by utilizing third party source documents evidencing annual income.

WCDA will require that the owner of HOME-assisted rental units report at least once a year on the annual income of all tenants.

H. Increases in Tenant Income

Tenants occupying HOME-assisted units whose annual incomes exceed 80% of median (that is, they are no longer low-income) may stay in their HOME-assisted apartments. Over income tenants (those who no longer qualify as low income) in HOME-assisted units must pay no less than 30% of their adjusted monthly income for rent and utilities. Adjusted income is calculated according to the rules for the Section 8 Program. In general, adjustments are made by deducting from the annual income certain allowances.

For rental housing with Low-Income Housing Tax Credits and for units under local rent controls, when a tenant's income increases above 80 percent of the area median income, that tenant's rent will not have to be adjusted to 30 percent of the family's income. However, the next available unit of comparable size must be rented to a HOME eligible household, at which time the 80% unit will be re-classified as a Tax Credit unit at the appropriate income and rent level. The rent on the 80% unit may not be increased until the unit is replaced with a qualifying HOME unit.

WCDA will review the owner's recertification of tenant income annually. WCDA will review rent and utility allowances annually. WCDA will perform on-site inspection for compliance with the HOME Investment Partnerships Programs Property Standards cited at 92.251 which includes that the housing be maintained as decent, safe, and sanitary housing in good repair, meet all applicable State and local code requirement and ordinances and in absence of State or local code requirements and ordinances, property must meet HUD's Uniform Physical Condition Standards (UPCS) prescribed by HUD pursuant to 24 CFR 5.705 (except for the scoring, item weight and level of criticality) at least once every three years.

WCDA will review the owner's compliance with Written Agreements annually.

I. Eligible Activities for Rental Housing Production

The following activities are eligible for rental housing production with HOME funds:

1. REHABILITATION -
 - a. Rehabilitation of existing structures; and
Rehabilitation and Refinancing to permit or continue affordability under 24 CFR 92.252.

- Rehabilitation must be the primary eligible activity requiring at least \$30,000 of required rehabilitation costs per unit.
 - A CNA must be provided by an unrelated Professional CNA provider to include a unit by unit breakdown and budget at time of application. The CNA must include an estimate of the remaining useful life of major systems and estimates of replacement costs. Major systems include: structural support, roofing, cladding, weather proofing (windows, doors, siding, gutters), plumbing, electrical and heating, ventilations, and air conditioning.
 - A review of the owner's management practices will be made in order to determine that disinvestment in the property has not occurred, that the long term needs of the project can be met and that the feasibility of serving the targeted population over an extended affordability period can be demonstrated.
 - Refinancing must be made for the purposes of maintaining current affordable units or creating additional affordable units and the rehabilitation cost must be greater than the amount of debt that is refinanced.
 - The minimum required period of affordability would be 15 years.
 - Refinancing is an eligible activity throughout the State of Wyoming under the HOME Program.
 - HOME funds cannot be used to refinance multifamily loans made or insured by any Federal program, including CDBG.
- b. Conversion - Conversion of an existing structure from an alternative use to affordable, residential housing is an eligible activity and is considered rehabilitation. If conversion involves additional units beyond the walls of an existing structure, the project will be deemed new construction.
- c. Reconstruction - Reconstruction is defined as the rebuilding, on the same lot, of housing standing on a site at the time of project commitment. The number of housing units on the lot may not be decreased or increased as part of a reconstruction project, but the number of rooms per unit may be increased or decreased. Reconstruction also includes replacing an existing substandard unit of manufactured housing with a new or standard unit of manufactured housing.
2. ACQUISITION - Acquisition of an eligible property is eligible as part of a rental housing project.
3. NEW CONSTRUCTION - New Construction is an eligible use of HOME funds. New Construction is also defined as housing that has received an initial certificate of occupancy or equivalent document within a one-year period before the commitment of HOME funds to the project.

If all HOME-assisted units are not rented within 5 months from project completion, Owner must provide WCDA information about current marketing efforts and an enhanced plan for marketing the units so that it is leased as quickly as possible. If efforts to market the units are unsuccessful and the unit is not occupied by an eligible tenant, Owner will be required to repay all HOME fund invested in the unit.

J. Eligible Costs

HOME funding is disbursed on a reimbursement basis. After costs have been incurred and paid by the project, a reimbursement request may be submitted for Land acquisition and/or Costs as outlined below. A 10% retainage will be withheld from each draw request until the project is completed, placed in service and all documentation sufficient to WCDA is submitted to close out the project. All draws will be processed once a month.

1. **Land Acquisition Costs**
2. **Development Hard Costs** - The actual construction and/or rehabilitation costs including:
 - a. Costs of actual material and labor
 - b. Costs to meet the International Residential Code or International Building Code (as applicable to the type of housing) of the International Code Council
 - c. Costs to meet rehabilitation standards
 - d. Essential improvements
 - e. Energy-related improvements
 - f. Costs to contain or abate Lead-based paint hazards
 - g. Costs to mitigate hazards including but not limited to mold, asbestos, radon, and drugs
 - h. Improvements for handicapped persons
 - i. Repair or replacement of major systems in danger of failure
 - j. Incipient repairs and general property improvements of a non-luxury nature
3. **Demolition Costs** but only when part of a rehabilitation project.
4. **Site Improvements** and utility connections can be funded with HOME funds only when conducted in conjunction with HOME eligible activities.
5. **Related Soft Costs** - reasonable and necessary costs, including:
 1. Architectural, engineering or related professional services (inspection, work write-ups) to a third party.
 2. Financing costs such as loan points, credit and title costs, recordation fees, building permits, legal fees, appraisals, developer fees.
 3. Relocation costs (permanent and temporary), affirmative marketing, and fair housing information services.

IV. HOME/WRAP

WCDA administers a single family rehabilitation program similar to the Neighborhood Stabilization Program, Wyoming Rehabilitation and Acquisition Program (WRAP), called HOME/WRAP. This program may consist of Acquisition, Rehabilitation and/or Financing. Financing is subject to Recapture provisions as outlined in the HOME Program Description Section XIV HOME Program Definitions – Recapture.

A. The Eligible Homebuyer

The homebuyer must have a gross annual income that does not exceed 80 percent of HUD's median income for the area. Third party written verification of income will be required. Other requirements must be met in order to meet credit worthiness and financial capacity.

B. The Eligible Property Type

An eligible property is any single family property which the value of the property, after rehabilitation, does not exceed the HOME Single Family limits in effect at the time of HOME funds commitment.

All properties must also meet HUD's site and environmental requirements summarized below in Section VII Site and Neighborhood Requirements.

C. Affordability Period

Minimum Affordability Periods are as follows:

Amount of HOME Investment	Minimum Affordability Period
\$0 - \$ 15,000	5 years
\$ 15,001 - \$40,000	10 years
\$ 40,001 - or more	15 years

D. Conversion to rental - If the home is not sold with 9 months after rehabilitation is completed it must be converted to a rental property. If units are not occupied within 18 months from completion of rehabilitation all HOME funds must be paid back to HUD.

Should a property be sold or cease to be occupied by a qualified household during the period of time specified, Recapture provisions as outlined in Section XIV HOME Program Definitions will apply.

V. PROPERTY STANDARDS

Housing that is constructed or rehabilitated with HOME funds must meet all applicable local codes, rehabilitation standards, ordinances, and zoning ordinances at the time of project completion. In absence of a local code for new construction or rehabilitation, HOME-assisted new construction or rehabilitation must meet: as applicable, the International Residential Code or International Building Code (as applicable to the type of housing) of the International Code Council. All new construction project must all meet the requirements in 24 CFR Part 92.251 (a)(2)(i) through (v).

Construction of all manufactured housing must meet the Manufactured Home Construction and Safety Standards established in 24 CFR Part 3280. These standards preempt State and local codes covering the same aspects of performance for such housing. Applicants providing HOME assistance to install manufactured housing units must comply with applicable State and local laws or codes. In the absence of such laws or codes, the applicant must comply with the manufacturer's written instructions for manufactured housing units.

Since HOME regulations require that HOME-assisted units meet a minimum property standard, HOME funds cannot be used for emergency repair programs.

VI. ELIGIBLE REHABILITATION COSTS

- A. Development Hard Costs** - The actual rehabilitation costs including:
1. Costs to meet the International Residential Code or International Building Code (as applicable to the type of housing) of the International Code Council
 2. Costs to meet rehabilitation standards
 3. Essential improvements
 4. Energy-related improvements
 5. Costs to contain or abate Lead-based paint hazards
 6. Costs to mitigate hazards including but not limited to mold, asbestos, radon, and drugs
 7. Improvements for handicapped persons
 8. Repair or replacement of major housing systems in danger of failure
 9. Incipient repairs and general property improvements of a non-luxury nature
- B. Demolition Costs** when part of a rehabilitation project.
- C. Site Improvements** and utility connections can be funded with HOME funds only when conducted in conjunction with HOME eligible activities.
- D. Related Soft Costs** - reasonable and necessary costs, including:
1. Architectural, engineering or related professional services (inspection, work write-ups) to a third party.
 2. Financing costs such as loan points, credit and title costs, recordation fees, building permits, legal fees, appraisals, and developer fees.
 3. Relocation costs (permanent and temporary), affirmative marketing, and fair housing information services.
- E. Refinancing Costs** – only when cost of rehabilitation exceeds cost of refinancing.

VII. SITE AND NEIGHBORHOOD REQUIREMENTS

HOME projects must be located on a site eligible for federal financial assistance. The types of items that are reviewed when looking at a site are listed below:

- A. The site's proximity to noise sources such as railroads, highways or busy streets, and airports or military airfields.
- B. The site and the project must have a clearance from the state historic preservation office.
- C. The site cannot be in a 100-year flood plain.
- D. Lead-based paint and asbestos are concerns and must be dealt with in accordance with HUD and state requirements.
- E. The site's proximity (within 3,000 feet) to a hazardous waste site listed on the CERCLIS list.
- F. The site's proximity to above ground storage tanks with hazardous materials.
- G. Zoning and Uses of land surrounding site (Commercial, Business, and Industrial uses are not appropriate).
- H. Proximity to Services

WCDA will also do a site visit to determine the site's suitability for the type of housing being proposed. All funded projects will have to meet HUD's environmental review process and HUD's site and neighborhood standards requirement at 24 CFR Part 983.57(e)(2) and (3).

Projects with sites that do not meet the cited site and neighborhood standards or do not promote compliance with civil rights laws, or promote greater choice of housing opportunities will be denied funding regardless of ranking or scoring. Site selection is extremely important and is part of the evaluation and ranking process.

VIII. ELIGIBLE FORMS OF FINANCIAL ASSISTANCE

HOME funds can be structured as follows:

- A. Interest-bearing loans
- B. Non-interest-bearing loans
- C. Interest subsidies that leverage other monies
- D. Deferred payment loans
- E. Forgivable loans
- F. Alternative forms must be approved by HUD

IX. MATCHING REQUIREMENTS

HUD requires that 25% of the HOME funds are matched by a non-federal eligible matching contribution. Matching funds are the local contribution to the partnership. Match obligations must be met in the fiscal year they occur.

A. Forms of matching contribution.

The match obligations can be met with:

1. Cash from a non-federal source (owner's cash is not eligible as match)
2. Value of waived taxes, fees or charges
3. Value of donated land or real property
4. Cost of infrastructure improvements not made with federal resources associated with HOME projects
5. Proceeds from multifamily and single family affordable housing project bond financing validly issued by a State or local government or an agency or instrumentality of the State or local government
6. Reasonable value of donated site-preparation and construction materials not acquired with Federal resources
7. Reasonable rental value of the donated use of site preparation or construction equipment
8. The value of donated or voluntary labor or professional services
9. The value of sweat equity
10. The direct cost of supportive services provided to families residing in HOME-assisted units during the period of affordability
11. The direct cost of homebuyer counseling services provided to families that acquire a property with HOME assistance

B. Size of the Match

Every HOME project requires a 25% match contribution meaning that 25% of the HOME funds in a project must be matched by non-federal funds. For FY 2017, applicants will only be required to provide a minimum match of at least 5.0%.

B. Match Pool Funding

There will not be WCDA Match Pool funding available for this year as there has been in previous years. However, if projects require an additional financing source, they may contact WCDA for additional information on funding alternatives.

C. Sources of Match

Match providers will include a wide array of local providers, both public and private. These may include:

1. Local tax funded initiatives
2. Tax assessing offices
3. Water and sewer departments
4. Streets and sidewalk departments
5. Redevelopment agencies
6. Public housing agencies
7. State agencies

IX. Matching Requirements

8. State tax funded initiatives
9. Charitable organizations/foundations
10. Private sector organizations
11. Lending institutions
12. Corporate donations/commitments

X. DOUBLE DIPPING ON HOME-ASSISTED PROJECTS

Except for the first year after project completion, no further HOME funds can be used during the relevant period of affordability. The period of affordability will vary depending on the type of HOME activity.

XI. HOME INVESTMENT PER UNIT

The maximum, average subsidy per HOME-assisted unit is established by HUD. Maximum Subsidy limits for Wyoming can be found in the WCDA Allocation Plan Current Year Summary, Attachment "A".

Only units receiving HOME monies are considered "HOME-Assisted Units". HOME expenditure limits, rent and occupancy rules only apply to HOME-Assisted Units.

XII. POLICIES & PROCEDURES

A. AFFIRMATIVE MARKETING

It is the affirmative marketing policy of WCDA to inform the public, homeowners, landlords and potential tenants about the Federal Fair Housing laws and the affirmative marketing goals by:

1. Making this program available for public review. An overview of the marketing policy is included.
2. Upon qualification and selection of a HOME project, the owner will be notified of Equal Opportunity requirements.
3. All advertising and literature used for the HOME program will carry the Equal Housing Opportunity logo or slogan.
4. Copies of media releases, advertisements and announcements where the HOME program was presented, will be maintained.
5. Affirmative marketing to the general public, landlords, tenants and homeowners will be done by the placement of public notices in the applicable local newspapers. The Casper Star-Tribune is considered the major Wyoming newspaper having statewide circulation.

As projects are completed, owners will send written notices containing information about the project (size of units, rent, etc.) to agencies such as the Department of Family Services and the local Salvation Army.

6. WCDA has a housing program brochure that briefly describes WCDA's housing programs. This brochure will be used to affirmatively market the HOME Program to the general public, tenants, and owners.
7. Throughout the year, WCDA has opportunities to affirmatively market the HOME Program on a statewide basis to realtors, lenders, and other housing and redevelopment officials at meetings and seminars in which WCDA participates.
8. Landlords will be advised that they must comply with Equal Housing Opportunity laws and their literature must contain the Equal Housing Opportunity logo. All projects will be required to display a fair housing poster when advertising vacancies. If it is found that a landlord is failing to follow the affirmative marketing requirements and blatantly ignoring fair housing laws, WCDA may enforce the default section of the HOME Agreement and promissory note.
9. If landlords are seeking tenants to fill vacant units, they will be provided assistance by WCDA in outreach methods for contacting groups and ethnic organizations to ensure equal access is provided. Landlords will be required to send written notices of vacancies to employment centers, places of worship or other community organizations that work with low-income persons.

10. Landlords of HOME-assisted units will be required to keep records of families who apply for housing and document those cases where someone was denied housing. At a minimum, these records will contain data regarding income, family size, and minority status. Landlords will be required to keep copies of all media releases and advertisements for vacancies.
11. Any alleged housing discrimination complaints will be forwarded to the U.S. Department of Housing and Urban Development.
12. WCDA will monitor units of general local government to encourage their adoption of affirmative marketing procedures. On-site monitoring will be performed as required by HUD HOME Regulations.
13. Homebuyer's Education courses, made available through the Wyoming Housing Network, Inc. (WHN), will provide for a discussion of fair housing.
14. Information on fair housing can be obtained from the regional Fair Housing Office in Denver. The mailing address for this office is Office of Fair Housing, US-HUD, 1670 Broadway, 23rd floor, Denver, CO 80202-4801 and the phone number for Fair Housing complaints is 800-877-7353.

B. MINORITY BUSINESS ENTERPRISE & WOMEN-OWNED BUSINESS

ENTERPRISE (MBE & WBE) OUTREACH PROGRAM (24 CFR 92.350 & 92.351)

If awarded HOME funds, WCDA will require general contractors on projects being funded with HOME to solicit bids from minority-owned (MBE) and female-owned (WBE) businesses to the extent practicable. Documentation and data on the steps taken to reach out to MBE/WBE businesses will be required to be submitted to WCDA. WCDA will maintain project records on the use and participation of MBE and WBE.

Davis Bacon and other Labor Laws - If Davis Bacon and other labor laws apply, include experience with meeting these requirements.

XIII. HOME PROGRAM DEFINITIONS

Adjusted Income

Adjusted income is used in HOME to compute actual tenant rent payment for tenants who are required to pay 30% of their Adjusted Income for rent and utilities. Adjusted income is annual (gross) income reduced by deductions for dependents, elderly households, medical expenses, handicap assistance expenses and childcare.

Acquisition Cost/Purchase Price

Acquisition Cost is defined to mean the cost of acquiring the residence from the seller as a complete residential unit. Acquisition Cost includes the following; (1) All amounts paid, either in cash or in kind, by the mortgagor (or a related party for the benefit of the mortgagor) to the seller (or a related party for the benefit of the seller) as consideration for the residence; (2) If a residence is incomplete, the reasonable cost of completing the residence, including construction loan interest and fees, whether or not the cost of completing construction is to be financed from the mortgage loan; and (3) Where a residence is purchased subject to a ground rent (leased land), the capitalized value of the ground rent, using a discount rate provided by WCDA based on the related bond yield (currently between 5% and 7%).

Affordability

Affordability requirements are the HOME regulations at 24 CFR Part 92 that relate to the cost of housing both at initial occupancy and over established timeframes, as prescribed in the HOME Final Rule. Affordability requirements vary depending upon the nature of the HOME-assisted activity (i.e. homeownership or rental housing; new construction vs. rehabilitation).

Annual (Gross) Income

The HOME Program allows for the use of one of two "Annual Income" definitions as described in 24 CFR Part 92.203. Annual Income is used for homeowner, homebuyer and tenant eligibility and targeting purposes. Changes to the HOME Final Rule published in the Federal Register July 24, 2013 eliminates the definition that is based on income reported on the U.S. Census Long Form.

CDBG

CDBG means the Community Development Block Grant program under 24 CFR Part 570.

Commitment

The written, legally binding agreement that includes the date of the signature of each person signing the agreement, between the Participating Jurisdiction (or other entity) and the project owner providing a specific amount of HOME funds for an identifiable project for which all necessary financing has secured a firm commitment, a budget and schedule have been established, and underwriting has been completed and under which construction is scheduled to start within twelve months of the agreement date.

Community Housing Development Organization (CHDO)

A Community Housing Development Organization (CHDO) is a private, non-profit organization that meets a series of qualifications prescribed in the HOME Regulations. CHDOs must receive at least 15 percent of a participating jurisdiction's annual allocation of HOME funds. Changes to the HOME Final Rule published in the Federal Register July 24, 2013 amended the qualifications to become a CHDO. The most significant changes include the requirement

that the CHDO have demonstrated capacity for carrying out housing projects assisted with HOME funds. This requirement may NOT be met with a consultant, volunteer or board members. The CHDO must have paid staff with the demonstrated capacity. For complete qualification requirements see 24 CFR Part 92.2

Consolidated Plan

Consolidated plan means the plan submitted and approved in accordance with 24 CFR Part 91.

HOME-Assisted Units

A term that refers to units within a HOME project where HOME funds are used and rent, occupancy, or resale/recapture restrictions apply.

HOME Funds

HOME funds include all appropriations for the HOME Program, plus all repayments and interest or other return on the investment of these funds.

Homeownership

Homeownership is defined as ownership in fee simple title in a 1- to 4-unit dwelling or in a condominium unit, or equivalent form of ownership approved by HUD. Changes to the HOME Final Rule published in the Federal Register July 24, 2013 clarified when a long term ground lease is acceptable and elucidated Contract for Deeds are not an acceptable form of ownership. For further information see 24 CFR Part 92.2.

Low-Income Families

Families whose annual incomes do not exceed 80 percent of the median income for the area (adjusted for family size). HUD may establish income ceilings higher or lower than 80 percent of median income for an area on an exception basis. **CAUTION:** Changes to the HOME Final Rule published in the Federal Register July 24, 2013 amended the definition of a low-income family as it relates to students.

New Construction

For purposes of the HOME Program, new construction is any project with commitment of HOME funds made within one year of the date of initial certificate of occupancy. Any project that includes the creation of additional dwelling units outside the existing walls of a structure is also considered new construction.

Program Income

Changes to the HOME Final Rule published in the Federal Register July 24, 2013 clarified HUD's long standing position that Gross income from the use or rental of real property that was acquired, rehabilitated, or constructed with HOME funds, less costs incidental to generation of the income (Program income does NOT include gross income from the use, rental or sale of real property received by the project owner, unless the funds are paid by the project owner to the PJ).

Project

A site or an entire building or two or more buildings, together with the site or sites on which the building or buildings is/are located, that are under common ownership, management and financing and are to be assisted with HOME funds, under a commitment by the owner, as a single undertaking. If there is more than one site associated with the project, the sites must be within a four (4) block area.

Project Completion

All necessary title transfer requirements and construction work have been performed; the project complies with the requirements of 24 CFR Part 92 including the property standards under §92.251; the final drawdown of HOME funds has been disbursed for the project; and the project completion information has been entered into IDIS.

Purchase Price

See Acquisition Cost.

Recapture

Any HOME homeownership activity available under the Wyoming HOME Program is subject to Resale or Recapture provisions. To ensure a fair return to the homebuyer based on economic conditions as well as the condition of the home, the homebuyer will receive the balance of the Net Available Proceeds after the entire HOME Investment has been paid.

The Recapture requirement must be stipulated in a lien document separate from the mortgage which must be recorded. These recapture provisions will be achieved by having the following language in the Note and separate lien document, which is recorded in county records; “In the event of a sale (whether voluntary or involuntary) of the Property subject to the Mortgage, Borrower may be relieved from the obligation to pay a portion of amount due under this NOTE, including Principal, only if the deficiency from the sale results from an economic condition or factors beyond the Borrower’s control and not caused by the Borrower, such as unforeseen destruction or damage to the property and in the following, limited circumstance: If the net proceeds from the sale (net proceeds means the sale price minus closing costs of the sale) are not sufficient to pay all late charges, expenses, fees (including attorney’s fees) and any other charges plus the entire Interest and Principal amount then due, payment of the net proceeds resulting from the sale to Lender will constitute payment in full of this NOTE and borrower shall be released from liability for any further payment. Provided, however, that if the sale is voluntary, the amount of the sale price must be equivalent to a price that unrelated, willing buyers and sellers would agree upon according to real estate market conditions that exist at the time and place of sale, otherwise Borrower shall not be released from liability for any further payment, unless otherwise agreed by Lender.”

Reconstruction

Reconstruction means the rebuilding, on the same lot, of housing standing on a site at the time of project commitment, except that housing that was destroyed may be rebuilt on the same lot if HOME funds are committed within 12 months of the date of destruction. The number of housing units on the lot may not be decreased or increased as part of a reconstruction project, but the number of rooms per unit may be increased or decreased.

State Recipient

Any unit of local government designated by a state to receive HOME funds. The state is responsible for ensuring the HOME funds allocated to State recipients are used in accordance with the HOME regulations and other applicable laws.

Sub-recipient

Means a public agency or non-profit organization selected by a participating jurisdiction to administer all or a portion

of the participating jurisdiction's HOME Program. A public agency or non-profit organization that receives HOME funds solely as a developer or owner of housing is not a sub-recipient.

Substandard Condition

Any residence that does not comply with the standards noted in the most currently adopted edition of the Uniform Housing Code.

Substandard Condition but Suitable for Rehabilitation

Any residence which does not comply with the standards noted in the most currently adopted edition of the Uniform Housing Code, yet is economically practical to rehabilitate. Thus, the cost of acquisition and rehabilitation does not exceed after rehabilitation value of the structure.

Targeting

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

Uniform Physical Condition Standards (UPCS)

Uniform national standards established by HUD pursuant to 24 CFR 5.703 for housing that is decent, safe, sanitary, and in good repair. Standards are established for inspection items for each of the following areas: site, building exterior, building systems, dwelling units and common areas.

Very Low-Income

Families whose incomes (adjusted for family size) does not exceed 50 percent of the median income for the area. HUD may establish income ceilings higher or lower than 50 percent of median income for an area on an exception basis. An individual does not qualify as a very low-income family if the individual is a student who is not eligible to received Section 8 assistance under 24 CFR 5.612.

Attachment "F" Other Federal Requirements

Subpart H -- Other Federal Requirements under HOME:

- § 92.350 Other Federal requirements.
- § 92.351 Affirmative marketing; minority outreach program.
- § 92.352 Environmental review.
- § 92.353 Displacement, relocation, and acquisition.
- § 92.354 Labor.
- § 92.355 Lead-based paint.
- § 92.356 Conflict of interest.
- § 92.357 Executive Order 12372.

Subpart H -- Other Federal Requirements under NHTF:

- § 93.301(f) Environmental review.
- § 93.350 Other Federal requirements and nondiscrimination; Affirmative Marketing.
- § 93.351 Lead-based paint.
- § 93.352 Displacement, relocation, and acquisition.
- § 93.353 Conflict of Interest.
- § 93.354 Funding Accountability and Transparency Act.
- § 93.355 Eminent domain.

§ 92.350 Other Federal requirements.

- A. The Federal requirements set forth in 24 CFR part 5, subpart A, are applicable to participants in the HOME program. The requirements of this subpart include: nondiscrimination and equal opportunity; disclosure requirements; debarred, suspended or ineligible contractors; and drug-free workplace.
- B. The nondiscrimination requirements at section 282 of the Act are applicable. These requirements are waived in connection with the use of HOME funds on lands set aside under the Hawaiian Homes Commission Act. 1920 (42 Stat. 108).

§ 92.351 Affirmative Marketing; Minority Outreach Program.

Affirmative marketing.

- A. Each participating jurisdiction must adopt affirmative marketing procedures and requirements for rental and homebuyer projects containing 5 or more HOME-assisted housing units. Affirmative marketing steps consist of actions to provide information and otherwise attract eligible persons in the housing market area to the available housing without regard to race, color, national origin, sex, religion, familial status or disability. (The affirmative marketing procedures do not apply to families with Section 8 tenant-based rental housing assistance or families with tenant-based rental assistance provided with HOME funds.)
- B. The affirmative marketing requirements and procedures adopted must include:

1. Methods for informing the public, owners, and potential tenants about Federal fair housing laws and the participating jurisdiction's affirmative marketing policy (e.g., the use of the Equal Housing Opportunity logotype or slogan in press releases and solicitations for owners, and written communication to fair housing and other groups):
2. Requirements and practices each owner must adhere to in order to carry out the participating jurisdiction's affirmative marketing procedures and requirements (e.g. use of commercial media, use of community contacts, use of the Equal Housing Opportunity logotype, and display of fair housing poster):
3. Procedures to be used by owners to inform and solicit applications from persons in the housing market area who are not likely to apply for the housing without special outreach (e.g., use of community organizations, places of worship, employment centers, fair housing groups, or housing counseling agencies);
4. Records that will be kept describing actions taken by the participating jurisdiction and by owners to affirmatively market units and records to assess the results of these actions; and
5. A description of how the participating jurisdiction will annually assess the success of affirmative marketing actions and what corrective actions will be taken where affirmative marketing requirements are not met.

- C. A State that distributes HOME funds to units of general local government must require each unit of general local government to adopt affirmative marketing procedures and requirements that meet the requirement in paragraphs (a) and (b) of this section.

Minority outreach. A participating jurisdiction must prescribe procedures acceptable to HUD to establish and oversee a minority outreach program within its jurisdiction to ensure the inclusion, to the maximum extent possible, of minorities and women, and entities owned by minorities and women, including, without limitation, real estate firms, construction firms, appraisal firms, management firms, financial institutions, investment banking firms, underwriters, accountants, and providers of legal services, in all contracts entered into by the participating jurisdiction with such persons or entities, public and private, in order to facilitate the activities of the participating jurisdiction to provide affordable housing authorized under this Act or any other Federal housing law applicable to such jurisdiction. Section 85.36(e) of this title describes actions to be taken by a participating jurisdiction to assure that minority business enterprises and women business enterprises are used when possible in the procurement of property and services.

§ 92.352 Environmental Review.

General. The environmental effects of each activity carried out with HOME funds must be assessed in accordance with the provisions of the National Environmental Policy Act of 1969 (NEPA) and the related authorities listed in HUD's implementing regulations at 24 CFR parts 50 and 58.

Responsibility for review.

- A. The jurisdiction (e.g., the participating jurisdiction or State recipient) or insular area must assume responsibility for environmental review, decision-making, and action for each activity that it carries out with HOME funds, in accordance with the requirements imposed on a recipient under 24 CFR part 58. No funds may be committed to a HOME activity or project before the completion of the environmental review and approval of the request for release of funds and related certification, except as authorized by 24 CFR part 58.
- B. A State participating jurisdiction must also assume responsibility for approval of requests for release of HOME funds submitted by State recipients.
- C. HUD will perform the environmental review, in accordance with 24 CFR part 50, for a competitively awarded application for HOME funds submitted to HUD by an entity that is not a jurisdiction.

§ 92.353 Displacement, relocation, and acquisition

Minimizing displacement. Consistent with the other goals and objectives of this part, the participating jurisdiction must ensure that it has taken all reasonable steps to minimize the displacement of persons (families, individuals, businesses, nonprofit organizations, and farms) as a result of a project assisted with HOME funds. To the extent feasible, residential tenants must be provided a reasonable opportunity to lease and occupy a suitable, decent, safe, sanitary, and affordable dwelling unit in the building/complex upon completion of the project.

Temporary relocation. The following policies cover residential tenants who will not be required to move permanently but who must relocate temporarily for the project. Such tenants must be provided:

- A. Reimbursement for all reasonable out-of-pocket expenses incurred in connection with the temporary relocation, including the cost of moving to and from the temporarily occupied housing and any increase in monthly rent/utility costs.
- B. Appropriate advisory services, including reasonable advance written notice of:
 - 1. The date and approximate duration of the temporary relocation;
 - 2. The location of the suitable, decent, safe, and sanitary dwelling to be made available for the temporary period;

3. The terms and conditions under which the tenant may lease and occupy a suitable, decent, safe, and sanitary dwelling in the building/complex upon completion of the project; and
4. The provisions of paragraph (b)(1) of this section.

Relocation assistance for displaced persons.

A. *General.* A displaced person (defined in paragraph (c)(2) of this section) must be provided relocation assistance at the levels described in, and in accordance with the requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA) (42 U.S.C. 4201-4655) and 49 CFR part 24. A "displaced person" must be advised of his or her rights under the Fair Housing Act and, if the comparable replacement dwelling used to establish the amount of the replacement housing payment to be provided to a minority person is located in an area of minority concentration, the minority person also must be given, if possible, referrals to comparable and suitable, decent, safe, and sanitary replacement dwellings not located in such areas.

B. Displaced Person.

For purposes of paragraph (c) of this section, the term displaced person means a person (family individual, business, nonprofit organization, or farm, including any corporation, partnership or association) that moves from real property or moves personal property from real property, permanently, as a direct result of acquisition, rehabilitation, or demolition for a project assisted with HOME funds. This includes any permanent, involuntary move for an assisted project, including any permanent move from the real property that is made:

1. After notice by the owner to move permanently from the property, if the move occurs on or after:
 - a. The date of the submission of an application to the participating jurisdiction or HUD, if the applicant has site control and the application is later approved; or
The date the jurisdiction approves the applicable site, if the applicant does not have site control at the time of the application; or
 - b. Before the date described in paragraph (c)(2)(i)(A) of this section, if the jurisdiction or HUD determines that the displacement resulted directly from acquisition, rehabilitation, or demolition for the project; or
 - c. By a tenant-occupant of a dwelling unit, if any one of the following three situations occurs:
 - (b) The tenant moves after execution of the agreement covering the acquisition, rehabilitation, or demolition and the move occurs before the tenant is provided

written notice offering the tenant the opportunity to lease and occupy a suitable, decent, safe, and sanitary dwelling in the same building/complex upon completion of the project under reasonable terms and conditions. Such reasonable terms and conditions must include a term of at least one year at a monthly rent and estimated average monthly utility costs that do not exceed the greater of:

- (c) The tenant's monthly rent before such agreement and estimated average monthly utility costs; or
 - (d) The total tenant payment, as determined under 24 CFR 5.613, if the tenant is low-income, or 30 percent of gross household income, if the tenant is not low-income; or
- d. The tenant is required to relocate temporarily, does not return to the building/complex, and either
- The tenant is not offered payment for all reasonable out-of-pocket expenses incurred in connection with the temporary relocation; or
 - Other conditions of the temporary relocation are not reasonable; or
 - The tenant is required to move to another dwelling unit in the same building/complex but is not offered reimbursement for all reasonable out-of-pocket expenses incurred in connection with the move, or other conditions of the move are not reasonable.
- e. Notwithstanding paragraph (c)(2)(i) of this section, a person does not qualify as a displaced person if:
- The person has been evicted for cause based upon a serious or repeated violation of the terms and conditions of the lease or occupancy agreement, violation of applicable federal, State or local law, or other good cause, and the participating jurisdiction determines that the eviction was not undertaken for the purpose of evading the obligation to provide relocation assistance. The effective date of any termination or refusal to renew must be preceded by at least 30 days advance written notice to the tenant specifying the grounds for the action.
 - The person moved into the property after the submission of the application but, before signing a lease and commencing occupancy, was provided written notice of the project, its possible impact on the person (e.g., the person may be displaced, temporarily relocated, incur a rent increase), and the fact that the person would not qualify as a "displaced person" (or for any assistance under this section) as a result of the project;

- The person is ineligible under 49 CFR 24.2(g)(2); or
 - HUD determines that the person was not displaced as a direct result of acquisition, rehabilitation, or demolition for the project.
- f. The jurisdiction may, at any time, ask HUD to determine whether a displacement is or would be covered by this rule.

Initiation of negotiations. For purposes of determining the formula for computing replacement housing assistance to be provided under paragraph (c) of this section to a tenant displaced from a dwelling as a direct result of private-owner rehabilitation, demolition or acquisition of the real property, the term initiation of negotiations means the execution of the agreement covering the acquisition, rehabilitation, or demolition.

Optional relocation assistance. The participating jurisdiction may provide relocation payments and other relocation assistance to families, individuals, businesses, nonprofit organizations, and farms displaced by a project assisted with HOME funds where the displacement is not subject to paragraph (c) of this section. The jurisdiction may also provide relocation assistance to persons covered under paragraph (c) of this section beyond that required. For any such assistance that is not required by State or local law, the jurisdiction must adopt a written policy available to the public that describes the optional relocation assistance that it has elected to furnish and provides for equal relocation assistance within each class of displaced persons.

Residential anti-displacement and relocation assistance plan. The participating jurisdiction shall comply with the requirements of 24 CFR part 42, subpart C.

Real property acquisition requirements. The acquisition of real property for a project is subject to the URA and the requirements of 49 CFR part 24, subpart B.

Appeals. A person who disagrees with the participating jurisdiction's determination concerning whether the person qualifies as a displaced person, or the amount of relocation assistance for which the person may be eligible, may file a written appeal of that determination with the jurisdiction. A low-income person who is dissatisfied with the jurisdiction's determination on his or her appeal may submit a written request for review of that determination to the HUD Field Office.

§ 92.354 Labor.

General

- A. Every contract for the construction (rehabilitation or new construction) of housing that includes 12 or more units assisted with HOME funds must contain a provision requiring the payment of not less than the wages prevailing in the locality, as predetermined by the Secretary of Labor pursuant to the Davis-Bacon Act (40 U.S.C. 276a - 276a-5), to all laborers and mechanics employed in the development of any part of the housing. Such contracts must also be subject to the overtime provisions, as applicable, of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327 - 332).

- B. The contract for construction must contain these wage provisions if HOME funds are used for any project costs in §92.206, including construction or non-construction costs, of housing with 12 or more HOME-assisted units. When HOME funds are only used to assist homebuyers to acquire single-family housing, and not for any other project costs, the wage provisions apply to the construction of the housing if there is a written agreement with the owner or developer of the housing that HOME funds will be used to assist homebuyers to buy the housing and the construction contract covers 12 or more housing units to be purchased with HOME assistance. The wage provisions apply to any construction contract that includes a total of 12 or more HOME-assisted units, whether one or more than one project is covered by the construction contract. Once they are determined to be applicable, the wage provisions must be contained in the construction contract so as to cover all laborers and mechanics employed in the development of the entire project, including portions other than the assisted units. Arranging multiple construction contracts within a single project for the purpose of avoiding the wage provisions is not permitted.
- C. Participating jurisdictions, contractors, subcontractors, and other participants must comply with regulations issued under these acts and with other Federal laws and regulations pertaining to labor standards and HUD Handbook 1344.1 (Federal Labor Standards Compliance in Housing and Community Development Programs), as applicable. Participating jurisdictions must require certification as to compliance with the provisions of this section before making any payment under such contract.

Volunteers. The prevailing wage provisions of paragraph (a) of this section do not apply to an individual who receives no compensation or is paid expenses, reasonable benefits, or a nominal fee to perform the services for which the individual volunteered and who is not otherwise employed at any time in the construction work. See 24 CFR part 70.

Sweat equity. The prevailing wage provisions of paragraph (a) of this section do not apply to members of an eligible family who provide labor in exchange for acquisition of a property for homeownership or provide labor in lieu of, or as a supplement to, rent payments.

§ 92.355 Lead-based paint

Housing assisted with HOME funds is subject to the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4821-4846), the Residential Lead-Based Paint Hazard Reduction Act of 1992 (42U.S.C. 4851-4856), and implementing regulations at part 35, subparts A, B, J, K, M and R of this title.

[64 FR 50224, Sept. 15, 1999]

§ 92.356 Conflict of Interest

Applicability. In the procurement of property and services by participating jurisdictions, State recipients, and sub-recipients, the conflict of interest provisions in 24 CFR 85.36 and 24 CFR 84.42, respectively, apply. In all cases not governed by 24 CFR 85.36 and 24 CFR 84.42, the provisions of this section apply.

Conflicts prohibited. No persons described in paragraph (c) of this section who exercise or have exercised any functions or responsibilities with respect to activities assisted with HOME funds or who are in a position to participate in a decision-making process or gain inside information with regard to these activities, may obtain a financial interest or benefit from a HOME-assisted activity, or have an interest in any contract, subcontract or agreement with respect thereto, or the proceeds there under, either for themselves or those with whom they have family or business ties, during their tenure or for one year thereafter.

Persons covered. The conflict of interest provisions of paragraph (b) of this section apply to any person who is an employee, agent, consultant, officer, or elected official or appointed official of the participating jurisdiction, State recipient, or sub-recipient which are receiving HOME funds.

Exceptions: Threshold requirements. Upon the written request of the participating jurisdiction, HUD may grant an exception to the provisions of paragraph (b) of this section on a case-by-case basis when it determines that the exception will serve to further the purposes of the HOME Investment Partnerships Program and the effective and efficient administration of the participating jurisdiction's program or project. An exception may be considered only after the participating jurisdiction has provided the following:

- A. A disclosure of the nature of the conflict, accompanied by an assurance that there has been public disclosure of the conflict and a description of how the public disclosure was made; and
- B. An opinion of the participating jurisdiction's or State recipient's attorney that the interest for which the exception is sought would not violate State or local law.

Factors to be considered for exceptions. In determining whether to grant a requested exception after the participating jurisdiction has satisfactorily met the requirements of paragraph (d) of this section, HUD will consider the cumulative effect of the following factors, where applicable:

- A. Whether the exception would provide a significant cost benefit or an essential degree of expertise to the program or project which would otherwise not be available;
- B. Whether the person affected is a member of a group or class of low-income persons intended to be the beneficiaries of the assisted activity, and the exception will permit such person to receive generally the same interests or benefits as are being made available or provided to the group or class;
- C. Whether the affected person has withdrawn from his or her functions or responsibilities, or the decision-making process with respect to the specific assisted activity in question;
- D. Whether the interest or benefit was present before the affected person was in a position as described in paragraph (c) of this section;
- E. Whether undue hardship will result either to the participating jurisdiction or the person affected when

weighed against the public interest served by avoiding the prohibited conflict; and

F. Any other relevant considerations.

Owners and Developers

- A. No owner, developer or sponsor of a project assisted with HOME funds (or officer, employee, agent, or consultant of the owner, developer or sponsor) whether private, for profit or non-profit (including a community housing development organization (CHDO) when acting as an owner, developer or sponsor) may occupy a HOME-assisted affordable housing unit in a project. This provision does not apply to an individual who receives HOME funds to acquire or rehabilitate his or her principal residence or to an employee or agent of the owner or developer of a rental housing project who occupies a housing unit as the project manager or maintenance worker.
- B. *Exceptions.* Upon written request of a housing owner or developer, the participating jurisdiction (or State recipient, if authorized by the State participating jurisdiction) may grant an exception to the provisions of paragraph (f)(1) of this section on a case-by-case basis when it determines that the exception will serve to further the purposes of the HOME program and the effective and efficient administration of the owner's or developer's HOME-assisted project. In determining whether to grant a requested exception, the participating jurisdiction shall consider the following factors:
1. Whether the person receiving the benefit is a member of a group or class of low-income persons intended to be the beneficiaries of the assisted housing, and the exception will permit such person to receive generally the same interests or benefits as are being made available or provided to the group or class;
 2. Whether the person has withdrawn from his or her functions or responsibilities, or the decision-making process with respect to the specific assisted housing in question;
 3. Whether the tenant protection requirements of § 92.253 are being observed;
 4. Whether the affirmative marketing requirements of § 92.351 are being observed and followed; and
 5. Any other factor relevant to the participating jurisdiction's determination, including the timing of the requested exception.

§ 92.357 Executive Order 12372

General. Executive Order 12372, as amended by Executive Order 12416 (3 CFR, 1982 Comp., p. 197 and 3 CFR, 1983 Comp., p. 186) (Intergovernmental Review of Federal Programs) and HUD's implementing regulations at 24 CFR part 52, allow each State to establish its own process for review and comment on proposed Federal financial assistance programs.

Applicability. Executive Order 12372 applies to applications submitted with respect to HOME funds being competitively reallocated under subpart J of this part to units of general local government.

§ 92.358 Consultant activities

No person providing consultant services in an employer-employee type relationship shall receive more than a reasonable rate of compensation for personal services paid with HOME funds. In no event, however, shall such compensation exceed the limits in effect under the provisions of any applicable statute (e.g., annual HUD appropriations acts which have set the limit at the equivalent of the daily rate paid for Level IV of the Executive Schedule, see the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1997, Pub. L. 104-204 (September 26, 1996)). Such services shall be evidenced by written agreements between the parties which detail the responsibilities, standards, and compensation. Consultant services provided under an independent contractor relationship are not subject to the compensation limitation of Level IV of the Executive Schedule.

Subpart H – Other Federal Requirements under NHTF

§93.301(f) Environmental Review.

NHTF is not currently subject to 24 CFR part 58 but in the administration of the NHTF, HUD is committed to the principles of National Environmental Protection Act and insuring decent, safe, sanitary and affordable for extremely low and very low income families. Therefore, NHTF environmental rule establishes environmental review standards for NHTF for new construction and rehabilitation, which are included in the property standards section of the 24 CFR 93.301(f) for historic preservation, archaeological resources, farmland, airport zones, Coastal Barrier Resource System, coastal zone management, floodplains, wetlands, explosives and hazards, contamination, noise, endangered species, wild and scenic rivers, sale drinking water, and sole source aquifers.

These standards are substantially the same or very similar to the requirements of 24 CFR Part 58.

When combining HTF with HOME, a Part 50 or 58 Environmental Review and also meet the HTF environmental provisions.

§93.350 Other federal requirements and nondiscrimination; affirmative marketing.

General. The Federal requirements set forth in 24 CFR part 5, subpart A, are applicable to participants in the NHTF program. The requirements of this subpart include: nondiscrimination and equal opportunity; disclosure requirements; debarred, suspended, or ineligible contractors; and drug-free workplace.

Affirmative marketing.

- A. Each grantee must adopt and follow affirmative marketing procedures and requirements for rental projects containing five or more NHTF-assisted housing units and for homeownership assistance programs. Affirmative marketing steps consist of actions to provide information and otherwise attract eligible persons in the housing market area to the available housing without regard to race, color, national origin, sex, religion, familial status, or disability. If a grantee's written agreement with the project owner permits the rental housing project to limit tenant eligibility or to have a tenant preference in accordance with

§93.303(d)(3), the grantee must have affirmative marketing procedures and requirements that apply in the context of the limited/preferred tenant eligibility for the project.

B. The affirmative marketing requirements and procedures adopted must include:

1. Methods for informing the public, owners, and potential tenants about Federal fair housing laws and the grantee's affirmative marketing policy (*e.g.*, the use of the Equal Housing Opportunity logotype or slogan in press releases and solicitations for owners, and written communication to fair housing and other groups);
2. Requirements and practices the grantee and owner must adhere to in order to carry out the grantee's affirmative marketing procedures and requirements (*e.g.*, use of commercial media, use of community contacts, use of the Equal Housing Opportunity logotype or slogan, and display of fair housing poster);
3. Procedures to be used by the grantee and owners to inform and solicit applications from persons in the housing market area who are not likely to apply for the rental housing or homeownership assistance program without special outreach (*e.g.*, through the use of community organizations, places of worship, employment centers, fair housing groups, or housing counseling agencies);
4. Records that will be kept describing actions taken by the grantee and owners to affirmatively market rental housing units and homeownership assistance program and records to assess the results of these actions; and
5. A description of how the grantee will annually assess the success of affirmative marketing actions and what corrective actions will be taken where affirmative marketing requirements are not met.

C. A grantee that sub-grants NHTF funds to sub-grantees must require each sub-grantee to either follow the grantee's procedures and requirements or adopt its own affirmative marketing procedures and requirements that meet this section.

§93.351 Lead-based paint.

Housing assisted with NHTF funds is subject to the regulations at 24 CFR part 35, subparts A, B, J, K, and R.

§93.352 Displacement, relocation, and acquisition.

- A. *Minimizing displacement.* Consistent with the other goals and objectives of this part, the grantee must ensure that it has taken all reasonable steps to minimize the displacement of persons (families, individuals, businesses, nonprofit organizations, and farms) as a result of a project assisted with NHTF funds. To the extent feasible, displaced residential tenants must be provided a reasonable opportunity to lease and occupy a suitable, decent, safe, sanitary, and affordable dwelling unit in the building/complex upon completion of the project.
- B. *Temporary relocation.* The following policies cover residential tenants who will not be required to move permanently but who must relocate temporarily for the project. Such tenants must be provided:
 1. Reimbursement for all reasonable out-of-pocket expenses incurred in connection with the temporary relocation, including the cost of moving to and from the temporarily occupied housing and any increase in monthly rent/utility costs.

2. Appropriate advisory services, including reasonable advance written notice of:
 3. The date and approximate duration of the temporary relocation;
 4. The location of the suitable, decent, safe, and sanitary dwelling to be made available for the temporary period;
 5. The terms and conditions under which the tenant may lease and occupy a suitable, decent, safe, and sanitary dwelling in the building/complex upon completion of the project; and
 6. The provisions of paragraph (b)(1) of this section.
- C. *Relocation assistance for displaced persons*—(1) *General*. A displaced person (defined in paragraph (c)(2) of this section) must be provided relocation assistance at the levels described in, and in accordance with the requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA) (42 U.S.C. 4201-4655) and 49 CFR part 24. A “displaced person” must be advised of his or her rights under the Fair Housing Act and, if the comparable replacement dwelling used to establish the amount of the replacement housing payment to be provided to a minority person is located in an area of minority concentration, the minority person also must be given, if possible, referrals to comparable and suitable, decent, safe, and sanitary replacement dwellings not located in such areas.
- D. *Displaced person*. For purposes of this paragraph, the term “displaced person” means a person (family individual, business, nonprofit organization, or farm, including any corporation, partnership or association) that moves from real property or moves personal property from real property, permanently, as a direct result of acquisition, rehabilitation, or demolition for a project assisted with HTF funds. This includes any permanent, involuntary move for an assisted project, including any permanent move from the real property that is made:
1. After notice by the owner to move permanently from the property, if the move occurs on or after:
 - a. The date of the submission of an application to the grantee or HUD, if the applicant has site control and the application is later approved; or
 - b. The date the grantee approves the applicable site, if the applicant does not have site control at the time of the application; or
 - c. Before the date described in paragraph (c)(2)(i)(A) of this section, if the grantee or HUD determines that the displacement resulted directly from acquisition, rehabilitation, or demolition for the project; or
 - d. By a tenant-occupant of a dwelling unit, if any one of the following three situations occurs:
- E. The tenant moves after execution of the agreement covering the acquisition, rehabilitation, or demolition and the move occurs before the tenant is provided written notice offering the tenant the opportunity to lease and occupy a suitable, decent, safe, and sanitary dwelling in the same building/complex upon completion of the project under reasonable terms and conditions. Such reasonable terms and conditions must include a term of at least one year at a monthly rent and estimated average monthly utility costs that do not exceed the greater of:
1. The tenant's monthly rent before such agreement and estimated average monthly utility costs; or
 2. The total tenant payment, as determined under 24 CFR 5.628, if the tenant is low-income, or 30 percent of gross household income, if the tenant is not low-income;
 3. (2) The tenant is required to relocate temporarily, does not return to the building/complex, and either:

- a. The tenant is not offered payment for all reasonable out-of-pocket expenses incurred in connection with the temporary relocation; or
- b. Other conditions of the temporary relocation are not reasonable; or
- c. The tenant is required to move to another dwelling unit in the same building/complex but is not offered reimbursement for all reasonable out-of-pocket expenses incurred in connection with the move, or other conditions of the move are not reasonable.

Notwithstanding paragraph (c)(2)(i) of this section, a person does not qualify as a "displaced person" if:

1. The person has been evicted for cause based upon a serious or repeated violation of the terms and conditions of the lease or occupancy agreement, violation of applicable Federal, State or local law, or other good cause, and the grantee determines that the eviction was not undertaken for the purpose of evading the obligation to provide relocation assistance. The effective date of any termination or refusal to renew must be preceded by at least 30 calendar days advance written notice to the tenant specifying the grounds for the action.
2. The person moved into the property after the submission of the application, but before signing a lease and commencing occupancy, was provided written notice of the project, its possible impact on the person (*e.g.*, the person may be displaced, temporarily relocated, incur a rent increase), and the fact that the person would not qualify as a "displaced person" (or for any assistance under this section) as a result of the project;
3. The person is ineligible under 49 CFR 24.2(g)(2); or
4. HUD determines that the person was not displaced as a direct result of acquisition, rehabilitation, or demolition for the project.

F. The grantee may, at any time, ask HUD to determine whether a displacement is or would be covered by this rule.

Initiation of negotiations. For purposes of determining the formula for computing replacement housing assistance to be provided under this paragraph (c) to a tenant displaced from a dwelling as a direct result of private-owner rehabilitation, demolition, or acquisition of the real property, the term "initiation of negotiations" means the execution of the agreement covering the acquisition, rehabilitation, or demolition.

Optional relocation assistance. The grantee may provide relocation payments and other relocation assistance to families, individuals, businesses, nonprofit organizations, and farms displaced by a project assisted with NHTF funds where the displacement is not subject to paragraph (c) of this section. The grantee may also provide relocation assistance to persons covered under paragraph (c) of this section beyond that required. For any such assistance that is not required by State or local law, the grantee must adopt a written policy available to the public that describes the optional relocation assistance that it has elected to furnish and provides for equal relocation assistance within each class of displaced persons.

Real property acquisition requirements. The acquisition of real property for a project is subject to the URA and the requirements of 49 CFR part 24, subpart B.

Appeals. A person who disagrees with the grantee's determination concerning whether the person qualifies as a displaced person, or the amount of relocation assistance for which the person may be eligible, may file a written appeal of that determination with the grantee.

§93.353 Conflict of interest.

Applicability of 2 CFR 200.318. In the procurement of property and services by grantees and sub-grantees, the conflict of interest provisions in 2 CFR 200.318 apply. In all cases not governed by 2 CFR 200.318, the provisions of this section apply.

Conflicts prohibited. No persons described in paragraph (c) of this section who exercise or have exercised any functions or responsibilities with respect to activities assisted with NHTF funds or who are in a position to participate in a decision-making process or gain inside information with regard to these activities may obtain a financial interest or financial benefit from a NHTF-assisted activity, or have a financial interest in any contract, subcontract, or agreement with respect to the NHTF-assisted activity, or the proceeds from such activity, either for themselves or those with whom they have business or immediate family ties, during their tenure or for one year thereafter. Immediate family ties include (whether by blood, marriage, or adoption) the spouse, parent (including a stepparent), child (including a stepchild), brother, sister (including a stepbrother or stepsister), grandparent, grandchild, and in-laws of a covered person.

Persons covered. The conflict of interest provisions of paragraph (b) of this section apply to any person who is an employee, agent, consultant, officer, or elected official or appointed official of the grantee or sub-grantee.

Exceptions: Threshold requirements. Upon the written request of the grantee, HUD may grant an exception to the provisions of paragraph (b) of this section on a case-by-case basis when it determines that the exception will serve to further the purposes of the NHTF and the effective and efficient administration of the grantee's program or project. An exception may be considered only after the grantee has provided the following:

- A. A disclosure of the nature of the conflict, accompanied by an assurance that there has been public disclosure of the conflict and a description of how the public disclosure was made; and
- B. An opinion of the grantee's attorney that the interest for which the exception is sought would not violate State or local law.
- C. *Factors to be considered for exceptions.* In determining whether to grant a requested exception after the grantee has satisfactorily met the requirements of paragraph (d) of this section, HUD will consider the cumulative effect of the following factors, where applicable:
 1. Whether the exception would provide a significant cost benefit or an essential degree of expertise to the program or project which would otherwise not be available;
 2. Whether the person affected is a member of a group or class of income eligible persons intended to be the beneficiaries of the assisted activity, and the exception will permit such person to receive generally the same interests or benefits as are being made available or provided to the group or class;
 3. Whether the affected person has withdrawn from his or her functions or responsibilities, or the decision making process with respect to the specific assisted activity in question;

4. Whether the interest or benefit was present before the affected person was in a position as described in paragraph (c) of this section;
5. Whether undue hardship will result either to the grantee or the person affected when weighed against the public interest served by avoiding the prohibited conflict; and
6. Any other relevant considerations.

Recipient—(1) *General*. No recipient assisted with NHTF funds (or officer, employee, agent, elected or appointed official, or consultant of recipient or immediate family member or immediate family member of an officer, employee, agent, elected or appointed official, or consultant of a recipient) whether private, for-profit or nonprofit, may occupy a NHTF-assisted affordable housing unit in a project during the required period of affordability specified in §93.302(e) or §93.304. This provision does not apply to an employee or agent of the recipient who occupies a housing unit as the project manager or maintenance worker.

Exceptions. Upon written request of a recipient, the grantee (or subgrantee, if authorized by the grantee) may grant an exception to the provisions of paragraph (f)(1) of this section on a case-by-case basis when it determines that the exception will serve to further the purposes of the NHTF program and the effective and efficient administration of the recipient's NHTF-assisted project. In determining whether to grant a requested exception, the grantee shall consider the following factors:

- A. Whether the person receiving the benefit is a member of a group or class of low-income persons intended to be the beneficiaries of the assisted housing, and the exception will permit such person to receive generally the same interests or benefits as are being made available or provided to the group or class;
- B. Whether the person has withdrawn from his or her functions or responsibilities, or the decision making process with respect to the specific assisted housing in question;
- C. Whether the tenant protection requirements of §93.303 are being observed;
- D. Whether the affirmative marketing requirements of §93.350 are being observed and followed; and
- E. Any other factor relevant to the grantee's determination, including the timing of the requested exception.

§93.354 Funding Accountability and Transparency Act.

The NHTF grant to the grantee and all assistance provided to sub-grantees and recipients shall be considered a Federal award for purposes of the Federal Funding Accountability and Transparency Act of 2006 (31 U.S.C. 6101 note).

§93.355 Eminent domain.

No NHTF funds may be used in conjunction with property taken by eminent domain, unless eminent domain is employed only for a public use, except that, public use shall not be construed to include economic development that primarily benefits any private entity.

Executive Order 11246 Equal Employment Opportunity

Executive Order 11246 signed July 21, 2014 prohibits federal contractors from discriminating against employees based on gender identity and sexual orientation. Specifically, the Executive Order amends Executive Order 11246 to add gender identity and sexual orientation to the protected categories.

Attachment "G" NSP 1 Program Description

NEIGHBORHOOD STABILIZATION PROGRAM (NSP1)

Jurisdiction(s): Wyoming Community Development Authority	NSP Contact Person: John Batey Address: Wyoming Community Development Authority 155 North Beech Street Casper, WY 82601
Jurisdiction Web Address: www.wyomingcda.com	Telephone: 307-265-0603 Fax: 307-266-5414 Email: batey@wyomingcda.com

The Wyoming Community Development Authority will be the responsible agency for the administration of the Neighborhood Stabilization Program (NSP) and the quarterly reporting submissions to the HUD field office in Denver.

NSP-assisted Programs for the State of Wyoming - No additional Grant Funds are anticipated under this program. However, as Program Income is generated the following activities will be eligible uses.

- A. **Wyoming Rehabilitation and Acquisition Program (WRAP)**, WCDA will acquire and rehabilitate foreclosed properties which will be sold to low and moderate income eligible buyers. The targeted locations include the following counties:
 1. Campbell, Fremont, Laramie, Natrona, Sweetwater, Uinta
 2. Counties may be added or removed in the future depending on the foreclosure market.
- B. **NSP Rental Opportunities (ReOpp)**, – Financing for for-profit developers, non-profit entities and housing authorities to purchase and rehabilitate foreclosed and abandoned homes to be used as rental properties for low income persons. The eligible locations include the following counties:
 1. Campbell, Fremont, Laramie, Natrona, Sweetwater, Uinta
 2. Counties may be added or removed in the future depending on the foreclosure market.
- C. **NSP Allowable Administrative Fees**, – The NSP program allows an amount up to ten percent (10%) of the NSP grant amount to be used for general administration and planning activities as defined at 24 CFR 570.205 and 206. The NSP program also allows 10% of program income earned to be used for administrative fees.

A. AREAS OF GREATEST NEED

The NSP Program requires states to distribute NSP funds to the areas of greatest need including those areas with the greatest percentage of home foreclosures, those areas with the highest percentage of homes financed by a subprime mortgage and to those areas identified by the grantee as likely to face a significant rise in the rate of home foreclosures. According to HUD's data for NSP determination approximately 68% of the foreclosed homes can be found in the counties of Campbell, Fremont, Laramie, Natrona, Sweetwater, and Uinta. The NSP funds will be used in these counties.

Summary of Needs

According to HUD's numbers, the counties that have the highest Estimated Number of Foreclosures are Laramie and Natrona both with well over 200 foreclosures; 377 and 298 respectively. Sweetwater County has more than 175 Estimated Number of Foreclosures Campbell has over 95, and Fremont, and Uinta have Estimated Number of Foreclosures in the 70's.

B. DISTRIBUTION AND USES OF FUNDS

The Attached Appendix "A" - Table 1 - HUD NSP DATA shows that 675 of the 1,527 (44.20%) foreclosures are located in Laramie and Natrona Counties. In addition, 31% (2,315 out of 7,421) of units that have been vacant for 90 days or more are located in these two counties as well as 42% of the high cost HMDA loans. Campbell, Fremont, Laramie, Natrona, and Sweetwater have 70% of all of the Foreclosures. HUD puts the highest priority on the areas with the greatest number of foreclosures and as such, all of these counties are eligible for NSP funding.

All recipients need to be aware that due to the environmental review requirements and specifically 24 CFR Part 58.22, neither a recipient nor any participant in the development process, including public or private nonprofit or for-profit entities, or any of their contractors, may commit HUD assistance under a program listed in Sec. 58.1(b) on an activity or project until HUD or the state has approved the recipient's Request for Release of Funds (RROF) and the related certification from the responsible entity. In addition, until the RROF and the related certification have been approved, neither a recipient nor any participant in the development process may commit non-HUD funds on or undertake an activity or project under a program listed in Sec. 58.1(b) if the activity or project would have an adverse environmental impact or limit the choice of reasonable alternatives.

This means that once a decision has been made to use federal money for the project no action can be taken on the property by either the recipient, sub-recipient or a third party (such as a contractor or developer) until after the project has received environmental clearance. This rule is triggered by intent rather than when application is made. For acquisition the environmental review must be completed prior to the use of NSP funds. For rehabilitation, no activity can be started until after environmental clearance is received.

C. DEFINITIONS AND DESCRIPTIONS

1. Definition of "blighted structure" in context of state or local law.

The definition of "blighted structure" for the State of Wyoming was derived from the statutory definition of blighted area in W.S. 15-9-103.

"Blighted structure" means a structure which may be located in a slum area, a deteriorated or deteriorating structure, a structure which may have inadequate legal access, a structure with a faulty floor plan or room layout in relation to size, adequacy, accessibility or usefulness, unsanitary or unsafe conditions, deterioration of site or other improvements, diversity of ownership, tax or special assessments, delinquency exceeding the fair value of the land, defective or unusual conditions of title, or the existence of conditions which endanger life or property by fire and other causes, or any combination of those factors, substantially impairs or arrests the sound growth of a municipality,

retards the provision of housing accommodations or constitutes an economic or social liability and is a menace to the public health, safety, morals or welfare in its present condition and use.

"Slum area" means an area in which there is a predominance of buildings or improvements, whether residential or nonresidential, which by reason of dilapidation, deterioration, age or obsolescence, inadequate provision for ventilation, light, air, sanitation, or open spaces, high density of population and overcrowding, or the existence of conditions which endanger life or property by fire and other causes, or any combination of those factors is conducive to ill health and is detrimental to the public safety, morals or welfare.

2. Definition of "affordable rents."

Affordable rent is determined to be the HUD Low HOME Rents or fair market rent whichever is less. Fair market rent is determined by HUD guidelines and includes tenant paid utilities. Please refer to the WCDA website for the current rents:

http://www.wyomingcda.com/index.php?option=com_content&task=view&id=162&Itemid=162

3. Describe how the grantee will ensure continued affordability for NSP-assisted housing.

All residential properties will have a 30-year mortgage placed upon them. The property may also have a soft second mortgage triggered by the sale of the property, transfer of title, or when the property is no longer owner occupied.

4. Describe housing rehabilitation standards that will apply to NSP-assisted activities.

At minimum, all properties financed utilizing NSP funds must meet HUD's Uniform Physical Condition Standards. In addition, all properties to be rehabilitated must meet the Property Rehabilitation Standards as outlined in Appendix B and ensure local, state or national building codes will be followed.

Properties under the Wyoming Acquisition & Rehabilitation Program (WRAP) will be visited by WCDA staff and evaluated for participation in the WRAP program prior to any offers being submitted. All properties must be structurally sound or have the ability to be made structurally sound. In the event that a property is not structurally sound and/or the cost of rehabilitation would exceed the after rehabilitation value it would be possible under the WRAP program to demolish the current structure and place a new structure on the existing site. New properties may be stick built or modular construction. Properties must be attached to a permanent foundation. A preliminary inspection, including photographs, will be completed at that time using at minimum HUD's Uniform Physical Condition Standards, which will note all health and safety violations along with other potential concerns which may require specialized inspection at a later date, and the Property Rehabilitation Standards as outlined in Appendix B. The property will also be evaluated for environmental concerns. All properties selected for the WRAP program will be brought up to local, state, or national building code (whichever is more restrictive). The major systems of the property, such as electrical, plumbing, heating, roofing, and foundation, will be addressed first.

D. LOW INCOME TARGETING

As required under the NSP Program at least 25% of Grant Funds plus Program Income must benefit individuals or families whose income does not exceed 50 percent of area median income. Wyoming has chosen to specifically target all eligible housing activities towards low income households. Lower interest rates or a preference within the program design will be available in an effort to encourage homeownership or benefit to households at or below 50% of AMI. The Rental Opportunities Program and the WRAP Program will be used to meet the set-aside requirements.

The low (50%), moderate (80%), and middle (120%) income levels broken down by county and family size can be accessed on WCDA's website at www.wyomingcda.com.

E. ACQUISITIONS & RELOCATION

Demolition is an eligible activity. Any structure that is demolished must meet the requirement of being a blighted structure. If a structure is demolished there must be a benefit to low, moderate and middle income persons.

It is anticipated that properties selected under the WRAP and the ReOpp programs may include demolition of a previously foreclosed property. If a structure is demolished under the Demolition for Housing Program and the NSP Redevelopment Program, a housing unit must be produced following the demolition of the existing structure. It is noted that the NSP Program regulations waived the One-for-One Replacement requirement; however, when possible and most reasonable a replacement unit will be constructed and the property made available to a low income (50% AMI) or moderate income (80%) persons.

F. PUBLIC COMMENT

Comments on the NSP programs are welcome at any time and may be directed to batey@wyomingcda.com or WCDA – NSP Comments, P.O. Box 634, Casper, WY 82602. Please note that official plan changes can only be made as part of a substantial amendment or during the annual consolidated plan process. Comments received outside of an official comment period will be included in the next official public comment period. If you have questions at any time please contact WCDA at 307-265-0603.

G. NSP INFORMATION BY ACTIVITY

1. Activity Name: **Wyoming Rehabilitation and Acquisition Program (WRAP)**
2. Activity Type:

NSP Eligible Use

§2301(c)(3)(B) purchase and rehabilitate homes and residential properties that have been abandoned or foreclosed upon, in order to sell, rent, or redevelop such homes and properties.

CDBG Eligible Activity

- a. 24 CFR 570.201
- b. (a) Acquisition
- c. (b) Disposition
- d. (i) Relocation
- e. (n) Direct homeownership assistance to persons whose incomes do not exceed 120% of median income

- f. 24 CFR 570.202 Eligible rehabilitation and preservation acquisition activities for homes and other residential properties.

3. National Objective:

All activities will meet the national objective of benefiting low, moderate and middle income persons.

4. Activity Description:

The WRAP program may be used to meet the low income housing requirement for those at or below 50% of AMI.

Under the WRAP program WCDA will use NSP funding to purchase foreclosed or abandoned properties. The foreclosed properties will be rehabilitated and sold to low and moderate income eligible buyers to provide homeownership opportunities while preserving existing housing stock and revitalizing neighborhoods.

In order to be eligible for the NSP Program, the seller must be willing to sell the property for not more than 99% of the current appraised value as defined in the NSP regulations.

WCDA will establish WRAP Program Eligibility, assuring compliance with the any current Federal regulations. Basic applicant eligibility requirements can be found at:

<http://www.wyomingcda.com/index.php/homebuyers/C68>

Appendix A

Table 1 - HUD NSP Data

County	Est. # of fore-closures	% of Total Fore-closures	Est. # of mortgages	Est. fore-closure rate	Total address- es 90 days vacant	total address- es	Est. 90 day vacancy rate	Total high-cost 2004 to 2006 HMDA loans	Total 2004 to 2006 HMDA loans	Est. high-cost loan rate
Albany	28	1.8%	5,401	0.5%	684	15,120	4.5%	336	2,500	13.4%
Big Horn	15	1.0%	585	2.6%	272	3,002	9.1%	91	271	33.6%
Campbell	97	6.4%	6,237	1.6%	334	14,569	2.3%	782	2,887	27.1%
Carbon	50	3.3%	2,649	1.9%	394	4,148	9.5%	352	1,226	28.7%
Converse	41	2.7%	2,236	1.8%	117	4,051	2.9%	296	1,035	28.6%
Crook	8	0.5%	693	1.2%	0	944	0.0%	62	321	19.3%
Fremont	77	5.0%	4,824	1.6%	575	12,082	4.8%	503	2,233	22.5%
Goshen	33	2.2%	1,389	2.4%	172	4,666	3.7%	202	643	31.4%
Hot Springs	12	0.8%	531	2.3%	258	2,126	12.1%	74	246	30.1%
Johnson	17	1.1%	1,389	1.2%	60	3,097	1.9%	125	643	19.4%
Laramie	377	24.7%	25,035	1.5%	1,340	37,407	3.6%	2,543	11,588	21.9%
Lincoln	68	4.5%	3,578	1.9%	84	2,025	4.1%	478	1,656	28.9%
Natrona	298	19.5%	19,487	1.5%	975	28,879	3.4%	2,240	9,020	24.8%
Niobrara	5	0.3%	225	2.2%	1	251	0.4%	32	104	30.8%
Park	34	2.2%	2,543	1.3%	330	10,662	3.1%	268	1,177	22.8%
Platte	21	1.4%	910	2.3%	202	3,030	6.7%	129	421	30.6%
Sheridan	48	3.1%	4,360	1.1%	258	10,886	2.4%	392	2,018	19.4%
Sublette	13	0.9%	1,361	1.0%	3	465	0.6%	138	630	21.9%
Sweetwater	179	11.7%	7,916	2.3%	799	16,466	4.9%	1,258	3,664	34.3%
Teton	1	0.1%	3,424	0.0%	14	1,629	0.9%	160	1,585	10.1%
Uinta	72	4.7%	3,368	2.1%	220	5,971	3.7%	487	1,559	31.2%
Washakie	19	1.2%	1,141	1.7%	153	3,339	4.6%	134	528	25.4%
Weston	14	0.9%	856	1.6%	176	2,298	7.7%	101	396	25.5%
	1,527		100,138	1.5%	7,421	187,113	4.6%	11,183	46,351	25.4%
Laramie	377	24.7%	25,035	1.5%	1,340	37,407	3.6%	2,543	11,588	21.9%
Natrona	298	19.5%	19,487	1.5%	975	28,879	3.4%	2,240	9,020	24.8%
	675	0	44,522	1.5%	2,315	66,286	3.5%	4,783	20,608	23.2%
Campbell	97	6.4%	6,237	1.6%	334	14,569	2.3%	782	2,887	27.1%
Fremont	77	5.0%	4,824	1.6%	575	12,082	4.8%	503	2,233	22.5%
Laramie	377	24.7%	25,035	1.5%	1,340	37,407	3.6%	2,543	11,588	21.9%
Natrona	298	19.5%	19,487	1.5%	975	28,879	3.4%	2,240	9,020	24.8%
Sweetwater	179	11.7%	7,916	2.3%	799	16,466	4.9%	1,258	3,664	34.3%
	1,100	72.0%	66,867	1.6%	4,243	115,374	3.7%	7,813	30,951	25.2%

Appendix B

Property Standards

Priority Rehabilitation Items

- Level One** Health and Safety Items including but not limited to foundation, roof, electrical, plumbing, heating system, asbestos, and lead-based paint.
- Level Two** Code Violations
- Level Three** Energy Conservation
- Level Four** General Improvements may include accessibility improvements.

ELIGIBLE AND INELIGIBLE IMPROVEMENTS

Eligible rehabilitation costs include:

- A. Items that substantially protect or improve the property to meet or exceed Uniform Physical Condition Standards (UPCS) prescribed by HUD pursuant to 24 CFR 5.705, local, state or national building codes or rehabilitation standards, FHA Property Standards, as defined in HUD Handbook 4910.1, Minimum Property Standards for Housing, 1994 Edition or improve energy efficiency.
- B. Not considered luxury items and are not of a quality above that normally required.
- C. Needed to correct livability conditions necessary to meet codes or UPCS, including appliances such as stoves or refrigerators.
- D. Required to meet Historic Preservation Standards. An assessment must be done to determine if the property is eligible for the National Register of Historic Places. If so, the rehabilitation must be done in accordance with the requirements set by the Secretary of the Interior and costs to do so are eligible.
- E. Costs to control lead-based paint hazards. All properties constructed prior to January 1, 1978 must be tested for lead-based paint by a certified Lead-Based Paint Assessor.
- F. Costs to make the property accessible, if applicable.
- G. Costs to remedy structural problems.
- H. General property improvements. These are items that go beyond the items necessary to meet local rehab standards, but are necessary to put the property in generally good and readily maintainable condition.

Examples of general property improvements could include:

1. Work that results in reduced maintenance or extends the useful life of part of the property.
2. Work to expand the livable space and eliminate inefficient design, such as moving walls.
3. Garbage disposals or other work-saving items which are customary in the locality.
4. Remodeling of a kitchen or bathroom or currently under-utilized space to improve efficiency or to modernize the property.

I. Costs to be the equivalent of new construction or reconstruction of the property. Substantial rehabilitation is allowed (“gut” rehab) if it is necessary to meet local rehabilitation standards.

J. Necessary and customary professional services, such as architectural, engineering, and attorney’s fees required in the preparation of rehabilitation plans, drawings, write ups, specifications of work, or cost estimates if those services are beyond those normally provided the WCDA staff.

K. Loan processing and settlement costs beyond those normally provided by rehabilitation provider. These soft costs may include but are not limited to:

- Building permits and related fees if not included in the contractor’s bid
- Lending institution’s origination fees
- Credit reports
- Legal and other fees to obtain acceptable title evidence or to correct title problems
- Recording and filing fees
- Appraisal costs
- Costs to obtain an independent rehabilitation cost estimate.

L. Contingency reserves up to 10% of the total WCDA loan. This reserve may be established to cover unanticipated construction costs or increases in other eligible loan costs.

Ineligible Costs are:

A. Luxury items, i.e., fixtures, landscaping, or equipment which is of a type or quality that substantially exceeds what is customary for that locality or that type of property.

Attachment "H" NSP 3 Program Description

NSP3 Grantee Information

NSP3 Program Administrator Contact Information	
Name (Last, First)	Batey, John
Email Address	batey@wyomingcda.com
Phone Number	307-265-0603
Mailing Address	PO Box 634, Casper, WY 82602

Areas of Greatest Need

Determination of Areas of Greatest Need and Applicable Tiers

Describe how the areas of greatest need were established and whether a tiered approach is being utilized to determine the distribution of funding.

Currently all NSP3 Program funds are allocated. It is not anticipated there will be sufficient Program Income to fund a project in the year 2016. If sufficient funds do become available, all the rules outlined in the 2013 Program Description will be utilized.

Attachment "I" National Housing Trust Fund Program Description

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I. EXECUTIVE SUMMARY

The National Housing Trust Fund (NHTF) was created under The Housing and Economic Recovery Act of 2008 in the Federal Housing Finance Regulatory Reform Act of 2008, Division A, Title I Section 1338 entitled “Housing Trust Fund” and codified under 24 CFR Part 93. The stated purposes of the NHTF include:

- Increasing and preserving the supply of rental housing for extremely low-income (ELI) families with incomes between 0 and 30 percent of area median Income and very low-income (VLI) families with incomes between 30 and 60 percent of area median income, including homeless families, and
- Increasing homeownership for ELI and VLI families.

A minimum of 80% of the funding must be used for rental housing; up to 10 % MAY be used for homeownership; and up to 10 percent may be used for the grantee’s administrative and planning costs. The State of Wyoming **anticipates** receiving an annual allocation in NHTF funds of approximately \$3,000,000, the minimum grant amount. See the WCDA Allocation Plan, Attachment “A” for actual funding levels.

These NHTF funds will be allocated to local governments, CHDOs, Public Housing Authorities, Non-profit organizations and for-profit developers of low-income housing as described below. All projects outside of Casper and Cheyenne must be developed pursuant to the State's Consolidated Plan for Housing and Community Development. Casper and Cheyenne projects must be developed pursuant to their respective local Consolidated Plans. Projects located in entitlement cities (Cheyenne and Casper) must have a current letter of consistency with the Consolidated Plan from the appropriate Jurisdiction.

NHTF funds must be spent quickly. The time frames for committing and expending funds are very short. From the time WCDA signs a NHTF Agreement for NHTF funds with the Department of Housing and Urban Development, the following time frames apply:

- 24 months to enter into written agreements with an Owner/Developer to reserve NHTF funds.
- 24 months to commit funds in the NHTF HUD System for specific projects.
- 4 years to expend funds.

In an effort to quickly allocate NHTF funds prior to the construction season, WCDA’s application period for NHTF funding runs prior to WCDA’s receipt of NHTF funds from HUD. Therefore no funding can be allocated until after WCDA signs an NHTF contract with HUD. The final allocation may be different from the anticipated amount.

II. ALLOCATION OF FUNDS

The NHTF is primarily a production program meant to add units to the supply of affordable housing for ELI and VLI households. As such the funds will be allocated as follows:

- A. **Rental Production and Rehabilitation** - The approximate amount of funding set-aside for Rental Production and Rehabilitation is 90 % of the Total Funding –This set aside is available for Rental Housing Production programs under which non-profit developers, for-profit developers, Local Governments, and public housing authorities may apply. Applications are anticipated to be accepted in January of each year. Projects are ranked competitively against the Ranking Criteria listed in the WCDA Allocation Plan. For actual funding levels, see WCDA Allocation Plan, Current Year Summary Attachment “A”.
- B. **Administration** - Approximately 10% of Fiscal Year NHTF allocation will be set-aside for WCDA administrative costs.
- C. **Small Rural Project Set-Aside** - In Wyoming the NHTF funding is allocated through a competitive process from applications received from outside Developers. WCDA does NOT retain any Rental funding to administer projects directly. Thus it is difficult to assure specific geographic distribution as applications are not received until after the Program Plan is approved. In an effort to achieve geographic distribution in areas of greatest need, WCDA analyzes information from various sources to ascertain where these locations are and then builds incentives in the Action Plan through scoring, set asides etc. In recent years it has been evident that the small communities have been overlooked on their affordable housing needs. In order to create an incentive for developers to consider more rural areas, and satisfy HUD’s geographic distribution requisite, this Small Project Set-Aside was created. The amount of the set-aside is disclosed in the Current Year Summary Attachment “A”.

In order to qualify for the Small Rural Project Set-aside the following criteria applies:

1. The project must be in a small community with a population under 15,000 and no communities with a population over 15,000 are within 20 miles of the project.
2. The project must have 24 or fewer units
3. Project must not be done in conjunction with a separate project in the same locale.

Due to the fact that Market Rents are typically lower in rural areas, projects may have a 10% variance in income and rent levels when qualifying for the Small Rural Project set-aside.

III. RENTAL HOUSING PRODUCTION/REHABILITATION

A. **Rental Housing Production** - can be accomplished in the following ways:

4. **Rehabilitation**
 - a. Rehabilitation
 - b. Conversion
 - c. Reconstruction
 - d. Rehabilitation and Refinance
5. **Acquisition and/or Rehabilitation**
6. **New Construction**

There are three important things to remember about NHTF-assisted Rental Housing:

4. Rents are strictly controlled
5. Tenants must be extremely low-income (30% of Area Median Income adjusted for family size as determined by HUD).
6. Both occupancy and rents must be maintained and monitored for a minimum affordability period of not less than 30 years

Both the rent and income targeting requirements are enforced by deed restrictions and specify remedies for breach of the provisions.

B. **Eligible Property Types**

7. One or more buildings on a single site that are under common ownership, management and financing.
8. Scattered sites are eligible as one project as long as the sites are under common ownership, management and financing, and receive NHTF assistance as part of a single undertaking.
9. There are no limits on the number of units per project.
10. There are no preferences for unit size and style except for what is identified in the applicable Consolidated Plan.
11. Properties may be privately or publicly owned.
12. A letter of notification for proposed development will be sent to the local jurisdiction.

C. **Initial NHTF Rents**

Every NHTF-Assisted unit is subject to rent controls designed to make sure that rents are affordable to extremely low-income households. These maximum rents may be referred to as NHTF RENTS. NHTF RENTS are subject to change annually, are published by HUD and will be made available to applicants by WCDA.

100% of NHTF-Assisted units must have rents that are at or below the maximum rents. This requirement may be modified on a case by case basis at the discretion of WCDA and within the limits of the Federal Regulations.

The NHTF income and rent limits will be posted when available on the WCDA website as disclosed in the Affordable Housing Plan Current Year Summary Attachment "C" Item "1".

The maximum allowable HUD NHTF rents must be reduced if the tenant pays for utilities. Utility adjustments are made in accordance with the NHTF program Rules and Regulations. Utility adjustments proposed by owners/developers for specific projects must be approved by WCDA.

D. Affordability Period

HUD requires NHTF-assisted **Rental** units be rent controlled for not less than 30 years.

Maximum monthly rents and utility allowances must be recalculated annually by the owner. They are reviewed and approved by WCDA. Rent increases may be permitted, but tenants must be given at least 30 days written notice before increases are implemented. Any increases are also subject to other provisions of the lease agreements and subject to approval by WCDA.

E. Occupancy of NHTF-Assisted Rental Units

Owners of rental housing funded with NHTF funds are required to have a written occupancy policy in place prior to the occupancy of the NHTF-assisted units. This policy should outline who is eligible for the units and be consistent with Fair Housing laws. The NHTF regulations list a number of prohibited lease provisions and some required lease provisions with which owners should become familiar. WCDA has a Suggested Occupancy Policy and a list of these provisions that owners can adapt for their project.

F. Determining the Initial Income Eligibility of NHTF Tenants

The NHTF Program beneficiaries under Rental Housing Production are tenants with incomes at or below 30% of the Area Median Income. The income of each tenant must be determined initially in accordance with 24 CFR 93.151(d)(1) by using Annual Income as defined under the Section 8 Housing Assistance Payments programs in 24 CFR Part 5.609.

G. Annual Recertification of Income

The annual incomes of tenants in NHTF projects must be re-examined each year during the period of affordability. The project owner must re-examine each tenant's annual income by utilizing third party source documents evidencing annual income.

WCDA will require that the owner of NHTF-assisted rental units report at least once a year on the annual income of all tenants.

H. Increases in Tenant Income

Tenants occupying NHTF-assisted units whose annual incomes exceed 30% of median (that is, they are no longer extremely low-income) may stay in their NHTF-assisted apartments. However, the next available unit of comparable size must be rented to an NHTF eligible household, at which time the first unit will be re-classified at the appropriate income and rent level as appropriate for other restrictions on the property.

WCDA will review the owner's recertification of tenant income annually. WCDA will review rent and utility allowances annually. WCDA will perform on-site inspection for compliance with the NHTF Property Standards cited at 24 CFR 93.301 which includes that the housing be maintained as decent, safe, and sanitary housing in good repair, meet all applicable State and local code requirements and ordinances and in absence

of State or local code requirements and ordinances, property must meet the International Residential Code or International Building Code (as applicable to the type of housing) of the International Code Council at least once every three years.

WCDA will review the owner's compliance with written agreements annually.

I. Eligible Activities for Rental Housing Production

The following activities are eligible for rental housing production with NHTF funds:

1. REHABILITATION –

- a. Rehabilitation of existing structures, and
Rehabilitation and Refinancing to permit or continue affordability under 24 CFR 93.201(b).
 - Rehabilitation must be the primary eligible activity requiring at least \$30,000 of required rehabilitation costs per unit.
 - A CNA must be provided by an unrelated Professional CNA provider to include a unit by unit breakdown and budget at time of application. The CNA must include an estimate of the remaining useful life of major systems and estimates of replacement costs. Major systems include: structural support, roofing, cladding, weather proofing (windows, doors, siding, and gutters), plumbing, electrical and heating, ventilations, and air conditioning.
 - A review of the owner's management practices will be made in order to determine that disinvestment in the property has not occurred, that the long term needs of the project can be met and that the feasibility of serving the targeted population over an extended affordability period can be demonstrated.
 - The refinancing must be made for the purposes of maintaining current affordable units or creating additional affordable units and the rehabilitation cost must be greater than the amount of debt that is refinanced.
 - The minimum required period of affordability would be 30 years.
 - Refinancing is an eligible activity throughout the State of Wyoming under the NHTF Program.
 - NHTF funds cannot be used to refinance multifamily loans made or insured by any Federal program, including CDBG.
- b. Conversion - Conversion of an existing structure from an alternative use to affordable, residential housing is an eligible activity and is considered rehabilitation. If conversion

involves additional units beyond the walls of an existing structure, the project will be deemed new construction.

- c. Reconstruction - Reconstruction is defined as the rebuilding, on the same lot, of housing standing on a site at the time of project commitment. The number of housing units on the lot may not be decreased or increased as part of a reconstruction project, but the number of rooms per unit may be increased or decreased. Reconstruction also includes replacing an existing substandard unit of manufactured housing with a new or standard unit of manufactured housing.

2. ACQUISITION - Acquisition of an eligible property is eligible as part of a rental housing project.
3. NEW CONSTRUCTION - New Construction is an eligible use of NHTF funds.

J. Eligible Costs -

NHTF funding is disbursed on a reimbursement basis. After costs have been incurred and paid by the project, a reimbursement request may be submitted for land acquisition and/or costs as outlined below. A 10% retainage will be withheld from each draw request until the project is completed, placed in service and all documentation sufficient to WCDA is submitted to close out the project. All draws will be processed once a month.

1. Land Acquisition Costs

2. Development Hard Costs - The actual construction and/or rehabilitation costs including:

- a. Costs of actual material and labor
- b. Costs to meet the International Residential Code or International Building Code (as applicable to the type of housing) of the International Code Council
- c. Costs to meet rehabilitation standards
- d. Essential improvements
- e. Energy-related improvements
- f. Costs to contain or abate Lead-based paint hazards
- g. Costs to mitigate hazards including but not limited to mold, asbestos, radon and drugs
- h. Improvements for handicapped persons
- i. Repair or replacement of major systems in danger of failure
- j. Incipient repairs and general property improvements of a non-luxury nature

3. Demolition Costs but only when part of a rehabilitation project.

4. Site improvements and utility connections can be funded with NHTF funds only when conducted in conjunction with NHTF eligible activities.

5. Related Soft Costs – reasonable and necessary costs, including:

- a. Architectural, engineering or related professional services (inspection, work write-ups) to a third party.
- b. Financing costs such as loan points, credit and title costs, recordation fees, building permits, legal fees, appraisals, and developer fees.
- c. Relocation costs (permanent and temporary), affirmative marketing, and fair housing information services.

IV. PROPERTY STANDARDS

Housing that is constructed or rehabilitated with NHTF funds must meet all applicable local codes, rehabilitation standards, ordinances, and zoning ordinances at the time of project completion. In absence of a local code for new construction or rehabilitation, NHTF-assisted new construction or rehabilitation must meet: as applicable, the International Residential Code or International Building Code (as applicable to the type of housing) of the International Code Council. All new construction project must all meet the requirements in 24 CFR Part 93.301(a), which addresses HUD requirements in Accessibility, Energy efficiency, and Disaster mitigation All rehabilitation projects must meet all the requirements in 24 CFR Part 93.301(b), which addresses HUD Requirements in Health and Safety, Major Systems, Lead-based paint, Accessibility, Disaster mitigation, Uniform Physical Condition Standards, and Capital Needs Assessments.

Since NHTF regulations require that NHTF-assisted units meet a minimum property standard, NHTF funds cannot be used for emergency repair programs.

NHTF is not currently subject to 24 CFR part 58 but in the administration of the NHTF, HUD is committed to the principles of National Environmental Protection Act and insuring decent, safe, sanitary and affordable for extremely low and very low income families. Therefore, NHTF environmental rule establishes environmental review standards for NHTF for new construction and rehabilitation, which are included in the property standards section of the 24 CFR 93.301(f) for historic preservation, archaeological resources, farmland, airport zones, Coastal Barrier Resource System, coastal zone management, floodplains, wetlands, explosives and hazards, contamination, noise, endangered species, wild and scenic rivers, sale drinking water, and sole source aquifers.

These standards are substantially the same or very similar to the requirements of 24 CFR Part 58. When combining HTF with HOME, a Part 50 or 58 Environmental Review will be required, and the Environmental Review must also meet the HTF environmental requirements.

V. ELIGIBLE REHABILITATION COSTS

- A. Development Hard Costs** - The actual rehabilitation costs including:
1. Costs to meet the International Residential Code or International Building Code (as applicable to the type of housing) of the International Code Council
 2. Costs to meet rehabilitation standards
 3. Essential improvements
 4. Energy-related improvements
 5. Costs to contain or abate Lead-based paint hazards
 6. Costs to mitigate hazards including but not limited to mold, asbestos, radon and drugs
 7. Improvements for handicapped persons
 8. Repair or replacement of major housing systems in danger of failure
 9. Incipient repairs and general property improvements of a non-luxury nature
- B. Demolition Costs** when part of a rehabilitation project.
- C. Site improvements** and utility connections can be funded with HOME funds only when conducted in conjunction with HOME eligible activities.
- D. Related Soft Costs** - reasonable and necessary costs, including:
4. Architectural, engineering or related professional services (inspection, work write-ups) to a third party.
 5. Financing costs such as loan points, credit and title costs, recordation fees, building permits, legal fees, appraisals, and developer fees.
 6. Relocation costs (permanent and temporary), affirmative marketing, and fair housing information services.
- E. Refinancing Costs** – only when cost of rehabilitation exceeds cost of refinancing.

VI. SITE AND NEIGHBORHOOD REQUIREMENTS

All NHTF projects must be developed in a manner that provides housing that is suitable from the standpoint of facilitating and furthering full compliance with the applicable provisions of title VI of the Civil Rights Act of 1964, the Fair Housing Act and HUD regulations issued pursuant thereto; and promotes greater choice of housing opportunities.

- A. NHTF projects must be located on a site eligible for federal financial assistance. The types of items that are reviewed when looking at a site are listed below:
- B. The site's proximity to noise sources such as railroads, highways or busy streets, and airports or military airfields.
- C. The site and the project must have a clearance from the state historic preservation office.
- D. The site cannot be in a 100-year flood plain.
- E. Lead-based paint and asbestos are concerns and must be dealt with in accordance with HUD and state requirements.
- F. The site's proximity (within 3,000 feet) to a hazardous waste site listed on the CERCLIS list.
- G. The site's proximity to above ground storage tanks with hazardous materials.
- H. Zoning and Uses of land surrounding site (Commercial, Business, and Industrial uses are not appropriate).
- I. Proximity to services

WCDA will also do a site visit to determine the site's suitability for the type of housing being proposed. All funded projects will have to meet HUD's environmental review process and HUD's site and neighborhood standards requirement at 24 CFR Part 983.57(e)(2) and (3).

Projects with sites that do not meet the cited site and neighborhood standards or do not promote compliance with civil rights laws, or promote greater choice of housing opportunities will be denied funding regardless of ranking or scoring. Site selection is extremely important and is part of the evaluation and ranking process.

VII. ELIGIBLE FORMS OF FINANCIAL ASSISTANCE

NHTF funds can be structured as follows:

- Interest-bearing loans
- Non-interest-bearing loans
- Interest subsidies that leverage other monies
- Deferred payment loans
- Forgivable loans
- Alternative forms must be approved by HUD

VIII. DOUBLE DIPPING ON NHTF ASSISTED PROJECTS

Except for the first year after project completion, no further NHTF funds can be used during the relevant period of affordability.

IX. NHTF INVESTMENT PER UNIT

The maximum subsidy per NHTF-assisted unit for Wyoming can be found in the WCDA Allocation Plan Current Year Summary, Attachment "A".

Only units receiving NHTF monies are considered "NHTF-Assisted Units". NHTF expenditure limits, rent and occupancy rules only apply to NHTF-Assisted Units.

X. POLICIES & PROCEDURES

A. AFFIRMATIVE MARKETING

It is the affirmative marketing policy of WCDA to inform the public, homeowners, landlords and potential tenants about the Federal Fair Housing laws and the affirmative marketing goals by:

1. Making this program available for public review. An overview of the marketing policy is included.
2. Upon qualification and selection of a NHTF project, the owner will be notified of Equal Opportunity requirements.
3. All advertising and literature used for the NHTF program will carry the Equal Housing Opportunity logo or slogan.
4. Copies of media releases, advertisements and announcements where the NHTF program was presented, will be maintained.
5. Affirmative marketing to the general public, landlords, tenants and homeowners will be done by the placement of public notices in the applicable local newspapers. The Casper Star-Tribune is considered the major Wyoming newspaper having statewide circulation.

As projects are completed, owners will send written notices containing information about the project (size of units, rent, etc.) to agencies such as the Department of Family Services and the local Salvation Army.

6. WCDA has a housing program brochure that briefly describes WCDA's housing programs. This brochure will be used to affirmatively market the NHTF Program to the general public, tenants, and owners.
7. Throughout the year, WCDA has opportunities to affirmatively market the NHTF Program on a statewide basis to realtors, lenders, and other housing and redevelopment officials at meetings and seminars in which WCDA participates.
8. Landlords will be advised that they must comply with Equal Housing Opportunity laws and their literature must contain the Equal Housing Opportunity logo. All projects will be required to display a fair housing poster when advertising vacancies. If it is found that a landlord is failing to follow the affirmative marketing requirements and blatantly ignoring fair housing laws, WCDA may enforce the default section of the NHTF Agreement and promissory note.
9. If landlords are seeking tenants to fill vacant units, they will be provided assistance by WCDA in outreach methods for contacting groups and ethnic organizations to ensure equal access is provided. Landlords will be required to send written notices of vacancies to employment centers, places of worship or other community organizations that work with low-income persons.

10. Landlords of NHTF-assisted units will be required to keep records of families who apply for housing and document those cases where someone was denied housing. At a minimum, these records will contain data regarding income, family size, and minority status. Landlords will be required to keep copies of all media releases and advertisements for vacancies.
11. Any alleged housing discrimination complaints will be forwarded to the U.S. Department of Housing and Urban Development.
12. WCDA will monitor units of general local government to encourage their adoption of affirmative marketing procedures. On-site monitoring will be performed as required by HUD NHTF Regulations.
13. Homebuyer's Education courses, made available through the Wyoming Housing Network, Inc. (WHN), will provide for a discussion of fair housing.
13. Information on Fair Housing can be obtained from the regional Fair Housing Office in Denver. The mailing address for this office is Office of Fair Housing, US-HUD, 1670 Broadway, 23rd floor, Denver, CO 80202-4801 and the phone number for fair housing complaints is 800-877-7353.

**B. MINORITY BUSINESS ENTERPRISE & WOMEN - OWNED BUSINESS
ENTERPRISE (MBE & WBE) OUTREACH PROGRAM (24 CFR 93.407)**

If awarded NHTF funds, WCDA will require general contractors on projects being funded with NHTF to solicit bids from minority-owned (MBE) and female-owned (WBE) businesses to the extent practicable. Documentation and data on the steps taken to reach out to MBE/WBE businesses will be required to be submitted to WCDA. WCDA will maintain project records on the use and participation of MBE and WBE.

XI. NHTF PROGRAM DEFINITIONS

Affordability

Affordability requirements can be found at 24 CFR Part 93.302(d) where in it states that NHTF-assisted units must meet the affordability requirement for not less than 30 years, beginning after project completion. The grantee may impose longer periods.

Annual (Gross) Income

The NHTF Program allows for the use of one of two "Annual Income" definitions as described in 24 CFR Part 93.151. Annual Income is used for tenant eligibility and targeting purposes.

Commitment

The written, legally binding agreement that includes the date of the signature of each person signing the agreement, between the Grantee and the eligible recipient for a specific local project where the property title will be transferred to the recipient within 6 months and which construction can reasonably be expected to start within 12 months of the agreement date.

Consolidated Plan

Consolidated plan means the plan submitted and approved in accordance with 24 CFR part 91.

Displaced homemaker

An individual who is an adult, has not worked full-time full-year in the labor force for a number of years, but has, during such years, worked primarily without remuneration to care for the home and family; AND is unemployed or underemployed and is experiencing difficulty in obtaining or upgrading employment.

Extremely Low-Income families

Low-income families whose annual incomes do not exceed 30 percent of the median family income of a geographic area, as determined by HUD with adjustments for smaller and larger families.

Family

Family includes, but is not limited to, the following, regardless of actual or perceived sexual orientation, gender identity, or marital status:

- A. A single person, who may be an elderly person, displaced person, disabled person, near-elderly person, or any other single person; or
- B. A group of persons residing together, and such group includes, but is not limited to:
 1. A family with or without children (a child who is temporarily away from the home because of placement in foster care is considered a member of the family);
 2. An elderly family;
 3. A near-elderly family;
 4. A disabled family;
 5. A displaced family; and
 6. The remaining member of a tenant family.

Grantee

XI. NHTF Program Definitions

The State or State-designated entity that receives the NHTF from HUD. Wyoming Community Development Authority (WCDA)

Household

One or more persons occupying a housing unit.

Housing

Housing DOES NOT include emergency shelters (including shelters for disaster victims) or facilities such as nursing home, convalescent homes, hospitals, residential treatment facilities, correctional facilities, halfway houses, housing for student, or dormitories (including farmworker dormitories).

Income-eligible

A family, or household (as appropriate given the context of the specific regulatory provision) that is very low-income, extremely low-income, or both depending on the income-targeting requirements set forth in 24 CFR 93.250.

NHTF funds

Funds made available under the NHTF formula allocations and reallocations, plus program income.

Poverty line

Is defined in Section 673 of the Omnibus Budget Reconciliation Act of 1981 (42 U.S.C. 9902).

Very Low-Income Families

Families whose annual incomes are in excess of 30 percent but not greater than 50 percent of the median income of a geographic area, as determined by HUD with adjustments for smaller and larger families. “Very low-income family” also includes any family that resides in a non-metropolitan area that does not exceed the poverty line applicable to the family size involved.

Project

A site or sites together with any building or buildings located on the site(s), that are under common ownership, management and financing and are to be assisted with NHTF funds as single undertaking under the NHTF. The project includes all activities associated with the site and building.

Project Completion

All necessary title transfer requirements and construction work have been performed; the project complies with the requirements of 24 CFR Part 93 including the property standards under §93.301; the final drawdown of NHTF funds has been disbursed for the project; and the project completion information has been entered into IDIS.

Recipient

An organization, agency, or other entity (including a public housing agency, or a for-profit entity or a non-profit entity) that receives NHTF assistance from a grantee as an owner or developer to carry out an NHTF-assisted project.

A recipient must:

- A. Make acceptable assurances to the grantee that it will comply with the requirement of the NHTF program during the entire period that begins upon selection of the recipient to receive NHTF funds, and ending upon the conclusion of all NHTF funded activities;
- B. Demonstrate the ability and financial capacity to undertake, comply, and manage the eligible activity;

XI. NHTF Program Definitions

- C. Demonstrate its familiarity with the requirements of other Federal, State, or local housing programs that may be used in conjunction with NHTF funds to ensure compliance with all applicable requirements and regulations of such programs; and
- D. Have demonstrated experience and capacity to conduct an eligible NHTF activity as evidenced by its ability to Own, construct, or rehabilitate, and manage and operate an affordable multifamily rental housing development.

Reconstruction

Reconstruction means the rebuilding, on the same lot, of housing standing on a site at the time of project commitment, except that housing that was destroyed may be rebuilt on the same lot if NHTF funds are committed within 12 months of the date of destruction. The number of housing units on the lot may not be decreased or increased as part of a reconstruction project, but the number of rooms per unit may be increased or decreased.

Single Family Housing

A one to four-family residence, condominium unit, or cooperative unit.

Single parent

An individual who:

- A. Is unmarried or legally separated from a spouse; and
- B. Has one or more minor children of whom the individual has custody or joint custody, or is pregnant.

State-designated entity

Wyoming Community Development Authority (WCDA)

Very Low-Income Renter Households

A household whose income is in excess of 30 percent but not greater than 50 percent of the median income of the area median income, with adjustments for smaller and larger families, as determined by HUD.

Very Low-Income Families

Low-Income families whose incomes are in excess of 30 percent but not greater than 50 percent of the median income of the geographic area, as determined by HUD with adjustments for smaller and larger families. “Very low-income family” also includes any family that resides in a nonmetropolitan area that does not exceed the poverty line applicable to the family size involved.