

State of Nebraska

National Housing Trust Fund (HTF)

Allocation Plan

Includes information on Substantial Amendment to
State's 2015-2019 Consolidated Plan and 2016
Annual Action Plan

August 2016

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I. General Information

Introduction

The National Housing Trust Fund (NHTF) is a new 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.

The National Housing Trust Fund (HTF) was established under Title I of the Housing and Economic Recovery Act (HERA) 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.) to add a new section 1337, entitled "Affordable Housing Allocation" and a new section 1338 entitled "Housing Trust Fund."

The U.S. Department of Housing and Urban Development (HUD) published the proposed HTF formula rule (FR-5246-P-01) on December 4, 2009, and the proposed program rule (FR-5246-P-02) on October 29, 2010. On January 30, 2015, HUD published an interim program rule (FR-5246-I-03). The interim rule provides the guidelines for states to implement the HTF.

On April 26, 2016, HUD issued a notice (CPD-16-07) to provide guidance to HTF grantees on Fiscal Year 2016 HTF Allocation Plans. The Fiscal Year 2016 HTF formula allocation amounts for HTF were published on May 6, 2016.

HUD plans to issue a final rule for the HTF after States have had experience administering the program and are able to offer comments regarding the initial implementation. The first year of the program is crucial in demonstrating States' ability to effectively use this new funding source.

Funding for the HTF comes from an assessment on loans made by Federal Home Loan Mortgage Corporation (Freddie Mac) and Federal National Mortgage Association (Fannie Mae). The amount available for allocation is the amount set aside by Fannie Mae and Freddie Mac for the HTF during their fiscal year (January 1-December 31). Allocations will be formula based, but statute requires that each state receive a minimum allocation of \$3 million. If additional funds are available after each state and the District of Columbia (DC) receives the minimum allocation, Puerto Rico and each insular area will receive an allocation. However, if HTF funds are insufficient to provide the minimum grant to each state and DC, HUD will publish a notice in the federal register for public comment, describing an alternative method for allocating grants. Any amounts that become available for reallocation (i.e. grant reductions, recaptured funds, etc.) shall be added to the amounts for formula allocation in the succeeding fiscal year.

As per the HUD published allocation amount, for Fiscal Year (federal) 2016, Nebraska will receive \$3 million.

HTF Allocation Plan

The Housing Trust Fund (HTF) Interim Rule (24 CFR Part 93) made the consolidated plan regulations at 24 CFR Part 91 applicable to the HTF. As a result, an HTF grantee (i.e., a State) must include HTF in its citizen participation plan (§ 91.115), strategic plan (§91.315), and annual action plan (§ 91.320). In addition, the State must submit to HUD for review and approval an HTF allocation plan with its annual action plan (§ 91.320(k)(5)). Also, as required in § 91.10, the HTF program must be administered by the State on the same program year it established for all grant programs covered by the consolidated plan.

The HTF allocation plan is an annual submission to HUD that describes how the State will distribute the HTF funds, including how it will use the funds to address its priority housing needs. The allocation plan also describes what activities may be undertaken with HTF funds and how recipients and projects will be selected. The State of Nebraska, Department of Economic Development (DED) has been designated by the Governor as the Nebraska recipient of National Housing Trust Fund (HTF) resources from the U.S. Department of Housing and Urban Development (HUD).

Nebraska will receive a HTF grant amount of \$3,000,000 in 2016. HTF funds will be used for rental housing for extremely low income persons (at 30% of the Area Median Income). In accordance with 24 CFR 93, DED will allocate 10% of its grant (\$300,000) for program planning and administration expenses. The remainder of resources (\$2,700,000) will be utilized for new construction or rehabilitation of HTF units and for operating assistance or operating assistance reserves.

II. Grantee Information

State: Nebraska	FY 2016 HTF Allocation Amount:	\$3,000,000
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III. Consolidated Plan Requirements

Citizen Participation Plan

The consolidated plan regulation at § 91.115 requires the State to include HTF in its citizen participation plan.

- the amount of HTF assistance the State expects to receive,
- the range of activities the State may undertake, including the estimated amount that will benefit extremely low-income households, and
- the State’s plans to minimize displacement of persons and to assist any persons displaced.

If the State has not yet conducted citizen participation or did not include HTF in the citizen participation it performed for other HUD formula grant programs, then it must conduct citizen participation to include HTF as part of its consolidated plan.

For the purposes of HTF, the State is required to make the following information below available to the public:

- the amount of HTF assistance the State expects to receive. **The State of Nebraska expects to receive \$3,000,000 in HTF resources.**
- the range of activities the State may undertake, including the estimated amount that will benefit extremely low-income households. **Nebraska DED, in administering HTF funds will utilize approximately \$2,700,000 in HTF resources for activities that may include: rehabilitation (including acquisition); preservation; new construction; and operating assistance. These activities will benefit extremely low-income (ELI) households, at or below 30% of the Area Median Income (AMI).**
- the State’s plans to minimize displacement of persons and to assist any persons displaced. **DED will ensure that if rehabilitation is completed in tenant occupied units that displacement will be minimized and will ensure tenants are assisted if displaced. DED will also work closely with any project development team in limiting any displacement.**

Consolidated Plan Screens To Revise

The following screens in the eCon Planning Suite consolidated plan template in IDIS must be revised to include HTF.

- **ES-05 / AP-05 Executive Summary:** § 91.320(b)- The Executive Summary includes seven narratives: (1) Introduction; (2) Summary of Objectives and Outcomes; (3) Evaluation of Past Performance; (4) Summary of the Citizen Participation and Consultation Process; (5) Summary of Public Comments; (6) Summary of Comments Not Accepted; (7) Summary.
- **PR-15 Citizen Participation:** § 91.115 and § 91.300(c)- revise this screen to provide a summary of the citizen participation efforts made for HTF, including efforts to broaden public participation, a summary of citizen comments or views on the plan, and a written explanation of comments not accepted and the reasons why these comments were not accepted.

IV. Strategic Plan Requirements

The State must amend the affordable housing section of the strategic plan to include specific objectives that describe proposed accomplishments the State hopes to achieve and must specify the number of extremely low-income families to which the State will provide affordable housing to (homeownership- § 93.302; rental- § 93.304) over a specific period of time. The State can complete this requirement by including HTF on the SP-45 Goals screen.

Strategic Plan Screens to Revise

The following screens in the eCon Planning Suite strategic plan template in IDIS were revised to include HTF.

- **SP-10 Geographic Priorities:** § 91.315(a)(1)- revised this screen to discuss how investments are allocated geographically.

- **SP-25 Priority Needs:** § 91.315(a)(2)- revised this screen to indicate the general priorities for allocating investment of available resources among different needs.
- **SP-30 Influence of Market Conditions:** § 93.315(b)- revised this screen to describe how the characteristics of the housing market influenced the State’s decisions regarding allocation priorities among the types of housing assistance.
- **SP-35 Anticipated Resources:** § 91.315(a)(4); § 91.320(c)(1) and (2)- revised this screen to identify the federal, state, local, and private resources expected to be available to the State to address priority needs and specific objectives identified in the strategic plan.
- **SP-45 Goals:** § 91.315(a)(4) and § 91.315 (b)(2)- revised this screen to summarize the State’s priorities and the specific goals it intends to initiate and/or complete within the term of the strategic plan. The State also ensured its five year goals included any accomplishments due to HTF funds and must also enter the number of extremely low-income families to which the State will provide assistance with its HTF funds.

V. Annual Action Plan Requirements

The State must include HTF in its annual action plan or amend the plan to include HTF information as required in § 93.320(k)(5). The action plan must include an HTF allocation plan that describes the distribution of HTF funds, and establishes the application requirements and selection criteria of applications submitted by eligible recipients that meet the State’s priority housing needs.

Annual Action Plan Screens to Revise

The following screens in the eCon Planning Suite consolidated plan template in IDIS were revised to include HTF.

- **AP-15 Expected Resources:** § 91.320(c)(1) and (2)- revised this screen to provide a concise summary of the federal resources expected to be available. The HTF resources added to the SP-35 Anticipated Resources screen will carry over to this screen.
- **AP-20 Annual Goals and Objectives:** § 91.320(c)(3) and (e)- revised this screen to summarize the specific goals the State intends to initiate and/or complete within the term of the program year. Any HTF related goals and objectives entered on the SP-45 Goals screen will carry over to this screen.
- **AP-25 Allocation Priorities:** § 91.320(d)- revised this screen to describe the reasons for the State’s allocation priorities and how the proposed distribution of funds will address the priority needs and goals of the strategic plan.
- **AP-30 Method of Distribution:** § 91.320(d) and (k5)- revised this screen to include a description of its method(s) for distribution for the “Other – Housing Trust Fund” selection based on the entry made on the SP-35 Anticipated Resources screen.
- **AP-50 Geographic Distribution:** § 91.320(f)- revised this screen to describe the geographic areas of the state in which it will direct assistance during the ensuing program year and provide rationale for its priorities in allocating investment geographically.

- **AP-55 Affordable Housing:** § 91.320(g)- revised this screen to specify goals for the number of homeless, non-homeless, and special needs households to be provided affordable housing within the program year.
- **AP-65 Homeless and Other Special Needs Activities:** § 91.320(h)- revised this screen to describe how HTF will help to address the State’s one-year goals and actions for reducing and ending homelessness, if applicable.
- **AP-75 Barriers to Affordable Housing:** § 91.320(i)- revised this screen to describe how HTF will help with any actions the State’s will take during the next year to reduce barriers to affordable housing, if applicable.
- **AP-85 Other Actions:** § 91.320(j)- revised this screen to describe how HTF will help with any actions the State will take during the next year to carry out the following strategies outlined in the consolidated plan:
 - Foster and maintain affordable housing;
 - Evaluate and reduce lead-based paint hazards;
 - Reduce the number of poverty-level families;
 - Develop institutional structure; and
 - Enhance coordination.

In addition, the State must identify obstacles to meeting underserved needs and propose actions to overcome those obstacles using HTF funds, if applicable.

HTF Funding Priorities-§ 91.320(k)(5)(i)

The State is responsible for distributing HTF funds throughout the State according to its housing priority needs. In addition to revising the AP- 30 Method of Distribution screen in IDIS, the State must respond to the following questions.

1. Will the State distribute HTF funds through grants to subgrantees? If yes, describe the method for distributing HTF funds through grants to subgrantees and how the State will make those funds available to units of general local governments. If no, state N/A. Please attach response if you need additional space.

N/A

Nebraska will not distribute HTF funds through subgrantees.

2. Will the State distribute HTF funds by selecting applications submitted by eligible recipients? If yes, describe the eligibility requirements for applicants as defined in §93.2- definition of recipient. If no, state N/A. Please attach response if you need additional space.

Yes, Nebraska will distribute HTF funds by selecting applications submitted by eligible recipients.

Eligible Recipients include: local or regional non-profit 501(c)(3) or 501 (c)(4) housing or related service organizations; local units of government; public housing authorities; and State designated Community Housing

Development Organizations that receive HTF assistance from the State as an owner or developer to carry out an HTF assisted project. In addition, to be eligible for HTF assistance, a recipient must:

- 1) Make acceptable assurances to the State that it will comply with the requirements of the HTF program during the entire period that begins upon selection of the recipient to receive HTF funds, and ending upon the conclusion of all HTF-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 HTF funds to ensure compliance with all applicable requirements and regulations of such programs; and
- 4) Have demonstrated experience and capacity to carry out an eligible HTF activity as evidenced by its ability to: own, construct, rehabilitate, and manage and operate an affordable multifamily rental housing development.

Supplemental Information regarding Distribution of HTF Funds and Uses of Funds

A. Forms of Assistance

Eligible uses of funds include: loans, grants, equity investments, and other State approved forms of assistance.

B. Allocations and Set Asides

1. Nebraska will reserve a portion of the State’s annual HTF allocation to affordable rental, multi-family projects in coordination with Nebraska Investment Finance Authority (NIFA) through the joint DED/NIFA application for low income housing tax credit applications within the Collaborative Resource Allocation for Nebraska (CRANE) application cycle. This allocation will be referred to as the “CRANE Set Aside”.

For 2016, the amount available to multi-family projects in CRANE will be **\$500,000**.

Funds not utilized within this category may be utilized within the other Set Asides in order for the State to timely distribute HTF funds.

2. Nebraska will allocate a portion of the State’s annual HTF allocation for targeted needs housing projects funded with non-LIHTC resources. These pilot projects will help determine how the State can develop smaller scale projects within areas of the state that are experiencing shortages of available housing for those populations with targeted needs. This allocation will be referred to as the “Targeted Needs Set Aside”.

For 2016, the amount available for a HTF Special Needs project will be **\$700,000**.

Funds not utilized within this category may be utilized within the other Set Asides in order for the State to timely distribute HTF funds.

3. Nebraska will allocate the remainder of HTF funds for permanent housing projects for the homeless; persons at risk of homelessness; and other special needs populations, made available through 1) acquisition, rehabilitation, and resale of existing residential units or 2) rehabilitation of residential units for the creation of new permanent housing units, or rehabilitation of existing housing units, within the Omaha CoC; the Lincoln CoC; and the BoS CoC. This allocation will be referred to as the “Permanent Housing Set Aside”.

For 2016, the amount available for permanent supportive housing will include:

\$500,000 within the Omaha Continuum of Care;

\$500,000 within the Lincoln Continuum of Care; and

\$500,000 within the Balance of State (BoS) Continuum of Care.

Funds not utilized within this category may be utilized within the other Set Asides in order for the State to timely distribute HTF funds.

The above mentioned amounts reflect the allocation of \$2,700,000 in HTF resources. The remaining \$300,000 in funds will be used by the State for planning and administration.

3. Will the State distribute HTF funds by selecting application submitted by eligible recipients? If yes, describe all the criteria that will be used to select applications and the relative importance of these criteria. At a minimum, as required in §91.320(k)(5)(i), the selection criteria must include:

- **Priority based upon geographic diversity**
- **Applicant’s ability to obligate HTF funds**
- **Applicant’s ability to undertake eligible activities in a timely manner**
- **For rental housing, the extent to which the project has Federal, State or local project-based rental assistance so rents are affordable to extremely low income families**
- **For rental housing, the duration of the units’ affordability period**
- **The merits of the application in meeting the State’s priority housing needs (please describe)**
- **The extent to which application makes use of non-federal funding sources**
- **Other (please describe). Please attach response if you need additional space.**

Yes, Nebraska will distribute HTF funds by selecting applications submitted by eligible recipients. 90 percent of the HTF funds will benefit extremely low income (ELI) households for rental housing and 10 percent will be used for administrative expenses. Rental housing activities may include:

- Acquisition and rehabilitation of existing housing units (for the creation of additional rental units for ELI persons;
- Rehabilitation of existing rental units;

- Adaptive re use of existing buildings;
- New construction;
- Operating Cost Assistance (utilized with other rental housing activities); and
- Operating Cost Assistance Reserves (utilized with other rental housing activities).

Operating cost assistance and operating cost assistance reserves may be provided only to rental housing acquired, rehabilitated, reconstructed or newly constructed with HTF funds and DED will award no more than one-third of the state's annual grant to be used as operating cost assistance or operating cost assistance reserves. Operating cost assistance and operating cost assistance reserves may be used for insurance, utilities, real property taxes, maintenance, and scheduled payments to a reserve for replacing major systems. The eligible amount of HTF funds per unit for operating cost assistance is determined based on the deficit remaining after the monthly rent payment for the HTF-assisted unit is applied to the HTF-assisted unit's share of the monthly operating cost.

Pursuant to §93.203(a) of the Interim Rule, HTF cannot be used for operating cost assistance reserves if HTF funds are used for the construction or rehabilitation of public housing units. The public housing units constructed or rehabilitated using HTF must receive Public Housing Operating Fund assistance under section 9 of the 1937 Act.

In addition, public housing is only eligible under HTF if the proposed project is part of HUD's Rental Assistance Demonstration (RAD) program, Choice Neighborhood Initiative Program, or involves the LIHTC Program. Priority will be given to projects creating new units.

The following selection criteria, all given equal consideration, will be used to evaluate HTF applications.

– Priority based upon geographic diversity

Geographic distribution will be dependent on which HTF application cycle funds are being requested. For HTF applicants applying within the CRANE Set Aside, the entire state is the eligible area. For HTF applicants applying within the Targeted Needs Set Aside, the entire state is the eligible area. For HTF applicants applying the Permanent Housing Set Aside, funds will be distributed equally between the Omaha CoC; the Lincoln CoC; and the Balance of State CoC.

– Applicant's ability to obligate HTF funds

Applicants will be evaluated on project readiness, including items such as local approvals, architectural plans, and site control.

– Applicant's ability to undertake eligible activities in a timely manner

Applicant will be evaluated on their capacity to undertake and complete HTF funded activities in a timely manner. This capacity is evaluated during the HTF application process. Capacity includes evaluating the entire development team, and considerations are made for experience with similar projects; financial and staff capacity; and other factors relevant to the role of the development team.

– For rental housing, the extent to which the project has Federal, State or local project-based rental assistance so rents are affordable to extremely low income families

Applicants will be evaluated on the number of project based rental assistance and tenant based rental assistance that is being provided for the project in order to ensure the affordability of rents for ELI families.

– For rental housing, the duration of the units’ affordability period

Applicants must commit to keeping the HTF units affordable, including all applicable income and rent restrictions, for a period of no less than 30 years from the date of project completion.

– The merits of the application in meeting the State’s priority housing needs (please describe)

HTF applications will be consistent with the State’s Housing Priority Need which is to respond to the needs of affordable, decent, safe, and appropriate housing as part of balanced economic development in Nebraska. The creation and preservation of residential units for extremely low income persons is consistent with the Housing Priority Need and also is consistent with a part of the Homeless Services Priority Need which is to ensure appropriate emergency shelter and/or transitional housing and services for people who are homeless or at imminent risk of becoming homeless.

– The extent to which application makes use of non-federal funding sources

Applicants will be evaluated on the quantity, quality, and timeliness of leveraged non-federal funding that will be committed to the proposed project.

– Other (please describe). Please attach response if you need additional space.

Not applicable. The above mentioned scoring criteria will be utilized in HTF application review.

Recipient Application Requirements- § 91.320(k)(5)(ii)

1. Will the State require that all recipient applications contain a description of the eligible activities to be conducted with HTF funds as required in § 93.200- Eligible activities?

Yes No

2. Will the State require that each eligible recipient certify that housing assisted with HTF funds will comply with HTF requirements?

Yes No

Performance Goals and Benchmarks- § 91.320(k)(5)(iii)

The plan must include performance goals and benchmarks against which the State will measure its progress, consistent with the State’s goals established at § 91.315(b)(2). To comply with this requirement, the State will include HTF housing goals in the housing table on the SP-45 Goals and AP-20 Annual Goals and Objectives screens in the eCon Planning Suite consolidated plan template in IDIS.

VI. Other Requirements

Maximum Per-unit Development Subsidy Amount- § 91.320(k)(5) and § 93.300(a) The State must establish its own maximum limitations on the total amount of HTF funds that can be invested per-unit for development of non-luxury housing. The limits must be reasonable, based on actual costs, and adjusted for the number of bedrooms and geographic location of the project. The State may choose to develop its own limits or adopt limits used in other federal programs such as HOME or Low-Income Housing Tax Credit and must submit them with its HTF allocation plan. The State must submit a description of how the HTF maximum per-unit development subsidy amounts were established or a description of how existing limits developed for another program and being adopted for HTF meet the HTF requirements.

Indicate below what maximum per-unit development subsidy limits the State will use for its FY 2016 HTF program.

State developed its own maximum per-unit development subsidy limits and the limits are attached.

State adopted limits used in other federal programs and the limits are attached.

Supplemental Information for Maximum Per unit Subsidy

The State chooses to adopt limits used in other federal programs and will utilize the current HOME maximum per unit subsidy limits. These existing limits are developed for another program; are being adopted for the HTF program; and will meet the HTF requirements.

The HTF Maximum Per Unit Subsidy will be consistent with the current HOME Maximum Per Unit Subsidy Limits for Nebraska. The current limits include a calculation based on the Section 234 Basic (Elevator type) Limit times 240%. This maximum subsidy is consistent with HUD guidance including information within CPD Notice 15-03 and HOMEfires Vol. 12 No 1.

The current HOME subsidy limits include:

Bedrooms	Section 234 Limit (Elevator) As of 11/18/2015	High Cost %	Maximum HOME Per-Unit Subsidy Limit
0 Bedroom	\$ 58,378.00	240%	\$ 140,107.20
1 Bedroom	\$ 66,923.00	240%	\$ 160,615.20
2 Bedroom	\$ 81,377.00	240%	\$ 195,304.80
3 Bedroom	\$ 105,276.00	240%	\$ 252,662.40
4 Bedroom	\$ 115,560.00	240%	\$ 277,344.00

Rehabilitation Standards - § 91.320(k)(5)(iv) and § 93.301(b)

If the State intends to use its HTF funds for housing being rehabilitated, it must establish rehabilitation standards that all HTF-assisted housing undergoing rehabilitation must meet at the time of project completion in accordance with § 93.301(b). The standards must provide enough detail on what work is required, how that work should be performed and what materials should be used. The State’s standards may refer to applicable codes or may establish requirements that exceed the minimum requirements of the codes. At a minimum, the rehabilitation standards must address:

- Health and safety;
- Major systems;
- Lead-Based Paint;
- Accessibility;
- Disaster Mitigation;
- State and local Codes, Ordinances, and Zoning Requirements; and
- Inspectable Areas and Observable Deficiencies from HUD’s Uniform Physical Condition Standards identified by HUD as applicable to HTF-assisted housing.

Indicate below if the State will use HTF funds for rehabilitation of housing.

The State plans to use HTF funds for the rehabilitation of housing and has attached its rehabilitation standards.

The State will not use HTF funds for rehabilitation of housing.

Supplemental Information for Rehabilitation Standards

Additional information regarding DED Rehabilitation Standards is identified within the Attachments to this HTF Allocation Plan.

Resale and/or Recapture Provisions- §91.320(k)(5)(v) and §93.304(f)

If the State intends to use HTF funds to assist first time homebuyers, it must set forth the guidelines for resale or recapture and obtain HUD specific, written approval, as required in §93.304(f). Approval of the consolidated plan or annual action plan under §91.500 or the failure to disapprove the consolidated plan or annual action plan does not satisfy the requirement for specific HUD approval for resale or recapture guidelines.

Indicate below if the State intends to use HTF funds for first time homebuyers.

The State will use HTF funds to assist first time homebuyers and has attached the applicable resale/recapture provisions.

The State will not use HTF funds to assist first time homebuyers.

HTF Affordable Homeownership Limits- § 91.320(k)(5)(vi) and § 93.305

HTF funds may only be invested for the provision of modest housing for homeownership. This means the housing has a purchase price for the type of single family housing that does not exceed 95 percent of the median purchase price for the area for newly constructed or standard housing. If the State plans to use HTF funds for homebuyer assistance, and does not use the HTF affordable homeownership limits established by HUD, it must determine 95 percent of the median purchase price for single family housing for designated areas across the State. If the State will determine its own affordable homeownership limits, it must determine the limits using the methodology described in § 93.305(a)(2).

Indicate below if the State will use HTF funds for homeownership housing and what affordable homeownership limits it will use.

The State will use HTF funds for homeownership housing and will use the HUD issued limits.

The State will use HTF funds for homeownership housing and has determined its own affordable homeownership limits and the limits are attached.

The State will not use HTF funds for homeownership housing.

State Limited Beneficiaries or Preferences- § 91.320(k)(5)(vii)

The State may limit the beneficiaries or give preferences to a particular segment of the extremely low-income population only if described in the action plan. Any limitation or preference must not violate non-discrimination requirements at § 93.350 and the State must not limit or give preferences to students. The State may also allow rental housing owners to limit tenants or give a preference in accordance with § 93.303(d)(3), only if such limitation or preference is described in the action plan.

Indicate below if the State will limit beneficiaries or give preferences to a particular segment of the extremely low-income population.

The State will limit beneficiaries and/or give preferences to the following segments of the extremely low-income population. The groups listed have also been identified in the action plan.

The State will not limit beneficiaries and/or give preferences to any segments of the extremely low-income population.

Supplemental Information for State Limited Beneficiaries or Preferences

A portion of HTF funds will be used for the creation and rehabilitation of permanent housing throughout the state. Within this distribution category, preference will be given to persons who are homeless; persons at risk of becoming homeless; and other special needs populations.

In addition, a portion of HTF resources will be used for the creation of additional housing for the targeted needs populations, including populations that may include: children aging out of foster care, and other populations

that are extremely low income with housing shortages throughout the state. Preferences will be made for those populations served through the HTF Targeted Needs category.

Within the joint DED/NIFA CRANE cycle, a portion of HTF resources will be utilized. Preference in this category will be given to special needs populations as defined within the CRANE application. Currently this includes: Housing for individuals with special needs (such as physical or mental disabilities, substance abuse issues, homeless, or those experiencing severe economic distress), including housing for distressed populations with incomes below 30% of the applicable Area Median Income (AMI). At least 25% of the units must serve individuals with special needs. Senior housing is considered special needs housing ONLY if all of the units in the development serves households with incomes below 30% of the applicable AMI.

Refinancing of Existing Debt- § 91.320(k)(5)(viii) and § 93.201(b)

If the State will use HTF funds for refinancing of existing debt, it must establish refinancing guidelines and include them in its consolidated plan. The State's refinancing guidelines must describe the conditions under which it will refinance existing debt. At a minimum, the guidelines must demonstrate that rehabilitation is the primary eligible activity and ensure that this requirement is met by establishing a minimum level of rehabilitation per unit or a required ratio between rehabilitation and refinancing. Refinancing of existing debt is only eligible if it is necessary to reduce the overall housing costs and to make the housing more affordable.

Indicate below if the State will permit the refinancing of existing debt.

The State will permit the refinancing of existing debt and the conditions under which the State will refinance existing debt are attached.

The State will not permit the refinancing of existing debt.

ATTACHMENT A

NDED MINIMUM REHABILITATION STANDARDS INCLUDING HUD UNIFORM PHYSICAL CONDITION STANDARDS FOR SINGLE-FAMILY AND MULTI-FAMILY REHABILITATION

[NOTE: The below mentioned rehabilitation standards, as adopted by the Department, will be used for HTF projects, and will be amended as necessary to include all necessary HTF required elements].

A. MINIMUM STRUCTURAL STANDARDS

1. SIDEWALKS, STAIRS, DRIVEWAYS, PARKING LOTS, ROADS – All sidewalks, driveways, parking lots, roads, stairs and similar areas shall be free of hazardous conditions and in proper repair.

Other Inspectable Items: Cracks
 Settlement / Heaving
 Spalling / Exposed Rebar
 Potholes / Loose Material
 Hand-railing-Broken / Missing

2. PREMISE IDENTIFICATION NUMBERS – Address numbers easily visible and legible from the street or road shall be installed. Numbers shall contrast in color with their background and be at least 4 inches high with a minimum stroke width of one half inch.

Other Inspectable Items: Mailbox – Missing / Damaged
 Signs / Numbers – Missing / Damaged

3. FOUNDATIONS, EXTERIOR WALLS, ROOFS, SOFFITS AND FASCIA – Every foundation, exterior wall, roof, soffit, and fascia shall be structurally sound, weather-tight, and rodent/insect-proof.

All exterior surface materials shall be protected by lead-free paint or other protective coating in accordance with acceptable standards. The exception is all types of exterior materials acceptable to weatherizing without deterioration.

Other Inspectable Items: Foundations:
 Cracks / Gaps
 Spalling / Exposed Rebar
 Walls:
 Cracks / Gaps
 Damaged Chimneys
 Missing / Damaged Caulking / Mortar
 Missing Pieces / Holes / Spalling
 Stained / Peeling / Needs Paint
 Roofs:
 Damaged Soffits / Fascia
 Damaged Vents
 Damaged / Clogged Drains
 Damaged / Torn Membrane / Missing Ballast
 Missing / Damaged Components from Downspout / Gutter

- Missing / Damaged Shingles
- Ponding
- Roof Exhaust System:
 - Roof Exhaust Fan(s) Inoperable
- Windows:
 - Broken / Missing / Cracked Panes
 - Damaged Sills / Frames / Lintels / Trim
 - Damaged / Missing Screens
 - Missing / Deteriorated Caulking / Seals / Glazing Compound
 - Peeling / Needs Paint
 - Security Bars Prevent Egress
- Lighting:
 - Broken Fixtures / Bulbs

4. INTERIOR WALLS, FLOORS, CEILINGS, DOORS, AND WINDOWS – Every interior partition, wall floor, ceiling, door and window shall be structurally sound.

Holes in walls should be re-plastered before new paint is applied.

All interior doors shall be capable of affording privacy for which they were intended.

- Other Inspectable Items:
- Walls and Ceiling:
 - Bulging / Buckling
 - Holes / Missing Tiles / Panels / Cracks
 - Peeling / Needs Paint
 - Water Stains / Water Damage / Mold / Mildew
 - Damaged / Deteriorated Trim
 - Floors:
 - Bulging/Buckling
 - Floor Covering Damage
 - Missing Flooring Tiles
 - Peeling / Needs Paint
 - Rot / Deteriorated Subfloor
 - Water Stains / Water Damage / Mold / Mildew
 - Doors:
 - Damaged Frames / Threshold / Lintels / Trim
 - Damaged Hardware / Locks
 - Damaged Surface-Holes / Paint / Rusting /Glass
 - Missing Door
 - Windows:
 - Cracked / Broken / Missing Panes
 - Damaged / Rotting Window Sill
 - Missing / Deteriorated Caulking / Seals / Glazing Compound
 - Inoperable / Not Lockable
 - Peeling / Needs Paint

5. GRADING AND RAINWATER DRAINAGE FROM ROOF – All rainwater shall be drained and conveyed from every roof so as not to cause dampness within the dwelling. All rainwater drainage devices, such as gutters, downspouts, leaders and splashblocks shall be in safe working order. Ground areas around the habitable unit shall be sloped or drain away from foundation walls to prevent standing water.

Other Inspectable Items: Grounds:
 Erosion / Rutting Areas
 Overgrown / Penetrating Vegetation
 Ponding / Site Drainage (affecting unit)
 Storm Drainage:
 Damaged / Obstructed

6. WINDOWS, EXTERIOR DOORS AND BASEMENT OR CELLAR HATCHWAYS – Every front, rear, side and basement or cellar door shall be no less than 2'4" in width and no less than 6' 6" in height. In existing structures, if replacement to meet these requirements would be impossible or cost-prohibitive, said requirement may be waived by the grantee.

Every window, exterior door and basement or cellar hatchway shall be substantially tight and rodent-proof. In addition, the following requirements shall be met:

- a. All exterior doors to the outside or to a common public hall shall be equipped with adequate security locks. Means of egress door locks shall be easily opened from the egress side without a key or special knowledge. All windows accessible from ground level without the aid of mechanical devices shall have a security device. Emergency escape windows shall be openable from the inside without the use of a key, code or tool;
- b. Every window sash shall be fully equipped with windowpane glazing materials free of cracks or holes, and all panes shall be secured with retaining devices or an adequate amount of putty. Said putty shall not be cracked, broken or missing;
- c. Every window sash shall be in good condition and fit tightly within its frame;
- d. Every window, other than a fixed window, shall be easily opened and held in position by window hardware;
- e. Every exterior and interior door, door hinge, door latch, and/or lock shall be in good working condition;
- f. Every exterior and interior door, when closed, shall fit well within its frame;
- g. Every window, door and frame shall be constructed in relation to the adjacent wall construction, to exclude rain and wind as completely as possible from entering the dwelling or structure;

Other Inspectable Items: Doors:
 Damaged Frames / Threshold / Lintels / Trim
 Damaged Hardware / Locks
 Damaged / Missing Screen / Storm / Security Door
 Damaged Surface – Holes / Paint / Rusting / Glass
 Deteriorated / Missing Caulking / Seals (Entry Only)
 Missing Door

B. MINIMUM STANDARDS FOR BASIC EQUIPMENT AND FACILITIES

1. WATER SUPPLY – All fixture water supplies shall be properly connected to public or private water system.

All water supply inlet orifices (mouth of an opening from any pipe or faucet supplying water) shall have an air gap (The unobstructed vertical distance through the free atmosphere between the lowest opening from any pipe or faucet supplying water to a tank, plumbing fixture or other device and the floor level rim of the receptacle.) or shall be protected by vacuum breakers (also known as backflow preventers).

2. KITCHENS – Every dwelling shall have a kitchen room or kitchenette equipped with a kitchen sink, properly connected to both hot and cold running water lines, under pressure, and in working order.

Other Inspectable Items: Cabinets – Missing / Damaged
 Countertops - Missing / Damaged
 Dishwasher / Garbage Disposal – Leaking / Inoperable
 Plumbing - Clogged Drains
 Plumbing - Leaking Faucet / Pipes
 Range Hood / Exhaust Fans - Excessive Grease / Inoperable
 Range / Stove / Refrigerator- Missing / Damaged / Inoperable
 Sink - Damaged / Missing

3. TOILET ROOM REQUIRED - Every dwelling unit, except as otherwise permitted for rooming houses, shall contain a room that is equipped with a flush water closet and properly installed lavatory. Said lavatory shall be properly connected to both hot and cold running water, under pressure, and shall be in working order. Fixtures shall be properly installed, free of hazards, leaks and defects, and in functional and sanitary order.

Said flush water closet shall be properly connected to the water supply, under pressure, and shall be in working order.

Other Inspectable Items: Bathroom:
 Bathroom Cabinets - Damaged / Missing
 Lavatory Sink - Damaged / Missing
 Plumbing - Clogged Drains
 Leaking Faucet / Pipes
 Water Closet / Toilet - Damaged / Clogged / Missing
 Ventilation / Exhaust System – Absent / Inoperable
 Call-for-Aid Inoperable (where applicable)

4. PRIVACY IN ROOM CONTAINING TOILET AND BATH – Every toilet and every bath shall be contained in a room or within separate rooms which affords privacy to a person within said room or rooms. Said rooms shall not be the only passageway to the exterior.

Toilets and bathrooms shall have doors with a privacy type lock and such doors, locks and hardware shall be in working order.

5. SHARED TOILET FACILITIES – Shared toilet rooms shall be equipped with a flush water closet and lavatory basin, and shall be connected as provided in Section 2 above. In rooming house type structures, at least 1 toilet and 1 lavatory basin, properly connected as set forth above, shall be supplied for each 8 persons or fractions thereof residing within a rooming house, including members of the operator’s family whenever they share the use of said facilities, provided that in rooming houses where rooms are let only to males, flush urinals may be substituted for not more than ½ of the required number of toilets.

6. BATH REQUIRED – Every dwelling unit shall contain a bathtub and/or shower. Fixtures shall be properly installed, free of hazards, leaks and defects, and shall be in functional and sanitary order.

Potable water supply piping, water discharge outlets, backflow prevention devices or similar equipment shall not be so located as to make possible their submergence in any contaminated or polluted liquid or substance.

Said bathtub and/or shower may be in the same room as the flush water closet and lavatory, or said bathtub and/or shower may be in a separate room. In all cases, these facilities shall be properly connected to both hot and cold running water lines, under pressure, and shall be in working order.

Other Inspectable Items: Shower / Tub - Damaged/Missing

7. LOCATION OF COMMUNAL TOILETS AND BATHS – Every communal bath required to be provided in accordance with other provisions, shall be located within a room or rooms accessible to the occupants of each dwelling unit sharing such facilities, without going through a dwelling unit of another occupant and without going outside of the dwelling.

In rooming houses, said room or rooms shall be located on the same floor of the dwelling as, or on the floor immediately above or below, the dwelling unit whose occupants share the use of such facilities.

8. HOT AND COLD WATER LINES TO BATH AND KITCHEN – Every dwelling shall have supplied water-heating facilities which are properly installed; in working condition and free of leaks; properly connected to hot water lines required; and are capable of supplying hot or tempered water at not less than 110°F to be drawn for every bath, as well as general usage.

Hot water storage associated with water heating facilities shall not be less than the following minimum capacities:

- | | |
|-----------------------------|---------------------------------------|
| a. 1 dwelling unit | 30 gallons |
| b. 2 dwelling units | 40 gallons |
| c. 3 or more dwelling units | 50 gallons or more and rooming houses |

Sizes and/or number of water heaters are to be based upon the number of units served. No water heaters shall be allowed in bathrooms or bedrooms. All hot water heaters shall be properly vented and sealed and equipped with a pressure relief valve and drip leg a maximum of 6" above the floor.

The local rehabilitation division and/or building inspection division may adjust the above-required capacities upward or downward based on the type and recovery time of the hot water system.

Other Inspectable Items: Hot Water Heater:
Misaligned Chimney / Ventilation System
Inoperable Unit / Components
Leaking Valves / Tanks / Pipes
Pressure Relief Valve Missing
Rust / Corrosion

9. CONNECTION OF SANITARY FACILITIES TO SEWAGE SYSTEM – Every kitchen sink, toilet, lavatory basin and bathtub/shower shall be in working condition and properly connected to an approved public or private sewage system.

All sewers and vents shall function properly and be free of leaks and blockages.

Other Inspectable Items: Sanitary System:

Broken / Leaking / Clogged Pipes or Drains
Missing Drain / Cleanout / Manhole Covers

10. EXITS – Every exit from every dwelling and/or dwelling unit shall comply with the following requirements:

- a. It shall be functional;
- b. It shall be unobstructed;
- c. All stairways and steps of 4 or more risers shall have at least 1 handrail, and all stairways and steps that are 5 feet or more in width or open on both sides shall have a handrail on each side where possible;
- d. Every dwelling unit shall have 2 independent ways of egress;
- e. All handrails shall be not less than 30” or more than 42” vertically above the nose of the stair treads and not less than 36” above the stairway platform;
- f. All balconies and platforms that are 30” or more above grade, shall have protective guards not less than 30” in height above the balcony or platform level;
- g. All multiple dwellings (1 & 2 family residences exempted) shall have a second exit stairway or approved fire escape available to all occupants of units located on second or higher stories;
- h. All stairs and steps shall have a riser height of no more than 8” and a tread depth of no less than 9”. This requirement may be waived on the programmatic level if in an existing structure, it would be impossible or cost prohibitive to meet this requirement. In such cases, new stairs could be put in having the same rise and run as the old;
- i. In basement units where one means of an exit shall be a window, it shall comply with the International Residential Code, Section 310 Emergency Escape and Rescue Openings.

11. FIRE PROTECTION AND SMOKE ALARMS – All fire protection systems and devices shall be in operable condition. When a dwelling is occupied by any hearing impaired person, smoke alarms shall have an alarm system designed for hearing impaired persons in accordance with NFPA 74 (or successor standards).

Smoke alarms shall be installed:

- ❖ On each story, including basement and cellar (Alarms are not required in unfinished attics and crawl spaces)
- ❖ Outside of each bedroom
- ❖ In each bedroom

Other Inspectable Items: Fire Protection:

- Missing Sprinkler Head (where applicable)
- Missing / Damaged / Expired Extinguishers (where applicable)

C. MINIMUM STANDARDS FOR LIGHT, VENTILATION AND HEATING

1. REQUIRED WINDOW AREA – Every habitable room, provided such rooms are adequately lighted, shall have at least one open air space. The minimum total window area, measured between stops, for every habitable room shall be as follows:
 - a. 1/12 of the floor area if two or more separate windows exist or
 - b. 1/10 of the floor area if only one window exists;
 - c. A minimum of 12 square feet of window area is required in habitable rooms other than kitchens;
 - d. A kitchen may pass without a window area, provided there is a mechanical means of ventilation in working order.

Whenever the only window in a room is a skylight type window, the total window area of such skylight shall be equal to at least 15% of the total floor area of such room. Skylight type windows, if less than 15% of the total floor area shall be increased to 15% of the total floor area, unless another window is to be installed to provide adequate light and ventilation.

2. ADEQUATE VENTILATION REQUIRED – Every habitable room shall have at least one window or skylight which can easily be opened, or other such device as will adequately ventilate the room.
3. LIGHT AND VENTILATION REQUIREMENTS FOR BATHROOMS, TOILET ROOMS AND KITCHENS – Every bathroom, toilet room, and kitchen shall comply with the light and ventilation requirements for habitable rooms contained above, except that no window shall be required in adequately ventilated bathrooms, toilet rooms, or kitchens equipped with a ventilation system that filters or exhausts to the exterior.

Other Inspectable Items: Ventilation / Exhaust System – Inoperable (if applicable)

4. ALTERNATIVE LIGHT AND VENTILATION – Artificial light or mechanical ventilation complying with the International Building Code shall be permitted.
5. CLOTHES DRYER VENTING – Clothes dryer exhaust vent shall be a single purpose vent in compliance with the manufacturer’s instructions and vent to the exterior.
6. ELECTRIC OUTLETS AND SERVICE REQUIRED – Where there is suitable electricity available from supply lines no more than 300 feet away from a dwelling, including all existing dwellings now supplied with electrical services, every habitable room within such dwelling shall contain a minimum of two separate and remote wall type electric convenience outlets. Habitable rooms measuring more than 120 square feet shall contain a minimum of three separate and remote wall type electric convenience outlets. Temporary wiring, extension, or zip cords shall not be used as permanent wiring.

Every habitable room shall have at least one ceiling or wall type electric light fixture, controlled by a wall switch, or a wall type grounded electric convenience outlet controlled by a remote switch.

Every toilet room, bathroom, laundry room, furnace room, and hallway (hallway where applicable) shall contain at least 1 supplied ceiling or wall type electric light fixture, controlled by a wall switch, and at least one wall type grounded electric convenience outlet. Convenience outlets used in bathrooms shall be the GFI type.

Each individual kitchen based on its size and layout shall be wired to meet the requirements of the National Electric Code (N.E.C.).

- b. Every space heater burning solid, liquid or gaseous fuels shall be properly vented to a chimney or duct leading to outdoor space and be installed to provide proper draft;
- c. Every fuel burning space heater shall have a fire-resistant panel between it and the floor or floor covering as required by the unit's manufacturer;
- d. Whenever a space heater is located within 2 feet of a wall, said wall shall be protected with insulation sufficient to prevent overheating of the wall as required by the unit's manufacturer; ;
- e. Every space heater smoke pipe shall be equipped with approved thimbles or guards, properly constructed of non-flammable material, at the point where the pipe goes through any wall, ceiling or partition;
- f. Each dwelling and/or dwelling unit shall be supplied with its own heating systems. Local option may provide for one central forced air system to serve no more than two separate dwelling units.

Other Inspectable Items: HVAC System:

- Inoperable
- Misaligned Chimney / Ventilation System
- Noisy / Vibrating / Leaking
- Rust / Corrosion
- Boiler / Pump Leaks (where applicable)
- Fuel Supply Leaks (where applicable)
- Misaligned Chimney / Ventilation System
- Convection / Radiant Heat System Covers – Missing / Damaged

9. LIGHTING OF PUBLIC HALLS AND STAIRWAYS –

- a. Public halls and stairways in every dwelling containing 2 to 4 dwelling units shall be provided with convenient wall-mounted light switches controlling an adequate lighting system that will provide at least 2 foot candles of illumination on all parts thereof and be turned on when needed. An emergency circuit is not required for this lighting;
- b. Public halls and stairways in every dwelling containing 5 or more dwelling units shall be lighted at all times with an artificial lighting system. Said system shall provide at least 2 foot candles of illumination on all parts thereof at all times by means of properly located electric light fixtures, provided that such artificial lighting may be omitted from sunrise to sunset where an adequate natural lighting system is provided;
- c. Wherever the occupancy of the building exceeds 100 persons, the artificial lighting system as required herein, shall be on an emergency circuit;
- d. All basements and cellars shall be provided with a lighting system that permits safe occupancy and use of the space and contained equipment as intended, and which may be turned on when needed;
- e. The required intensity of illumination shall apply to both natural and artificial lighting.

10. SCREENS REQUIRED – For protection against flies, mosquitoes and other insects, every door opening directly from a dwelling unit or rooming unit, to the outdoor space where feasible, shall be supplied with a screen covering at least 50% of the window area of the door, and said door shall be equipped with a self-closing device.

Every window or other opening to outdoor space used or intended to be used for ventilation shall likewise be supplied with screens covering the entire window areas required for ventilation. The material used for all such screens

shall be no less than 16 mesh per inch, properly installed, and repaired when necessary to prevent the entrance of flies, mosquitoes and other insects.

Half-screens on windows may be allowed, provided they are properly installed and are bug and insect proof.

11. SCREENS FOR BASEMENT AND CELLAR WINDOWS – Every dwelling unit having operable basement or cellar windows shall be screened to prevent the entry of insects and rodents.
12. EXISTING HEATING TO DWELLINGS OR PARTS THEREOF – Every dwelling owner or operator, who rents, leases or lets for human habitation any unit contained within such dwelling, on terms either expressed or implied, shall supply or furnish heat to the occupants.

Whenever a dwelling is heated by means of a furnace, boiler or other heating apparatus under the control of the owner or operator, in the absence of a written contract or agreement to the contrary, said owner and/or operator shall be deemed to have contracted, undertaken, or bound to furnish heat in accordance with the provisions of this section to every unit that contains radiators, furnace heat duct outlets, or other heating apparatus outlets, and to every communal bathroom and communal toilet room located within such unit.

- a. Every central heating unit, space heater, water heater and cooking appliance shall be located and installed in a safe working manner to protect against involvement of egress facilities or egress routes in the event of uncontrolled fires in the structure;
- b. Every fuel burning heating unit or water heater shall be effectively vented in a safe manner to a chimney or duct leading to the exterior of the building. The chimney duct and vents shall be designed to assure proper draft, shall be adequately supported, and shall be clean;
- c. No fuel-burning furnace shall be located in any sleeping room or bathroom unless provided with adequate ducting for air supply from the exterior, and the combustion chamber for such heating unit is sealed from the room in an airtight manner. Water heaters are prohibited in bathrooms and sleeping rooms.
- d. Every steam or hot water boiler and every water heater shall be protected against overheating by appropriate temperature and pressure limit controls;
- e. Every gaseous or liquid fuel burning heating unit and water heater shall be equipped with electronic ignition or with a pilot light and an automatic control to interrupt the flow of fuel to the unit in the event of failure of the ignition device. All such heating units with plenum have a limit control to prevent overheating.

D. MINIMUM SPACE, USE AND LOCATION REQUIREMENTS

1. CEILING HEIGHT – Wherever possible, no habitable room in a dwelling or dwelling unit shall have a ceiling height of less than 7' 6". At least 1/2 of the floor area of every habitable room located above the first floor shall have a ceiling height of 7' 6", and the floor area of that part of any room where the ceiling height is less than 5' shall be considered as part of the floor area in computing the total floor area of the room for the purpose of determining maximum floor area.
2. ROOM WIDTH – All rooms, except kitchens and/or kitchenettes and baths, shall have a minimum width of 7'. Kitchens shall have a clear passage dimension of no less than 3' between walls, appliances and cabinets.
3. CELLAR SPACE NOT HABITABLE – No cellar space shall be converted or rehabilitated as habitable room or dwelling unit.

Garbage and Debris - Outdoors
 Hazards – Other / Sharp Edges / Tripping
 Play Areas and Equipment:
 Damaged/Broken Equipment
 Deteriorated Play Area Surface
 Refuse Disposal:
 Broken/Damaged Enclosure-Inadequate Outside Storage Space

Retaining Walls:
 Damaged/Falling/Leaning
 Fire Escapes:
 Blocked Egress / Ladders
 Visibly Missing Components
 Emergency Fire Exits:
 Emergency / Fire Exits – Blocked / Unusable
 Missing Exit Signs

4. WATER SUPPLY - CONNECT TO WATER MAIN – Every owner of a dwelling situated on property that abuts any street or alley in which a water main is laid, shall be connected to such main to provide water service.

Other Inspectable Items: Domestic Water:
 Leaking Central Water Supply
 Missing Pressure Relief Valve
 Rust / Corrosion or Heater Chimney
 Water Supply Inoperable

5. ABANDONED WELLS AND CISTERNS – Every owner of a dwelling that contains an abandoned well or cistern on the premises shall permanently seal or fill it in a proper manner.

6. INFESTATION AND EXTERMINATION – Structures shall be free from rodent and insect infestation.

Other Inspectable Items: Health and Safety:
 Infestation – Insects / Rats / Mice / Vermin

7. REQUIREMENTS FOR COMMON AREAS IN MULTI-FAMILY HOUSING – Common Areas within multi-family housing shall also be inspected and held to the same structural and rehabilitation standards contained herewithin.

Other Inspectable Items: Basement / Garage / Carport:
 Baluster / Side Railings – Damaged / Missing
 Closet / Utility / Mechanical:
 Cabinets – Missing / Damaged
 Community Room:
 Call-for-Aid – Inoperable
 Kitchen / Laundry Room / Halls / Corridors / Stairs:
 Ceiling – Holes / Missing Tiles / Panels / Cracks
 Peeling / Needs Paint
 Water Stains / Water Damage / Mold / Mildew
 Laundry Dryer Vent – Missing / Damaged / Inoperable
 Lobby:
 Countertops – Missing / Damaged
 Office:

Dishwasher / Garbage Disposal – Inoperable

Other Community Spaces / Restrooms / Patio / Porch / Balcony:

Doors – Damaged Frames / Threshold / Lintels / Trim
Damaged Hardware / Locks
Damaged Surface (Holes / Paint / Rust / Glass)

Storage:

Doors – Door, Screen, Storm-Security Door – Missing / Damaged
Deteriorated / Missing Seals (Entry Only)
Electrical – Blocked Access to Electrical Panel
Burnt Breakers
Evidence of Leaks / Corrosion
Frayed Wiring
Missing Breakers / Covers
Hazards – Exposed Wires / Open Panels
Water Leaks on/near Electrical Equipment
Floors and Walls – Bulging / Buckling
Floor Covering Damaged / Missing Floor-Tiles
Peeling / Needs Paint
Rot / Deteriorated Subfloor
Water Stains / Water Damage / Mold / Mildew
Trim – Damaged / Missing

GFI – Inoperable

Graffiti

HVAC – Convection/Radiant Heat System Covers Missing/Damaged
General Rust / Corrosion
Inoperable
Misaligned Chimney / Ventilation System
Noisy / Vibrating / Leaking

Lavatory Sink – Damaged / Missing

Lighting – Missing / Damaged / Inoperable Fixture

Mailbox – Missing / Damaged

Outlets / Switches / Cover Plates – Missing / Broken

Pedestrian / Wheelchair Ramp

Plumbing – Clogged Drains

Leaking Faucet / Pipes

Range Hood / Exhaust Fans – Excessive Grease / Inoperable

Range / Stove / Refrigerator – Missing / Damaged / Inoperable

Restroom Cabinet / Sink / Shower-Tub – Damaged / Missing

Smoke Detector – Missing / Inoperable

Stairs – Missing / Damaged/ Broken Steps-Handrailing

Ventilation / Exhaust System – Inoperable

Water Closet / Toilet – Damaged / Clogged / Missing

Windows – Cracked / Broken / Missing Panes

Damaged Window Sill

Inoperable / Not Lockable

Missing / Deteriorated Caulking / Seals / Glazing

Health and Safety:

Air Quality – Mold / Mildew Observed

Propane / Natural Gas / Methane Gas Detected

Sewer Odor Detected

Emergency / Fire Exits – Blocked / Unusable

Missing Exit Signs
Flammable / Combustible Materials – Improperly Stored
Garbage and Debris – Indoors / Outdoors
Hazards – Other / Sharp Edges / Tripping
Infestation – Insects / Rats / Mice / Vermin
Pools and Related Structures – Fencing – Damaged / Not Intact
Trash Collection Areas – Chutes – Damaged / Missing Components

F. FURTHER GUIDANCE TO MINIMUM REHABILITATION STANDARDS

1. WORK WRITE-UP, COST ESTIMATES, CONSTRUCTION CONTRACTS AND CONSTRUCTION DOCUMENTS – Construction contracts, work write-ups, and construction documents must be in sufficient detail to establish the basis for uniform inspections of the housing to determine compliance with the minimum rehabilitation standards.
2. INSPECTIONS – Initial, progress and final inspections are required to be completed along with appropriate documentation of such in each property / project file. Progress and final inspections must be conducted to ensure that work is done in accordance with the applicable codes, the construction contract, and construction documents.
3. HEALTH AND SAFETY – In housing that is occupied, any life-threatening deficiencies that are identified must be addressed immediately.
4. MAJOR SYSTEMS – Major systems are: structural support; roofing; cladding and weatherproofing (e.g., windows, doors, siding, gutters); plumbing; electrical; and heating, ventilation, and air conditioning. For rental housing, the remaining useful life of these systems must be estimated based on age and condition, upon project completion of each major system. (For multi-family rental housing projects of 26 units or more, the remaining useful life of the major systems must be determined through a capital needs assessment of the project.) For rental housing, if the remaining useful life of one or more major system is less than the applicable period of affordability, there must be a replacement reserve established and monthly payments made to the reserve that are adequate to repair or replace the systems as needed. For homeownership housing, each of the major systems must have a remaining useful life for a minimum of 5 years, upon project completion, or the major systems must be rehabilitated or replaced as part of the rehabilitation work.
5. CAPITAL NEEDS ASSESSMENT – For multi-family rental housing projects of 26 units or more, a capital needs assessment of the project is required to determine all work that will be performed in the rehabilitation of the housing and the long-term physical needs of the project.
6. DISASTER MITIGATION – Where relevant, it will be required that the housing to be improved to mitigate the impact of potential disasters (e.g., earthquake, hurricanes, flooding, and wildfires) in accordance with State and local codes, ordinances, and requirements, or such other requirements as HUD may establish.

BROADBAND – HUD includes internet connectivity in the regulatory definition of “utility connections.” All National Housing Trust Fund-assisted housing must meet the minimum property standards upon completion, so efforts to provide broadband internet access, where applicable, must be undertaken as part of the project.

ATTACHMENT B

eCon Planning Suite Revisions

Revisions to eCon Planning Suite information in IDIS related to updates to the necessary screens as identified within HTF guidance. Revisions were made to the Nebraska Consolidated Plan (2015-2019) and to the 2016 Annual Action Plan.

Consolidated Plan Screens Revised

The following screens in the eCon Planning Suite consolidated plan template in IDIS were revised to include HTF. For complete plan sections see also the Substantial Amendment to the Consolidated Plan.

- **ES-05 / AP-05 Executive Summary:** § 91.320(b)- The Executive Summary includes seven narratives: (1) Introduction; (2) Summary of Objectives and Outcomes; (3) Evaluation of Past Performance; (4) Summary of the Citizen Participation and Consultation Process; (5) Summary of Public Comments; (6) Summary of Comments Not Accepted; (7) Summary.
- **PR-15 Citizen Participation:** § 91.115 and § 91.300(c)- revise this screen to provide a summary of the citizen participation efforts made for HTF, including efforts to broaden public participation, a summary of citizen comments or views on the plan, and a written explanation of comments not accepted and the reasons why these comments were not accepted.

Strategic Plan Screens Revised

The following screens in the eCon Planning Suite consolidated plan template in IDIS were revised to include HTF. For complete plan sections see also the Substantial Amendment to the Consolidated Plan.

- **SP-10 Geographic Priorities:** § 91.315(a)(1)- revise this screen to discuss how investments are allocated geographically.
- **SP-25 Priority Needs:** § 91.315(a)(2)- revise this screen to indicate the general priorities for allocating investment of available resources among different needs.
- **SP-30 Influence of Market Conditions:** § 93.315(b)- revise this screen to describe how the characteristics of the housing market influenced the State's decisions regarding allocation priorities among the types of housing assistance.
- **SP-35 Anticipated Resources:** § 91.315(a)(4); § 91.320(c)(1) and (2)- revise this screen to identify the federal, state, local, and private resources expected to be available to the State to address priority needs and specific objectives identified in the strategic plan.
- **SP-45 Goals:** § 91.315(a)(4) and § 91.315 (b)(2)- revise this screen to summarize the State's priorities and the specific goals it intends to initiate and/or complete within the term of the strategic plan. The State must also ensure its five year goals include any accomplishments due to HTF funds and must also enter the number of extremely low-income families to which the State will provide assistance with its HTF funds.

Annual Action Plan Screens Revised

The following screens in the eCon Planning Suite consolidated plan template in IDIS were revised to include HTF. For complete plan sections see also the Substantial Amendment to the 2016 AAP.

- **AP-05 Executive Summary:** § 91.320(b)- The Executive Summary includes seven narratives: (1) Introduction; (2) Summary of Objectives and Outcomes; (3) Evaluation of Past Performance; (4) Summary of the Citizen Participation and Consultation Process; (5) Summary of Public Comments; (6) Summary of Comments Not Accepted; (7) Summary.
- **PR-05 Lead & Responsible Agencies** - § 91.300(b)
- **AP-10 Consultation:** § 91.110, § 91.300(b); § 91.315(l)
- **AP-12 Participation:** 91.115, 91.300(c)
- **AP-15 Expected Resources:** § 91.320(c)(1) and (2)- revise this screen to provide a concise summary of the federal resources expected to be available. The HTF resources added to the SP-35 Anticipated Resources screen will carry over to this screen.
- **AP-20 Annual Goals and Objectives:** § 91.320(c)(3) and (e)- revise this screen to summarize the specific goals the State intends to initiate and/or complete within the term of the program year. Any HTF related goals and objectives entered on the SP-45 Goals screen will carry over to this screen.
- **AP-25 Allocation Priorities:** § 91.320(d)- revise this screen to describe the reasons for the State’s allocation priorities and how the proposed distribution of funds will address the priority needs and goals of the strategic plan.
- **AP-30 Method of Distribution:** § 91.320(d) and (k5)- revise this screen to include a description of its method(s) for distribution for the “Other – Housing Trust Fund” selection based on the entry made on the SP-35 Anticipated Resources screen.
- **AP-35 Projects:** (Optional)
- **AP-38 Project Summary:** (Optional)
- **AP-50 Geographic Distribution:** § 91.320(f)- revise this screen to describe the geographic areas of the state in which it will direct assistance during the ensuing program year and provide rationale for its priorities in allocating investment geographically.
- **AP-55 Affordable Housing:** § 91.320(g)- revise this screen to specify goals for the number of homeless, non-homeless, and special needs households to be provided affordable housing within the program year.
- **AP-65 Homeless and Other Special Needs Activities:** § 91.320(h)- revise this screen to describe how HTF will help to address the State’s one-year goals and actions for reducing and ending homelessness, if applicable.
- **AP-75 Barriers to Affordable Housing** § 91.320(i)- revise this screen to describe how HTF will help with any actions the State’s will take during the next year to reduce barriers to affordable housing, if applicable. **No additional changes were needed in this section.**
- **AP-85 Other Actions:** § 91.320(j)- revise this screen to describe how HTF will help with any actions the State will take during the next year to carry out the following strategies outlined in the consolidated plan:
 - Foster and maintain affordable housing;
 - Evaluate and reduce lead-based paint hazards;

- Reduce the number of poverty-level families;
- Develop institutional structure; and
- Enhance coordination.

In addition, the State must identify obstacles to meeting underserved needs and propose actions to overcome those obstacles using HTF funds, if applicable.