State of Nebraska
National Housing Trust Fund (HTF)
Proposed Allocation Plan 2017

July 2017
Table of Contents

I. General Information .................................................................................................................. 3
   Introduction .............................................................................................................................. 3
   HTF Allocation Plan ................................................................................................................ 3

II. Grantee Information ............................................................................................................... 4
   III. Consolidated Plan Requirements ..................................................................................... 4
   Citizen Participation Plan ....................................................................................................... 5
   2015-2019 Consolidated Plan Screens to Revise .................................................................. 5

IV. Strategic Plan Requirements ............................................................................................... 5
   2015-2019 Strategic Plan Screens to Revise ........................................................................ 5

V. Annual Action Plan Requirements ......................................................................................... 6
   2016 Annual Action Plan Screens to Revise ......................................................................... 6
   HTF Funding Priorities ........................................................................................................... 7
   Supplemental Information regarding Distribution of HTF Funds and Uses of Funds ........... 7
   Recipient Application Requirements, Threshold Requirements ......................................... 10
   NDED Housing Priorities and Scoring Criteria ................................................................. 10
   Application Process, Selection Criteria and Scoring: The Seven Criteria of Equal Consideration ........................................................................................................ 11
   Performance Goals and Benchmarks .................................................................................... 14

VI. Other Requirements ........................................................................................................... 14
   Maximum Per-unit Development Subsidy Amount ............................................................. 14
   Supplemental Information for Maximum Per unit Subsidy ................................................ 15
   Rehabilitation Standards ....................................................................................................... 16
   Supplemental Information for Rehabilitation Standards .................................................... 17
   Resale and/or Recapture Provisions .................................................................................... 17
   HTF Affordable Homeownership Limits ............................................................................. 17
   State Limited Beneficiaries or Preferences ....................................................................... 18
   Supplemental Information for State Limited Beneficiaries or Preferences ......................... 18
   Refinancing of Existing Debt .............................................................................................. 19

Attachment A: NDED HTF Rehabilitation Standards .............................................................. A1-19
Attachment B: Uniform Physical Condition Standards (UPCS) for Multifamily Housing Rehabilitation .................................................. B1-4
Attachment C: NDED Minimum Rehabilitation Standards ................................................. C1-19
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 received $3 million, and for the Fiscal Year (federal) 2017, 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 2017. 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 2017 HTF Allocation Amount: $3,000,000

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.
### 2015 - 2019 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-05 Lead & Responsible Agencies:** §91.300(b)
- **PR-10 Consultation:** §91.110, §91.300 (b); §91.315(I)
- **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.

#### 2015 – 2019 Strategic Plan Screens to Revise

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

- **SP-05 Strategic Plan Overview:** Revised this screen to include HTF as one of the Federal funds of which the performance indicators may increase or decrease depending on the annual allocation to the State.
- **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-40 Institutional Delivery Structure:** § 91.315(k) – revised this screen to include reference that for HTF info and complete narrative see appendix.
- **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.

2016 Annual Action Plan Screens to Revise
The following screens in the eCon Planning Suite consolidated plan template in IDIS were revised to include HTF.

- **PR-05 Lead & Responsible Agencies** – revised to add HTF-related information
- **AP-10: Consultation** – revised to add HTF information
- **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 (k)- 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.
- **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; 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 2017, 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 **2017**, 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 **2017**, the amount available for permanent 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.
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 _X_  No___

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

Threshold Requirements
When an application is received, it shall first be reviewed for eligibility to be scored and ranked. In order to be eligible for scoring and ranking, the application must be complete, must demonstrate that the proposed project at minimum meets the 7 housing selection criteria, and includes the following information, unless waived by Nebraska DED for good cause. Application packages missing any of the following threshold items after the application deadline will be deemed incomplete and the applicant will be notified. Reasonable time will be given to the applicant to submit the missing information.

1. Submit a complete application to the State. After applications are submitted, the State will conduct a completeness review. The application will be deemed complete if the application package contains, at a minimum the following:
   a. Required application forms submitted: all required NDED-provided forms for current year application will be posted on the NDED website prior to the beginning of the application cycle.
   b. Required third-party documents submitted. A checklist and instructions of the complete list of required documents will be posted prior to application cycle.
   c. Applicants must comply in all respects with NDED Rehabilitation Standards as to content and adhere to any necessary HUD environmental regulatory requirements.

2. Provide description, reference and/or supporting documentation that an eligible activity is proposed by the project according to the Nebraska HTF Allocation Plan eligible activity definition, which is that activities 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).

3. Demonstrate the financial feasibility of the project.

4. Certify that housing assisted with HTF funds will comply with HTF requirements

5. Demonstrate that the State requirement and HTF Regulations concerning a sustained 30-year affordability period is maintainable.

NDED Housing Priorities and Scoring Criteria
HTF funds will be awarded to the applicants whose applications are complete, meet all requirements, and score the highest points until all HTF funds have been allocated. If there is a tie in the scoring of two or more applications the projects will be ranked in the following order to determine which applicant receives priority:

1. The application with the greatest amount of additional subsidy per unit;
2. The application with a proposed project under the Targeted Set-Aside or Special-Needs Set-Aside;
3. The most complete application as determined by the State’s completeness review team.

NDED reserves the right to deny HTF funding to any applicant or project regardless of scoring determination if the NDED application evaluation determines a proposed project is not financially viable or feasible.

Application Process, Selection Criteria, and Scoring: The Seven Criteria of Equal Consideration
(Answering the relative importance of the readiness of projects in the selection process (the scoring), ‘Undertaking Projects in a Timely Manner’)

The Nebraska DED HTF Allocation Plan is designed to ensure that applicants will have the opportunity to compete for funding to address their unmet rental housing needs where economically feasible. The following seven selection criteria, all given equal consideration, will be used to determine HTF allocation of funds, and to evaluate and select HTF applications to be awarded HTF dollars.

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

**Priority based upon geographic diversity: Geographic Diversity Criteria (up to 10 points)**

Geographic distribution will be dependent on which HTF application cycle funds are being requested, as the discussion below demonstrates.

**CRANE Set Aside**

For HTF applicants applying within the CRANE Set Aside, the entire state is the eligible area. The joint DED/NIFA application cycle for CRANE achieves geographic diversity by awarding 50% of available funds to projects in urban areas and 50% to projects located in rural areas. In addition, the scoring methodology assigns 3 points for a project located in a community population of less than 5,000, 2 points for a project located in a community population of 5,000 to 15,000, and 0 points for a project located in a community population of more than 15,000.

**Targeted Needs Set Aside**

For HTF applicants applying within the Targeted Needs Set Aside, the entire state is the eligible area. While two of the three Set Asides do provide geographic diversity, the Targeted Needs Set Aside will not have a scoring hierarchy associated with geography. This is due to funding limitations and feasibility.

**Permanent Housing Set Aside**

For HTF applicants applying for the Permanent Housing Set Aside, funds will be distributed equally between the Continuum of Care (CoC) Regions of the Nebraska Homeless Assistance Program (NHAP), which are the Omaha CoC, the Lincoln CoC, and the Balance of State (BoS) CoC. The Omaha CoC and the Lincoln CoC are regions located in the Southeast area of Nebraska, are approximately 60 miles apart, and are both urban communities. The BoS CoC consists of the remaining geographical areas of the state, where many rural communities exist, and which was formerly five separate NHAP regions, named after the remaining state geographical areas: the Panhandle, North Central, Southwest, the rest of the Southeast, and Northeast CoC Regions of Nebraska. See also the CoC map below.
Map of the Nebraska Balance of State CoC, with the Lincoln and Omaha CoCs excluded below:

Source: HUD Balance of State CoC Dashboard map, August 2016.

Nebraska Homeless Assistance Program (NHAP) Continuum of Care (CoC) Regions

Lincoln CoC: City of Lincoln, located within Lancaster County, in the southeast area of Nebraska, also known as the NHAP Region 6

Omaha CoC: City of Omaha, located in Douglas and Sarpy Counties, located in the southeast area of Nebraska, also known as the NHAP Region 7

Balance of State (BoS) CoC: This region consists of the other five regions of the NHAP Program, which are:

- **Region 1**: Panhandle (Sioux, Dawes, Sheridan, Box Butte, Scotts Bluff, Morrill, Garden, Banner, Kimball, Cheyenne, and Deuel counties)
- **Region 3**: Southwest (Grant, Hooker, Thomas, Arthur, McPherson, Logan, Keith, Lincoln, Perkins, Dawson, Buffalo, Chase, Hayes, Frontier, Gosper, Phelps, Kearney, Dundy, Hitchcock, Redwillow, Furnas, Harlan, and Franklin counties)
- **Region 4**: Southeast (Polk, Butler, Saunders, Sarpy, York, Seward, Lancaster [Lincoln excluded], Cass, Otoe, Fillmore, Saline, Adams, Clay, Webster, Nuckolls, Thayer, Jefferson, Gage, Johnson, Nemaha, Pawnee, and Richardson counties)
- **Region 5**: Northeast (Know, Cedar, Dixon, Dakota, Antelope, Pierce, Wayne, Thurston, Madison, Stanton, Cuming, Burt, Dodge, Washington, and Douglas counties [Omaha excluded])

Applicant’s ability to obligate HTF funds: Ability to Obligate Funds Criteria (up to 10 points)

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: Timeliness Criteria (up to 10 points)
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. These items include:

- Development staff experience, which includes financial and staff capacity
- Development contractor or partnering agency and their experience
- History of other federally-funded affordable housing projects, including number of projects and whether projects were completed in a timely manner
- Other relevant factors which demonstrate the ability of the team to ensure a successful timely project
- Readiness of the current project application
  - Timeliness determined through the Threshold Requirements completion
  - Letters of commitment and/or executed Memorandum of Agreement with all support services providers associated with the project

For rental housing, the extent to which the project has Federal, State or local project-based rental assistance so units are affordable to extremely low income families: Project-Based Rental Assistance for ELI Criteria (up to 10 points)
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. Applicants must identify and describe the type of assistance and the length of commitment for the assistance in the project to demonstrate and ensure residents do not pay more than 30% of their income towards rent and utilities. Other methods that ensure affordability of ELI households will also be considered, such as cross-subsidization or operating assistance reserves.

For rental housing, the duration of the units’ affordability period: Affordability Period Criteria (up to 10 points)
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. Applicants must submit appropriate verification and supporting documents to demonstrate their commitment.

The merits of the application in meeting the State’s priority housing needs: Priority Housing Needs Criteria (up to 10 points)
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.

HTF applications will be evaluated on how the priority housing needs as identified in the State of Nebraska 2015-2019 Consolidated Plan are addressed. That is, what objectives and under which priority need is the application addressing and fulfilling?
The Housing Priority Need is a need for affordable, decent, safe, and appropriate housing. There are four objectives associated with the priority housing need, of which only three are applicable to HTF dollars. Applications will be reviewed to evaluate which of the three applicable objectives are addressed:

1. Is the project application promoting additional affordable rental housing and preservation of affordable rental housing in selected markets?
2. Is the project application promoting housing preservation by improving the quality of Nebraska’s existing affordable housing?
3. Does the project application enhance statewide understanding of fair housing law through outreach and education?

The Homeless Services Priority Need has been described previously and has two primary objectives. Applications will be reviewed and evaluated as to whether these objectives are addressed.

1. Does the project application provide appropriate shelter and/or housing to people who are homeless or at imminent risk of becoming homeless?
2. Does the project application provide needed services to people who are homeless or at imminent risk of becoming homeless?

The extent to which application makes use of non-federal funding sources: Non-Federal Funding Sources Criteria (up to 10 points)
Applicants will be evaluated on the quantity, quality, and timeliness of leveraged non-federal funding that will be committed to the proposed project.

The applicant must describe whether there are plans to apply for and/or anticipate a commitment of non-federal sources of funding, which must include the dollar amount, the source(s), and what percentage of the total development cost that the non-federal funding sources represent.

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 2017 HTF program.

<table>
<thead>
<tr>
<th></th>
<th>State developed its own maximum per-unit development subsidy limits and the limits are attached.</th>
<th>State adopted limits used in other federal programs and the limits are attached.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

____ State developed its own maximum per-unit development subsidy limits and the limits are attached.
   X State adopted limits used in other federal programs and the limits are attached.
Supplemental Information for Maximum Per Unit Subsidy

During the first year of the program, while Nebraska and its development partners gain experience using HTF to create affordable rental housing to ELI households, the State will 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 HOME Fires Vol. 12 No 1.

The current HOME subsidy limits include:

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

The decision to use the HOME subsidy limits and apply them statewide is based on an analysis of the actual total development costs per unit of affordable rental housing properties in Nebraska for the past few years. While there is a variation in individual project costs, there is relatively little variation in the average per unit costs in various locations throughout the state, in both rural and urban areas. Because of the relatively consistent development costs throughout the state, Nebraska chooses to utilize the HOME per unit subsidy limits as these limits are existing and an acceptable standard; are uniform; are familiar to the housing partners which utilize the resources; and are updated annually.
Below is further evidence to support the decision to utilize the above mentioned per unit subsidy limits.

<table>
<thead>
<tr>
<th>Location</th>
<th>Graham Park</th>
<th>Meadow Vista</th>
<th>Heather Estates</th>
<th>Wilderness Falls</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Cost</td>
<td>$2,167,429</td>
<td>$2,192,111</td>
<td>$1,870,420</td>
<td>$3,016,216</td>
</tr>
<tr>
<td>Number of Units</td>
<td>11</td>
<td>12</td>
<td>10</td>
<td>16</td>
</tr>
<tr>
<td>Total Cost Per Unit</td>
<td>$197,039</td>
<td>$182,676</td>
<td>$187,042</td>
<td>$188,514</td>
</tr>
<tr>
<td>Unit Description</td>
<td>6 3-Bedroom units; 3 4-Bedroom units; 2 3-Bedroom market rate units</td>
<td>12 3-Bedroom units</td>
<td>6 3-Bedroom units; 2 4-Bedroom units; 2 3-Bedroom market rate units</td>
<td>14 2-Bedroom units; 2 3-Bedroom units</td>
</tr>
</tbody>
</table>

Subsidy limits evidence continued:

<table>
<thead>
<tr>
<th>Location</th>
<th>Lofts on 24th Street</th>
<th>Northwest Senior</th>
<th>City Impact</th>
<th>Ambassador &amp; President</th>
</tr>
</thead>
<tbody>
<tr>
<td>Location</td>
<td>Omaha</td>
<td>Omaha</td>
<td>Lincoln</td>
<td>Lincoln</td>
</tr>
<tr>
<td>Total Cost</td>
<td>$4,452,482</td>
<td>$6,262,366</td>
<td>$4,354,891</td>
<td>$7,996,507</td>
</tr>
<tr>
<td>Number of Units</td>
<td>20</td>
<td>36</td>
<td>14</td>
<td>71</td>
</tr>
<tr>
<td>Total Cost Per Unit</td>
<td>$222,624</td>
<td>$173,955</td>
<td>$311,063</td>
<td>$112,626</td>
</tr>
<tr>
<td>Unit Description</td>
<td>3 2-Bedroom units; 14 3-Bedroom units; 3 4-Bedroom units</td>
<td>36 3-Bedroom units</td>
<td>14 4&amp;5-Bedroom Units</td>
<td>30 SRO Units; 41 1-Bedroom Units</td>
</tr>
</tbody>
</table>

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.

See also Attachments A, B, and C for further information.
Indicate below if the State will use HTF funds for rehabilitation of housing.

X 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.

X 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.

X 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.

X 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 30% of the units must serve individuals with special needs.

During the development of the State’s HTF Allocation Plan, within the citizen participation process, several respondents identified the need for additional permanent houses for ELI persons and this was one of the reasons that the Permanent Housing Set Aside was established within the Allocation Plan.

In addition, within both the Consolidated Plan and the State’s Annual Action Plan, the State discussed the need to continue to find ways in which to provide additional permanent housing for Extremely Low Income persons, including those who are homeless or at-risk of homelessness. From the most recent data it was found that based on ESG household placements only 37% of the household placements were into permanent housing. See also AP-65 of the 2017 AAP and SP-60 of Consolidated Plan.

This limited beneficiary preference also supports the actions planned to reduce the number of poverty-level families which includes utilizing a strong relationship with the Continuum of Care system in order to enhance and promote the stabilization of homeless families and encourage transition to stable households and housing situations. See also AP-85 of the 2017 AAP and SP-70 of the Consolidated Plan.

Other evidence that supports the need for creating a priority for permanent housing is through the findings within the State’s “Opening Doors: 10 Year Plan to Prevent and End Homelessness in the State of Nebraska” which is referenced in the State’s AAP and also at: [http://opportunity.nebraska.gov/files/crd/nchh/NCHH_OpeningDoors_StateofNE10YearPlantoPreventandEndHomelessness.pdf](http://opportunity.nebraska.gov/files/crd/nchh/NCHH_OpeningDoors_StateofNE10YearPlantoPreventandEndHomelessness.pdf).

Overall, there continues to be a significant unmet need for permanent housing throughout the state, particularly for ELI persons. HTF resources will be used to further decrease that unmet need.
**Refinancing of Existing Debt** - § 91.320(k)(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.

_ X_ The State will not permit the refinancing of existing debt.
ATTACHMENT A
NEBRASKA DEPARTMENT OF ECONOMIC DEVELOPMENT
NATIONAL HOUSING TRUST FUND (HTF)
REHABILITATION STANDARDS

I. PURPOSE OF STANDARDS
   A. The National Housing Trust Fund Rehabilitation Standards (known herein as the “HTF Standards”) are designed to outline the requirements for building rehabilitation for all Nebraska Department of Economic Development (NDED) National Housing Trust Fund (HTF) funded multi-family housing projects. The HTF Standards are applicable to all NDED HTF-funded rehabilitation projects. The HTF Standards, though a requirement specifically to the development entity in direct receipt of NDED HTF funding, are written to provide guidance to all relevant members of a project development team.
   B. The goal of the NDED HTF program is to provide functional, safe, affordable and durable housing that meets the needs of the tenants and communities in which the housing is located. The purpose of the HTF Standards is to ensure that property rehabilitation puts each building in the best possible position to meet this goal over its extended life and that, at a minimum, all health and safety deficiencies are addressed.
   C. If a project is out of compliance with the HTF Standards, the grantee shall bring to the attention of NDED staff the specific portion of the project which does not comply, stating the reasons for non-compliance. NDED staff will make a determination as to whether an exception to the HTF Standards shall be granted.
   D. Note: At the time of publication and adoption of the HTF Standards, the adopted codes referenced are believed to be those in force. As standards and codes change and are put into effect by the governing authorities having jurisdiction, the new standards and codes will apply in lieu of those referenced.

II. QUALITY OF WORK
   A. Quality of Work: Grantees and developers shall ensure that all rehabilitation work is completed in a thorough and workmanlike manner in accordance with industry practice and contractually agreed upon plans and specifications as well as subsequent mutually agreed upon change orders during the construction process. Grantees and developers will employ best practice industry standards relating to quality assurance to verify all work completed.
   B. Project Design Professionals
      1. Projects will be designed by licensed professionals per applicable Nebraska Fire & Building Codes.
      2. The project developer will formally contract with licensed architectural and engineering design professionals to provide appropriate professional services for each project. It is the responsibility of each licensed professional to assure that the scope of work is done in accordance with the generally accepted practices in their discipline, as well as designing the project to be in full conformance with all the applicable Federal, State and local codes. (See Section III below.)
      3. In addition, the architect or engineer will provide contract specifications which stipulate quality standards, materials choices and installation methods and standards. Such specifications may reference other appropriate standards set by different trades associations and testing agencies such as ASTM, Underwriters Laboratory (U/L), Tile Council of America, Gypsum National Roofing Contractors Association (NRCA) Architectural Woodwork Institute, SMACNA, ASTM, AFME, etc.
   C. By meeting the various code requirements as a minimum standard, together with the other standards herein or in attendant NDED policies, each building rehabilitation project is assured to be brought up to an acceptable level of rehabilitation.
   D. Warranties shall be required per the standard construction contracts on all materials, equipment and workmanship.
III. CODE COMPLIANCE
   A. All work shall comply with all applicable Nebraska state and local codes, ordinances, and zoning requirements.
      Applicable state codes include but are not limited to:
      6. Nebraska State Fire Code Regulations, Title 153
      7. NFPA 1, Fire Code, 2012
      10. Nebraska Elevator Statutes, Neb. Rev. Stat. §§48-2501 to 48-2533; and Code, Title 231, Chapter 1
      11. ADA Standard for Accessible Design, 2010
      12. Nebraska Department of Economic Development Minimum Standards for Rehabilitation
   B. Please note that the NDED HTF grantee must demonstrate compliance with all state and local codes through project affiliation with professional design team drawing certifications (e.g. architectural design stamp) and/or other approved methods such as state inspector certification.
   C. A code review analysis will be produced by the project’s design professionals itemizing the applicable codes for each area of discipline.
   D. The HTF Standards are designed to exceed the Uniform Physical Condition Standards (UPCS) and ensure that upon completion, the HTF-assisted project and units will be decent, safe, sanitary, and in good repair as described in 24 CFR 5.703. See Attachment B attached hereto for a list of Inspectable Items and Observable Deficiencies, including descriptions of the type and degree of deficiency for each item that any HTF-assisted project must address, at a minimum.

IV. HEALTH AND SAFETY
   A. If the housing is occupied at the time of rehabilitation, any life-threatening deficiencies must be identified and addressed immediately. See Attachment B for a list of Inspectable Items and Observable Deficiencies, including the identification of life-threatening deficiencies (highlighted in orange) for the property site, building exterior, building systems, common areas, and units.

V. SCOPE OF WORK DETERMINATION
   A. In developing scopes of work, grantees and developers will work with NDED to ensure that all requirements under the HTF Standards are satisfied and that the proposed scope of work meets the goals of Part I above. NDED approval of all scopes of work is required.

VI. EXPECTED USEFUL LIFE / REHABILITATION SCOPE & CAPITAL PLANNING
   A. In developing scopes of work on housing rehabilitation projects NDED HTF grantees and developers will consider the remaining expected useful life of all building components with regard to building long-term sustainability and performance. Specifically, each building component with a remaining expected useful life of less than the applicable HTF period of affordability (30 years) shall be considered for replacement, repair or otherwise updated. Additionally, new building components with an expected useful life of less than 30 years shall be considered for future replacement. For multifamily housing with 26 or more total units, the useful life of systems must be determined through a capital needs assessment that determines the work to be performed and identifies the long-term physical needs of the project.
B. Project capital needs assessments (CNAs) are required for multifamily housing with 26 or more total units; the CNA’s must determine the useful life of systems and the work to be performed, including identifying the long-term physical needs of the project. The industry standard period for CNA’s is 20 years; however, project CNA’s must be updated every five years during the life of the project to ensure projected capital needs through the 30-year HTF affordability period are anticipated and planned for. The initial CNA will cover years 1-20. The first 5-year update will be done in year 5 and cover years 6-25. The second 5-year update will be done in year 10 and will cover years 11-30.

C. Once a scope of work has been developed by the grantee and their development team, the grantee must also develop a capital plan in compliance with the Capital Needs Assessments. Whether or not a particular building component has been replaced, repaired or otherwise updated as part of the rehabilitation scope of work, all building components and major systems must demonstrate adequate funding to be viable for at least 20 years, the length of the capital plan, with subsequent updates every five years during the 30-year affordability period.

- Example #1: Kitchen cabinets with a remaining useful life of 8 years may be permitted to be left in place and not included in the rehabilitation scope. However, adequate funding shall be demonstrated in the building capital plan to replace those cabinets in year 8 of the post-rehabilitation capital plan.
- Example #2: If a building component such as a new roof is installed during the rehabilitation and this roof has an expected useful life of 25 years, it will not show up on the initial CNA as needing replacement during that 20-year period. However, since NDED requires updates of CNA’s to be performed every 5 years, it will show up on the next 20-year CNA which will be performed in year 5 of the project and cover years 6-25. During these 5-year CNA updates, the project reserve contributions will be reviewed to ensure all future capital expenditures articulated in the CNA are adequately funded through the 30-year affordability period.

D. Monthly replacement reserves contributions of at least $50 per unit per month are required through the 30-year affordability period. If the initial 20-year CNA and capital plan (and/or any subsequent 5-year updates) indicate that replacement costs for the period exceed the amount generated by a $50 per unit per month contribution, a higher per unit per month contribution will be required.

E. Grantees and their development teams should ensure that all building components are analyzed as part of a comprehensive effort to balance rehabilitation scope and capital planning in a way which maximizes long-term building performance as much as possible within the parameters of both development and projected operational funding available.

VII. ENERGY EFFICIENCY

A. All NDED HTF-funded projects shall be subject to the 2009 International Energy Conservation Code, Nebraska Uniform Energy Efficiency Codes, and guidance on energy efficiency as found within the NDED Minimum Standards for Rehabilitation. All projects will either achieve the target energy efficiency objectives of the standard or present NDED with an operational case for project sustainability pursuant to the financial structure of the project.

B. In both the design and implementation of project rehabilitation scopes of work, particular emphasis should be made to maximize the effectiveness of the energy efficiency related work scopes.
VIII. DISASTER MITIGATION

A. To the extent applicable/relevant, the housing must be improved to mitigate the potential impact of potential disasters (e.g. tornadoes, floods, wildfires) in accordance with state or local codes, ordinances, and requirements, or such other requirements that HUD may establish.

B. Specifically regarding flood hazards, a relevant potential natural disaster for the State of Nebraska:
   1. Projects shall meet FEMA federal regulation, and HUDs’ floodplain management requirements at 24 CFR 55, including the 8-Step Floodplain Management Process (when applicable) at 24 CFR 55.20.
   2. Projects shall meet fluvial erosion prevention requirements per local municipality regulations.

C. Specifically regarding tornadoes, another relevant potential natural disaster for the State of Nebraska:
   1. Projects shall meet applicable federal, state, and local codes and design considerations will be made for ensuring new construction includes a basement (if applicable and feasible) or a safe room. Rehabilitation of existing properties will include an evaluation of tornado safety features within the property.
   2. Applicable FEMA guidance will be consulted, as appropriate, including FEMA P-320 “Taking Shelter from the Storm: Building a Safe Room for Your Home or Small Business” and FEMA P-361 “Safe Rooms for Tornadoes and Hurricanes: Guidance for Community and Residential Safe Rooms, Third Edition (2015)” found at:

IX. BIDDING AND PROJECT MANAGEMENT

A. All projects will be bid in accordance with procurement provisions of federal law found at 2 CFR §§200.318 through 200.326 and State Law which applies to all NDED HTF-funded projects. Grantees and developers will submit a project management plan with their application which will outline how the project will be managed (e.g. General Contractor (GC) bid project, Construction Management (CM) project or other project management plan). Any changes to project management operational structure which substantially varies from the plan provided to NDED at the time the HTF funding is awarded requires prior notification to NDED HTF staff.

X. PROJECT ARCHITECTURAL REHABILITATION DESIGN STANDARDS

A. BUILDING OCCUPANCY & CONSTRUCTION TYPE
   1. Fire resistance rating separation requirements per code
   2. Shall comply with NFPA 1 and NFPA 101, Chapters 8 & 43

B. HISTORIC BUILDINGS
   1. Shall comply with NFPA 101, Chapter 43.10.4
   2. Shall comply with IBC, Chapter 3409

C. Historic buildings shall be rehabilitated in a manner consistent with the requirements of Section 106 of the National Historic Preservation Act and the Secretary of Interior’s Standards for Rehabilitation and Guidelines for Rehabilitation of Historic Buildings and with consultation of the Nebraska State Historic Preservation Office (SHPO).

D. ACCESSIBILITY REQUIREMENTS
   1. Housing that is rehabilitated with HTF funds must meet all applicable federal and state regulations regarding accessibility for persons with disabilities. An overview of these requirements is provided below; however, the applicability of these rules is complex and therefore it is recommended that developers seeking HTF funds consult with a qualified design professional.
   2. General Requirements:
      a. Projects shall meet applicable Federal and State Regulations and Rules
      b. The number of accessible apartment units shall be determined by the code requirements
      c. Projects shall comply with the American’s with Disabilities Act (ADA), Title II (for public
entities) and Title III (for places of public accommodations) implemented at 24 CFR parts 35 and 36, and 2010 ADA Standard for Accessible Design and attendant Design Guide (DOJ), as applicable

d. Projects, if applicable, shall comply with the Fair Housing Act, which states in part that covered multifamily dwellings as defined by HUD’s implementing regulations at 24 CFR 100.201 must meet the design requirements at 24 CFR 100.205 and that the Fair Housing Act Amendments of 1988 (as amended) with consideration being given to the accessibility/adaptability of units to handicapped occupancy.

e. Rehabilitation of existing buildings constructed and first occupied prior to March 13, 1991, that may be exempt from the Architectural Guidelines adopted in the Fair Housing Act Amendments of 1988 will ensure compliance with applicable federal, state, and local building codes and will include compliance with applicable Section 504 requirements.

3. Projects shall comply with other standards as may apply or be required by funding sources (i.e. USDA Rural Development)

4. Projects, if applicable, shall comply with Section 504 of the Rehabilitation Act of 1973 implemented at 24 CFR Part 8
   a. For “substantial” rehabilitation (projects with 15 or more total units and the cost of rehabilitation is 75% or more of the replacement cost):
      i. At least 5% of the units (1 minimum) must be made fully accessible for persons with mobility impairments based on the Uniform Federal Accessibility Standards (UFAS)
      ii. In addition, at least 2% of the units (1 additional unit minimum) must be made accessible for persons with sensory impairments.
      iii. Common spaces must be made accessible to the greatest extent feasible
   b. For projects with “less-than-substantial” rehabilitation (anything less than “substantial”), the project must be made accessible to the greatest extent feasible until 5% of the units are physically accessible, and common spaces should be made accessible as much as possible.

5. Projects, if applicable, shall comply with all Accessibility/Adaptable Dwelling requirements of the Fair Housing Act of 1988; applicable Uniform Federal Accessibility Standards (UFAS); and any applicable requirements of ANSI A117. These may include, but are not limited to:
   a. The structures shall all be on an accessible route, in and through the Unit;
   b. A proper number of units will be fully accessible and may target Special Needs households which may include the 5% minimum requirement per UFAS and ADA;
   c. Units will have ADA Thresholds on all front Doors;
   d. Units will have a removable Front and Panel on the Kitchen Sink;
   e. Units will have reinforcement for future grab bars in all bathrooms, tubs, and showers;
   f. Units will have Convenience receptacles, Switches, and controls mounted between 15” and 48” to the usable part of the device;
   g. Units shall have 36” wide doors;
   h. Units shall have ADA Lever handles on all hardware;
   i. Units shall have the required floor space requirements for ranges, sinks, water closets, and lavatories;
   j. Door swings will have 18” clearance beside the Latch side of the door, if the door swings into the direction of travel.
E. BUILDING DESIGN
   1. The project developers are encouraged to draft an architectural program document outlining the goals for the project.
   2. Building access – in general the access to a building shall be safe, logical, readily identifiable, sheltered from the weather, and meeting the exit requirements to a public way. Pathways of circulation within a building shall also be safe and logical.
   3. Means of egress components shall be in conformance with Chapter 7 of NFPA 101, including complete layout of the exits, corridor and stair dimensional requirements and arrangement, doors sizes and swings, door hardware, panic exit devices, door self-closers, interior finishes, walking surfaces, fire separations, stair enclosures, guards and railings, ramps, occupant load calculations, illumination, and signage.
   4. Apartment layout:
      a. Room sizes – minimum in accordance with IBC 1208 and/or local codes.
      b. Interior environment shall comply with Chapter 12 of the IBC.
      c. Kitchens – in general, for apartment buildings – each unit will have a functional and code-compliant kitchen
         i. SRO’s and other special housing types may be an exception
      d. Baths – in general, for apartment buildings – each unit will have a functional and code compliant bath in accordance with IBC 1210
         i. SRO’s and other special housing types may be an exception
   5. Storage – adequate clothes closets, pantry and general storage shall be provided.
   6. Amenity Spaces - provision for laundry facilities, bike storage, trash & recycling, and other utility or common spaces may be made in accordance with the goals of the project program. The project developers are encouraged to consider adding such amenities as may be appropriate to enhance the livability of the housing for the tenants.
   7. Solid Waste Disposal – provision shall be made to enable the tenants and property management staff to handle and store solid waste in compliance with current State and Federal regulations.
   8. Existing outbuildings and utility structures which are being retained, shall be in sound and serviceable condition, and not create health, safety, or undue maintenance issues for the project.
XI. REHABILITATION CONSTRUCTION STANDARDS
A. SITE
1. General:
   a. Assure that the site is safe, clean and usable, and designed with details, assemblies and materials to provide ongoing durability without undue future maintenance.
   b. Site design and engineering shall be by a licensed professional civil engineer, or other qualified professional.
   c. Design and systems shall conform to all applicable codes, rules and regulations:
      i. Local and municipal zoning
      ii. Local and State Fire and Building Codes, current adopted addition
      iii. Nebraska State Fire Code Regulations, Title, 153
      iv. NFPA Codes as they may apply
   d. Permits - Any and all permits, bonds or licenses required for the execution of the work specified by the Work Write-Up shall be obtained and paid for by the Contractor prior to the start of that work. Contractors and subcontractors will be responsible for obtaining any progress or final inspections from the local jurisdiction’s building departments. Failure to call for the required inspections or proceeding without inspection, such as covering work without approval and deviating from approved plans and specs, may result in violations that could include no payment. Upon project completion, each unit must be decent, safe, sanitary, and in good repair.
2. Sprinkler water service – Underground water service as required for building sprinkler system shall be in accordance with NFPA 24.
3. Drainage – assure that the grading surrounding the building will slope away from the building and drain properly, without ponding or erosion.
4. Sewer connections to municipal sewage systems and on-site sewage disposal:
   a. Existing sewer laterals that are to be reused should be evaluated to assure that they are serviceable and have a remaining useful life of 30 years, or are covered by the 20-year capital plan and/or subsequent 5-year updates during the 30-year affordability period.
   b. New systems designed to conform to the State “Wastewater System & Potable Water Supply Rules” (WW permit) regulations.
5. Water service:
   a. Existing municipal water supplies to buildings shall be evaluated to assure that they are serviceable, of adequate capacity and have a remaining useful life of 30 years, or are covered by the 20-year capital plan and/or subsequent 5-year updates during the 30-year affordability period.
   b. Required new systems shall be designed to conform to the State “Wastewater System & Potable Water Supply Rules” (WW permit) regulations, and the American Waterworks Association (AWWA) guidelines.
6. Vehicular access to public way – site design shall conform to local zoning and transportation regulations, as well as be sensible in its layout to maximize vehicular and pedestrian safety.
7. On-site Parking – parking shall be adequate for project type, meet local codes, and be designed to drain well, with a durable appropriate surface material. Handicapped parking shall be provided as required. Designers may utilize Institute of Transportation Engineers (ITE) guidelines in the design.
8. Pedestrian access and hardscape – In general, paved walkways within the site will be designed to provide sensible pedestrian access from the public way into the site, from parking areas, and provide access to buildings. All walkways should generally conform to applicable codes for width and slopes, and fall protection. Site stairs shall be safe and sound, constructed of durable materials, with proper rise and run, and with code approved railings as required. Accessible routes into buildings shall be provided as required by code.
9. Site amenities – site amenities may be provided which enhance the livability of the project including playground areas, seating, benches, patio areas, picnic tables, bike racks, grills, and fencing, etc.

10. Mailboxes - Provision will be made for USPS-approved cluster mailbox units if required by the USPS.

11. Landscaping – lawns, ground cover, planting beds, perennial plants, shrubs and trees may be provided to enhance the livability, and to provide a positive aesthetic sense.
   a. Planting choices specified should be low maintenance, non-invasive species, of an appropriate size and scale and located, when adjacent to building structures, with regard to their size at maturity.

12. Solid waste collection & storage – if necessary, provision shall be made for the outdoor storage and collection of solid waste and recycling materials in receptacles (dumpsters, wheeled trash cans, totes). Enclosures may be provided and should be accessible as required by code.

13. Site lighting with shielded fixtures may be provided to illuminate parking and pedestrian walkways, and will conform to local zoning.

14. Fuel Storage – Onsite outdoor placement and storage of fuels per applicable regulations and utility requirements.

15. Underground or overhead utilities – as regulated by code and utility rules.

B. FOUNDATIONS

1. Existing foundations shall be examined by qualified professionals
   a. Foundations to be adequately sized, free of broken components or deterioration which may compromise the load bearing structural integrity.
   b. Design and implement structural reinforcements or reconstruction as necessary.

2. Above-grade masonry unit block or brick shall be reasonably stable, plumb and sound with no missing units or voids.

3. Pointing of mortar joints shall be specified as necessary to assure the continued integrity of the structural assembly.

4. New below-grade structures to conform to Chapter 18 of IBC as appropriate.

5. Basement floors:
   a. Mechanical rooms - Provide sound concrete floors with raised housekeeping pads for equipment.
   b. Tenant accessed utility spaces (storage, laundry rooms, etc.) – provide sound concrete floors.
   c. Dead spaces
      i. provide concrete rat slabs,
      ii. where earthen floors are to remain, provide wear layer of peastone (or similar suitable material) over vapor barriers.

6. Moisture mitigation
   a. Water and damproofing – where possible and as may be required by existing conditions of groundwater and stormwater intrusion into subsurface portions of buildings, provide waterproofing or damp proofing as appropriate.
   b. Provide vapor barriers covered with a wear layer of pea-stone over earthen basement or crawl space floors to remain.
   c. Ventilation of basements and crawl spaces per IBC, Chapter 1203.
C. MASONRY COMPONENTS
1. Buildings with masonry bearing walls shall be examined for their structural integrity. Existing masonry building components shall be examined to assure sound condition, and repaired as necessary to provide the load-bearing capacity, resistance to water penetration, and aesthetic quality to assure the assemblies will perform for the purpose intended.
   a. Masonry shall be plumb, and structurally sound.
2. Repair or replace deteriorated portions or missing units.
   a. Brick veneer shall be sound, or repaired to be sound.
3. Masonry mortar joints shall be sound, and free of loose or deteriorated mortar, with no voids.
   a. Pointing of mortar joints shall be specified as necessary to assure the continued integrity of the structural assembly, and prevent water intrusion.
4. Historic masonry designated to remain shall be restored to sound serviceable condition, and in accordance with Section 106 of National Historic Preservation Act.
   a. Where masonry is considered historic, repairs will be carried out utilizing the Secretary of the Interior’s “Standards of Rehabilitation” and related NPS Preservation Briefs for “Repointing Mortar Joints on Historic Masonry Buildings”
5. Chimneys
   a. Assure structural integrity, reconstruct, and point as necessary
   b. If used for fuel heating appliances – provide lining as may be required by code and as prescribed by the heating appliance manufacturer.

D. STRUCTURE
1. A qualified professional shall examine each building’s load-bearing structure, and assess its existing condition to determine suitability of continued use.
2. In general, structure evaluation and design shall be in conformance with International Building Code requirements.
   a. In most residential rehab projects where there is no change in use, it is not expected that the structure will be brought up to new construction standards.
   b. Consideration shall be given if there are any proposed changes in use which would impact the historical loading.
3. Deficiencies identified shall be addressed and repairs designed and specified as necessary to correct such conditions:
   a. Repairs shall be made to any deteriorated load-bearing structural elements.
   b. Reinforce, install supplemental or replace structural members determined not to be adequate for use.

E. ENCLOSURE - SHELL
1. Roofing
   a. Existing
      i. Examine existing roofing and flashing systems to determine suitability for continued use. Continued life expectancy of existing roofing should be a minimum of 30 years, or covered by the 20-year Capital Plan and/or subsequent 5-year updates during the 30-year affordability period.
      ii. Repair existing roofing as required.
      iii. Existing historical slate roofs shall be repaired in accordance with the Secretary of the Interior’s “Standards for Rehabilitation” project requirements if applicable.
   b. New Roofing
      i. New roofing shall be installed where existing roofing does not meet requirements for continued use.
      ii. New roofing system components shall be compatible, and include - the nail base,
the underlayment layer, ice & water shield self-adhesive membrane flashings, metal flashings and roofing.
- Strip existing roofing and dispose of properly.
- Examine exposed existing substrate for structural soundness
- Install new roofing system per code and per NCRA trade practices, and manufacturer specifications.
- Flashings – deteriorated flashings shall be replaced, and the weather proof integrity of the roof system shall be assured.

2. Exterior Finishes
   a. Cladding
      i. Wood Siding –
         - Examine existing siding for soundness – shall be free of major cracks, rot, and other deterioration which may compromise its useful life and be suitable to hold exterior paint.
         - Siding shall be free of gaps and holes and provide continuous weatherproof system.
         - Repair or re-side as necessary to provide a weather resistant enclosure.
         - Replace existing wood siding on historic buildings as necessary in accordance with the Secretary of the Interior’s “Standards for Rehabilitation” project requirements.
      ii. Masonry
         - Masonry bearing walls and veneers shall be restored as necessary
            1. Refer to Section XI. C. – Masonry
            2. Refer also to Section XI F.2.b – Enclosure Thermal for insulation requirements
            3. All work on historic masonry shall be done in accordance with the Secretary of the Interior’s “Standards for Rehabilitation” project requirements.
      iii. Other existing cladding system types and materials shall be repaired and/or restored in-kind with matching or similar materials to provide a durable weather resistant enclosure.

3. Trim – Exterior trim and architectural woodwork.
   a. Existing wood trim:
      i. Existing trim to remain must be sound, free of defects and deterioration which compromises its use.
      ii. Repair and restore trim to usable condition. Patch or replace in kind any deteriorated wood trim components.
      iii. Repair of historic woodwork and trims shall be in accordance with the Secretary of the Interior’s “Standards for Rehabilitation” project requirements.
   b. New wood trim shall be installed in a workmanlike manner. Reference may be made to Architectural Woodwork Institute (AWI) standards.
   c. Other trim materials (PVC, cementitious, etc.) which are suitable may be used as appropriate and shall be installed per manufacturer’s recommendations.
   d. Trim which is part of the weather tight enclosure shall be flashed or caulked with joint sealers as necessary to prevent water intrusion.

4. Paint
   a. In general, all existing exterior wood surfaces shall receive new paint coatings, except as appropriate due to the recent application of paint and/or the sound condition of existing coatings.
   b. Examine surfaces and apply paint only to sound acceptable materials / surfaces.
      i. Prepare surfaces properly, removing loose or peeling previous paint.
ii. Paint prep shall be done in accordance with applicable lead safe standards. (See also Section XI N.1.b–Special Construction)
c. Before painting, assure that any moisture issues which may compromise the life expectancy of the paint system are remedied.
d. Exterior paint systems shall be compatible, and installed in accordance with manufacturers’ specifications.

5. Porches, decks and steps
i. Existing porches, decks, steps and railings proposed to remain shall be examined and repaired as necessary. Repair and reconstruction shall be carried out to assure that they will have a continued useful life of 30 years, or covered by the 20-year capital plan and/or subsequent 5-year updates during the 30-year affordability period.

ii. Inspect structure for soundness and reconstruct any deteriorated members as required.

iii. Install new support piers as may be required.

iv. Patch existing decking with matching materials, or install new durable decking.

a. Railings

v. shall be sound and adequately fastened to meet code requirements for structural loading. Repair or replace in-kind as appropriate.

vi. Shall meet code requirements for height of protective guards, or have supplemental guards installed.

b. Steps shall be safe and sound and meet applicable codes, with railings as necessary.

c. Historic porches designated to remain shall be restored to sound serviceable condition, and in accordance with the Secretary of the Interior’s “Standards for Rehabilitation” project requirements.

d. All porch elements shall be able to withstand the weather elements to prevent premature deterioration.

F. ENCLOSURE – THERMAL

1. Energy Efficiency - In general, most buildings will be rehabbed with a goal of increasing the thermal shell efficiency.

   a. All NDED HTF-funded projects shall be subject to the 2009 International Energy Conservation Code and guidance on energy efficiency as found within the NDED Minimum Standards for Rehabilitation. All projects will either achieve the target energy efficiency objectives of the standard or present NDED with an operational case for project sustainability pursuant to the financial structure of the project.

   b. In both the design and implementation of project rehabilitation scopes of work, particular emphasis should be made to maximize the effectiveness of the energy efficiency related work scopes.

2. Insulation

   a. Insulation levels shall conform to the NDED’s Minimum Standards for Rehabilitation.

   b. Masonry walls shall be insulated utilizing current building science detailing to ensure ongoing integrity of masonry systems.

3. Air sealing – comply with the NDED’s Minimum Standards for Rehabilitation.

   a. Attention must be paid to the air barrier of each building and should be well thought out, detailed, and carefully executed.

   b. Blower door testing shall be performed to verify compliance and successful execution.

4. Indoor air quality

   a. In general, all thermal upgrades to a building will take into consideration indoor air quality and moisture control/mitigation, and apply the current state of the art building science in
this regard. Treatment of existing stone, concrete or masonry basement walls, and of existing basement earthen floors or uninsulated basement slabs will be taken into consideration with regard to the need for moisture mitigation.

5. Ventilation
   a. Venting of crawl spaces, attics and sloped ceilings shall be per code.
   b. See Section XI E.1.c for roof assembly ventilation.

G. ACOUSTICAL TREATMENTS
1. Dwelling units separated acoustically using Chapter 1207 of IBC as a guideline minimum standard.

H. DOORS
1. General
   a. Doors to meet code requirements of NFPA 101, Chapters 7.2, 8.3, 30.3.6.2 & 30.2.2.2
   b. Meet egress requirements for dimensions, swing and clearances, and be accessibility compliant as required.
   c. Be sound and secure.
   d. New doors shall be installed per manufacturers’ recommendations and standard trade practice standards.
   e. Flash properly, and have shim spaces insulated.
   f. Existing doors to remain should be examined and determined to be suitable for reuse with a remaining life after restoration of 30 years, or covered by the 20-year capital plan and/or subsequent 5-year updates during the 30-year affordability period.
      i. Restore as required to provide useful life.
      ii. Shall be tested and modified as necessary to operate properly.
      iii. Install new weather stripping and sweeps to provide seal against weather elements and air infiltration.
      iv. Historic doors designated to remain shall be restored to sound serviceable condition, and in accordance with the Secretary of the Interior’s “Standards for Rehabilitation” project requirements.
   2. Apartment doors
      a. Apartment unit entry doors shall be fire rated as required.
   3. Other doors – Access doors shall meet code requirements for fire rating.
   4. Door hardware shall operate properly, be secure and shall meet accessibility standards and NFPA 101, Chapters 7.2, 8.3, 30.3.6.2 & 30.2.2.2.

I. WINDOWS
1. Windows shall be of legal egress size when required by code
2. Existing windows:
   a. Existing windows to remain should be examined and determined to be suitable for reuse with a reasonable remaining life after restoration of 30 years without undue future maintenance, or covered by the 20-year capital plan and/or subsequent 5-year updates during the 30-year affordability period.
   b. Capable of providing adequate seal against air infiltration, weather elements, and be determined to be appropriately energy efficient in keeping with the overall energy efficiency strategy of the project.
   c. Install new weather stripping to provide seal against weather elements and air infiltration.
   d. Air seal shim spaces and window weight pockets if possible.
   e. Restore and modify as required to provide useful life.
   f. Shall be tested and modified as necessary to operate smoothly and properly per code.
   g. Historic windows designated to remain shall be restored to sound serviceable condition,
and in accordance with the Secretary of the Interior’s “Standards for Rehabilitation” project requirements.

h. Hardware shall be intact and operational, or be replaced with new hardware as required.

3. New Windows:
   a. Where existing windows do not meet the standards for egress, condition, and/or energy efficiency deemed appropriate to the project, they shall be replaced by new windows.
   b. New windows shall be code compliant, and conform with NDED’s Minimum Standards for Rehabilitation. Developers are encouraged to consider upgrading to greater energy efficient windows by providing R-5 windows.
   c. Additionally, new window units should be tested assemblies meeting ASTM standards for water penetration & air leakage.
   d. All windows shall be installed per manufacturer’s installation guidelines and specifications, and shall incorporate appropriate detail, flashings, joint sealers, and air sealing techniques.

J. INTERIOR FINISHES

1. In general, all interior finishes will be new and installed per manufacturer’s recommendations and the standards of quality construction per trade practices and associations related to the particular product or trade.

2. Per chapter 10 of NFPA 101 (Reference also Chapter 8 of the IBC).

3. Walls & ceilings
   a. Where existing finishes are proposed to remain, they will be determined to meet the standard of being sound, durable, lead-safe, and have a remaining useful life of no less than 30 years, or covered by the 20-year capital plan and/or subsequent 5-year updates during the 30-year affordability period.
   b. Where existing finishes are proposed to remain as part of a fire rated assembly, the State DPS shall assist in making a determination as to the suitability. Refer to codes as they pertain to archaic materials, and relevant NPS Preservation Briefs.

4. Flooring
   a. Existing wood flooring in good condition should be repaired, sanded and refinished.
   b. All new flooring materials (resilient flooring, wood flooring, laminate flooring, carpet, and/or ceramic tile) shall be installed over suitable substrates per manufacturer’s specs and the trade association practices.

5. Trim - Wood trim and architectural woodwork
   a. Existing trim shall be repaired and restored to usable condition, free of deterioration which compromises its use. Repair of historic woodwork & trims shall be in accordance with the Secretary of the Interior’s “Standards for Rehabilitation” project requirements.
   b. New wood trim shall be installed in a workmanlike manner. Reference may be made to AWI standards.

6. Paint - In general, all interior ceiling, wall, and trim surfaces shall receive renewed coatings of paint (or other clear/stain) finishes. Painting shall be done in a workmanlike manner, and in accordance with the manufacturer’s recommendations. All painting including preparation of existing surfaces shall be done in a lead-safe manner (See also Section XI N.1.b-Special Construction).
K. SPECIALTIES
1. Toilet accessories – each bath will have appropriate accessories such as towel bars, robe hooks, bath tissue holders, etc., installed and securely fastened in place. Accessories shall be located per accessibility requirements where necessary.
2. Medicine cabinets and mirrors – install in each apartment bath as appropriate.
3. Signage and identification – building signage shall be provided as appropriate:
   a. Including building address 911 #’s, apartments’ identification, building directory, exits, stairways, common and utility spaces, etc. shall be in conformance with NFPA 101 Life Safety Code, and be accessibility compliant and 911 approved.
4. Exit signage will be provided as required by code and be accessibility compliant as required.
5. Fire protection specialties – provide fire extinguishers in buildings, and in apartments as required by code and/or by state or local fire authorities. Locate as directed by authorities.
6. Shelving – provide durable, cleanable shelving for pantries, linen closets, clothes closets and other storage as appropriate, securely fastened in place.

L. EQUIPMENT
1. All new equipment to be Energy Star® rated.
2. Existing equipment to be retained and continued to be used shall be in serviceable condition with an expected useful life of 30 years, or covered by the 20-year capital plan and/or subsequent 5-year updates during the 30-year affordability period.
3. Equipment shall conform to the NDED’s Minimum Standards for Rehabilitation.
4. Kitchen appliances –
   a. Provide new, full-size (30”, 4 burner) stove and refrigerator in each apartment.
   b. Existing appliances to be reused shall be in good and serviceable condition.
   c. Provide other appliances (such as microwaves) as may be appropriate to the project.
   d. All appliances in accessible apartment units shall be accessibility compliant, and located in an arrangement providing required clear floor spaces.
5. Laundries – where adequate space is available and when appropriate to meet the project goals, washers and dryers may be provided in laundry rooms or in apartments.
   a. Heat pump dryers are encouraged where appropriate and readily available.
   b. Where a project is served by natural gas, consideration of the use of natural gas dryers is encouraged. In projects not served by natural gas, propane fired dryers should be considered for cost of operation reasons where feasible and appropriate.
6. Solid waste handling – As appropriate, provide trash and recycling receptacles as appropriate to enable the tenants and property management staff to handle and store solid waste in order to utilize appropriate recycling practices, when feasible.
7. Playground equipment – Provide safe, code-approved new playground equipment if a playground is appropriate.

M. FURNISHINGS - CASEWORK
1. Kitchen cabinetry and counters
   a. Existing cabinetry and/or countertops proposed to remain shall be in good condition with a remaining useful life of 30 years, or covered by the 20-year capital plan and/or subsequent 5-year updates during the 30-year affordability period.
   b. New cabinetry
      i. Shall be of good quality, meeting ANSI/KCMA A161.1-2012 “Performance & Construction Standards for Kitchen Cabinetry and Bath Vanities” standards. Other industry standards for cabinetry may be used as guidelines, such as the Kitchen Cabinet Manufacturer’s Association (KCMA) “Severe Use Specification – 2014,” the Architectural Woodwork Institute’s (AWI) Woodwork Standards and Cabinet...
Fabrication Handbook.

ii. New counters shall be provided with a cleanable sanitary surface material impervious to water such as high pressure laminate (HPL).
   - Shop fabricated as one-piece assembly where possible. Seal field joints.
   - Installed level and securely fastened to cabinetry.

2. Bath cabinetry and counters – vanity lavatory tops, when used, should be one-piece integral bowl with integral backsplash.

N. SPECIAL CONSTRUCTION
1. Hazardous materials and remediation – see NDED’s Minimum Standards for Rehabilitation:
   a. Asbestos – project will be assessed for the existence of asbestos-containing building materials by qualified professionals:
      i. National Emission Standards for Hazardous Air Pollutants (NESHAP) apply.
      ii. Removal of asbestos shall be carried out per Federal EPA and State regulations and rules.
   b. Lead - Health and Safety and Lead Safe Housing:
      i. All scopes of work performed pursuant to this rehabilitation standard shall support the maintenance of project compliance as required under 24 CFR Part 35.
      ii. Lead-Based Paint
         - Federal and state regulations related to lead-based paint apply to target housing, which is defined as any housing constructed prior to 1978, except housing for the elderly or persons with disabilities (unless a child of less than 6 years of age resides or is expected to reside in such housing for the elderly or persons with disabilities) or any zero-bedroom dwelling. Rehabilitation of target housing must be completed in a manner which insures the health and safety of workers and residents, especially children. A number of regulations apply when lead painted surfaces are disturbed in residential properties, primarily requiring the appropriate training of workers and the use of safe work practices. In some cases, use of federal funds for rehabilitation will trigger a higher level of lead paint treatments based on the amount of federal money being used. The following regulations must be adhered to during all rehabilitation of target housing:
            Federal Regulations:
            - HUD Lead Safe Housing Rule (Title 24, Part 35) requires various levels of evaluation and treatment of lead paint hazards when federal money is used for rehabilitation of target housing. More information is available at: http://portal.hud.gov/hudportal/HUD?src=/program_offices/healthy_homes/enforcement/lsr
            - EPA Renovation Repair and Painting Rule (40 CFR Part 745) – Requires contractors conducting renovation, repair or maintenance that disturbs paint in target housing or child-occupied facilities to be licensed by EPA and use lead-safe work practices to complete the work. Developers must ensure contractors are properly trained and licensed. More information is available at: http://www2.epa.gov/lead
            - HUD/EPA Disclosure Regulations (Title 24, Part 35, Subpart A) – Requires owners of target housing to disclose all lead paint records and related information to potential buyers and/or tenants. More information is available at: http://portal.hud.gov/hudportal/documents/huddoc?id=DOC_12347.pdf
• OSHA Lead in Construction Rule (29 CFR Part 1926.62) - Proscribes personal protection measures to be taken when workers are exposed to any lead during construction projects. More information is available at: https://www.osha.gov

Nebraska Regulations Title 178 Nebraska Administrative Code (NAC) Chapter 23:
• Nebraska law requires all work that disturbs paint in target housing to be completed using lead safe work practices. Rehabilitation completed in accordance with federal regulations described above will generally fulfill this requirement. Nebraska law includes the implementation of the Residential Lead-based Paint Professions Certification Act and the Uniform Licensing Law, as applicable.
• Any questions regarding compliance with lead paint regulations should be directed to the Nebraska Department of Health and Human Services, Public Health Division, Lead-Based Paint Program at 402-471-0549 or at: http://dhhs.ne.gov/publichealth/Pages/LeadContact.aspx

O. CONVEYANCE SYSTEMS
1. Elevators may be installed when appropriate and possible, when such elevator is part of the project’s program goals, or as required by code, as follows:
   a. Installed per code NFPA 101, Chapter 9.4
   b. ASME 17.1 Safety Code for Elevators – 2013
   c. Nebraska Elevator Safety Rules
2. Existing elevators and lifts may be retained if they are appropriate to the use of the building and in serviceable condition with an expected useful life of 30 years, or covered by the 20-year capital plan and/or subsequent 5-year updates during the 30-year affordability period, and approved by agencies having jurisdiction.
P. MECHANICAL

1. General:
   a. All mechanical systems shall be designed by a mechanical engineer or other qualified professional.
   b. Energy efficiency:
      ii. As outlined in the HTF Standards, all projects will either achieve the target energy efficiency objectives of the standard or present NDED with an operational case for project sustainability pursuant to the financial structure of the project.
      iii. In both the design and implementation of project rehabilitation scopes of work, particular emphasis should be made to maximize the effectiveness of the energy efficiency related work scopes.
   c. All mechanical systems shall meet all applicable codes:
      iii. Nebraska Energy Codes as they may apply:
         - Nebraska Residential Building Energy Standards (NBES) for buildings of three stories or less; and/or
         - Nebraska Commercial Building Energy Standards (NBES) for buildings of 4 stories or more, and some mixed-use buildings.
      iv. Plumbing fixtures will be accessibility compliant as required
      v. State and local Fire & Building Codes, as applicable.

2. Fire protection
   a. In general, all buildings assisted with HTF funds shall have fire suppression as required by applicable codes with approved sprinkler systems installed as required by NFPA 101 and NFPA 1, and approved by the Nebraska State Fire Marshal:
      i. System design to conform to applicable NFPA standard 13 or 13R
      ii. System calculations and design shall be done by a person holding a NICET Level III certification or a Water-Based Fire Protection System Contractor approved by certification with the Nebraska State Fire Marshal.
      iii. System installed by State approved persons holding appropriate TQP certificates.
      iv. Underground water services for sprinkler system shall meet NFPA 24
      v. Provide fire pumps, standpipes, and fire department connection as required per NFPA 13, 14 & 25.
   b. Where possible, piping for the sprinkler system shall be concealed.

3. Plumbing
   a. Where existing components of a system are to be reused, they will be examined and determined to be in good condition, code compliant and have a remaining useful life of a minimum of 30 years, or covered by the 20-year capital plan and/or subsequent 5-year updates during the 30-year affordability period. Substandard or critical non-code compliant components shall be replaced.
   b. Use water-saving shower heads and faucet aerators as required and applicable.
   c. All fixtures, piping fittings and equipment shall be lead-free in accordance with the Nebraska Plumbing Rules.
   d. Kitchen fixtures – When existing kitchen fixtures are not reused in accordance with P.3.a. above, new sinks and faucets, and associated plumbing shall be installed in each apartment.
   e. Bath fixtures – When existing bath fixtures are not reused in accordance with P.3.a. above, new
water saving toilets, tubs and tub surrounds, lavatory sinks, and faucets shall be installed in each apartment.
   i. Three and four-bedroom apartments are encouraged to be designed to include 1½ baths minimum where adequate space is available.
   f. Provision for laundry rooms or laundry hook-ups may be made per project’s program requirements.
   g. Provision for other utility plumbing for janitor sinks, floor drains, outdoor faucets, drains for dehumidification systems, etc., may be made as desired or required.

4. Heating
   a. System design:
      i. Must comply with NDED’s Minimum Rehabilitation Standards.
      ii. Where existing components of a system are proposed to be reused, they will be examined and determined to be in good and serviceable condition, code compliant and have a remaining useful life of a minimum of 30 years, or covered by the 20-year capital plan and/or subsequent 5-year updates during the 30-year affordability period.
   b. Temperature control - The temperature in each apartment shall be individually thermostatically controlled.
   c. Provide adequate heat in common spaces.
   d. Install pipe insulation with minimum 1.5” wall thickness
   e. Minimum equipment efficiencies per applicable Nebraska Department of Energy requirements
   f. Motors and pumps – high efficiency Brushless Permanent Magnet Pumps (BLPM) with variable frequency drives (VFD) per state and local requirements.
   g. Control wiring and control strategies per state and local requirements with outdoor temperature reset.
   h. Finned Tube Radiation – where used - high output heavy gauge enclosure baseboard finned tube radiation is recommended to provide a more durable product with a longer expected useful life. Replace existing as appropriate.

5. Ventilation
   a. Code-compliant indoor air quality will be addressed by the installation of either exhaust only or balanced (heat recovery) ventilation systems as required by:
      i. Fire protection of system ducts per NFPA 101, Chapter 9.2
      ii. ASHRAE 62.2
      iii. REBS or CBES
      iv. NDED Rehabilitation Standards.
   b. Balanced mechanical ventilation systems are encouraged.
   c. Ventilation controls shall be per applicable codes

6. Domestic Hot Water:
   a. System shall be designed as required per code.
   b. Install pipe insulation per code.

Q. ELECTRICAL
1. Project electrical design should be done by a licensed electrical engineer, or other qualified professional.
2. Project electrical must be installed by a licensed electrician
3. Energy efficiency:
   a. Must comply with NDED’s Minimum Rehabilitation Standards.
4. Design shall comply with all the applicable codes:
   a. Nebraska State Fire & Building Code, Title 153

c. NFPA 70, National Electrical Code, 2011 Edition

d. NFPA 72, National Fire Alarm and Signaling Code

e. NFPA 20, Standard for the Installation of Stationary Pumps for Fire Protection

5. In general, the electrical system should be new throughout a building:
   a. Where existing service entrances, disconnects, meters, distribution wiring, panels, and devices are proposed to remain, they will be examined and determined to be in good condition, code compliant and have a remaining useful life of a minimum of 30 years, or covered by the 20-year capital plan and/or subsequent 5-year updates during the 30-year affordability period. The designer, in concert with the State electrical inspector, shall examine the system and equipment. Existing components of the electrical system may be reused as appropriate. Substandard or critical non-code compliant components shall be replaced.

6. Utility connections shall be installed per the rules and regulations of the electrical utility.

7. Electrical service and metering:
   a. The service entrance size shall be calculated to handle the proposed electrical loads.
   b. Metering and disconnects shall be per code and mounted at approved locations.

8. Elevator wiring shall conform to the ANSI 17.1 as provided within the Nebraska Elevator Safety Rules.

9. Electrical distribution system:
   a. Lighting and receptacle circuits shall be designed per code.
   b. Locations and layout of devices and lighting to be logical and accessibility compliant where required.
   c. Provision shall be made for the wiring of dedicated equipment circuits and connections for heating, ventilation equipment/exhaust fans, pumps, appliances, etc.

10. Artificial Lighting shall be provided using IBC 1205 as a minimum guideline.
    a. All lighting shall be in accordance NDED’s Minimum Standards for Rehabilitation and other state and local codes, as applicable.
    b. Developers are encouraged to upgrade to Energy Star® Category.

11. Site lighting with shielded fixtures may be provided to illuminate parking and pedestrian walkways, and will conform to local zoning.
    a. Energy efficient lighting shall meet the minimum program requirements of NDED’s Minimum Standards for Rehabilitation and other state and local codes, as applicable.


13. Fire detection and alarms:
    a. Shall be installed as required by code: NFPA 101, Chapters 9.6, 30.3.4 and/or 31.3.4, and comply with NFPA 72, and NFPA 1.
    b. Smoke detectors shall be installed per NFPA 30.3.4.5 and 9.6.2.10.
    c. CO detectors shall be installed per Nebraska State Fire and Building Code and NFPA 101, Chapter 30.3.4.6 and NFPA 720.
    d. Where required – system annunciation shall be in accordance with NFPA 1.

14. Communication low-voltage wiring – provisions for TV, telephone, internet data, security, and intercoms should be considered and installed as appropriate to the project’s use and livability.

15. PV Solar – an optional solar-powered photovoltaic panel system may be installed in accordance with the National Electrical code, State energy code, and the regulations of the governing utility.
<table>
<thead>
<tr>
<th>Insurable Loss</th>
<th>Defect/Deficiency</th>
<th>Type and Degree of Deficiency that must be abandoned</th>
</tr>
</thead>
<tbody>
<tr>
<td>Storm Damage</td>
<td>Visible evidence of damage by wind, rain, hail, floods, and/or snow</td>
<td><strong>All structural damage must be assessed by a licensed engineer before any work begins.</strong></td>
</tr>
<tr>
<td>Flood Damage</td>
<td>Significant water intrusion, water backup or seepage, or flooding</td>
<td><strong>All water damage must be assessed by a licensed engineer before any work begins.</strong></td>
</tr>
<tr>
<td>Hazardous Materials</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Plastic, glass, metal, or other materials that present a risk of physical injury to occupants</td>
<td><strong>All hazardous materials must be removed by a licensed contractor before any work begins.</strong></td>
</tr>
<tr>
<td>Fire Damage</td>
<td>Visible evidence of fire or smoke damage</td>
<td><strong>All fire damage must be assessed by a licensed fire investigator before any work begins.</strong></td>
</tr>
<tr>
<td>Mold/Asbestos</td>
<td>Visible evidence of mold or asbestos</td>
<td><strong>All mold or asbestos contamination must be removed by a licensed contractor before any work begins.</strong></td>
</tr>
</tbody>
</table>

**Requirements for Loss**

- **Insurable Loss**
- **Defect/Deficiency**
- **Type and Degree of Deficiency that must be abandoned**

### Insurable Loss

- **Storm Damage**
  - Visible evidence of damage by wind, rain, hail, floods, and/or snow
  - All structural damage must be assessed by a licensed engineer before any work begins.

- **Flood Damage**
  - Significant water intrusion, water backup or seepage, or flooding
  - All water damage must be assessed by a licensed engineer before any work begins.

- **Hazardous Materials**
  - Plastic, glass, metal, or other materials that present a risk of physical injury to occupants
  - All hazardous materials must be removed by a licensed contractor before any work begins.

- **Fire Damage**
  - Visible evidence of fire or smoke damage
  - All fire damage must be assessed by a licensed fire investigator before any work begins.

- **Mold/Asbestos**
  - Visible evidence of mold or asbestos
  - All mold or asbestos contamination must be removed by a licensed contractor before any work begins.
<table>
<thead>
<tr>
<th>Requirements for Building Systems</th>
<th>Inspections/Deficiencies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Domestic Water</td>
<td>Pipe lining or sealing not in compliance with National Plumbing Code, gas valves not tested or not tested in accordance with manufacturer's recommendations.</td>
</tr>
<tr>
<td>Heating</td>
<td>Fire alarm system not operational, smoke detector not operational, or fire sprinkler system not operational.</td>
</tr>
<tr>
<td>Electrical</td>
<td>Electrical systems not properly grounded, electrical panels or conduits not properly insulated, or electrical panels not properly labeled.</td>
</tr>
<tr>
<td>Mechanical</td>
<td>Mechanical systems not properly maintained, including mechanical systems not properly lubricated, or mechanical systems not properly aligned.</td>
</tr>
<tr>
<td>Environmental</td>
<td>Environmental systems not properly maintained, including environmental systems not properly cleaned, or environmental systems not properly operated.</td>
</tr>
<tr>
<td>Building Envelope</td>
<td>Building envelope not properly maintained, including building envelope not properly painted, or building envelope not properly sealed.</td>
</tr>
<tr>
<td>Health &amp; Safety</td>
<td>Health &amp; Safety systems not properly maintained, including health &amp; safety systems not properly calibrated, or health &amp; safety systems not properly maintained.</td>
</tr>
<tr>
<td>Air Quality</td>
<td>Air Quality systems not properly maintained, including air Quality systems not properly cleaned, or air Quality systems not properly operated.</td>
</tr>
<tr>
<td>Earthquake Resistant Structures</td>
<td>Earthquake Resistant Structures not properly maintained, including Earthquake Resistant Structures not properly anchored, or Earthquake Resistant Structures not properly braced.</td>
</tr>
<tr>
<td>Parking</td>
<td>Parking Systems not properly maintained, including Parking Systems not properly maintained, or Parking Systems not properly accommodated.</td>
</tr>
<tr>
<td>Roof Erection System</td>
<td>Roof Erection Systems not properly maintained, including Roof Erection Systems not properly installed, or Roof Erection Systems not properly aligned.</td>
</tr>
<tr>
<td>Roof Erection Family Home</td>
<td>Roof Erection Family Home not properly maintained, including Roof Erection Family Home not properly installed, or Roof Erection Family Home not properly aligned.</td>
</tr>
<tr>
<td>Swimming</td>
<td>Swimming Systems not properly maintained, including Swimming Systems not properly cleaned, or Swimming Systems not properly operated.</td>
</tr>
<tr>
<td>Requirements for Common Areas</td>
<td>Inspections/Deficiencies</td>
</tr>
<tr>
<td>Common Area</td>
<td>Common Area systems not properly maintained, including Common Area systems not properly cleaned, or Common Area systems not properly operated.</td>
</tr>
<tr>
<td>Building Envelope</td>
<td>Building Envelope not properly maintained, including Building Envelope not properly painted, or Building Envelope not properly sealed.</td>
</tr>
<tr>
<td>Health &amp; Safety</td>
<td>Health &amp; Safety systems not properly maintained, including Health &amp; Safety systems not properly calibrated, or Health &amp; Safety systems not properly maintained.</td>
</tr>
<tr>
<td>Air Quality</td>
<td>Air Quality systems not properly maintained, including Air Quality systems not properly cleaned, or Air Quality systems not properly operated.</td>
</tr>
<tr>
<td>Earthquake Resistant Structures</td>
<td>Earthquake Resistant Structures not properly maintained, including Earthquake Resistant Structures not properly anchored, or Earthquake Resistant Structures not properly braced.</td>
</tr>
<tr>
<td>Parking</td>
<td>Parking Systems not properly maintained, including Parking Systems not properly maintained, or Parking Systems not properly accommodated.</td>
</tr>
<tr>
<td>Roof Erection System</td>
<td>Roof Erection Systems not properly maintained, including Roof Erection Systems not properly installed, or Roof Erection Systems not properly aligned.</td>
</tr>
<tr>
<td>Roof Erection Family Home</td>
<td>Roof Erection Family Home not properly maintained, including Roof Erection Family Home not properly installed, or Roof Erection Family Home not properly aligned.</td>
</tr>
<tr>
<td>Swimming</td>
<td>Swimming Systems not properly maintained, including Swimming Systems not properly cleaned, or Swimming Systems not properly operated.</td>
</tr>
</tbody>
</table>
CEILING

- Inspectable
- Pools & Bulging/Buckling/Leaking
- Inoperable

WALLS

- Inspectable
- Pools & Damaged/Not Secure
- Inoperable

- Electrical
- Smoke
- Plumbing
- Floors

- Observed
- Damaged
- Leaking
- Fire

- Damaged/Not Visible
- Evidence

- Damaged
- Evidence

- Observed
- Damaged
- Leaking
- Fire

- Damaged/Not Visible
- Evidence

- Observed
- Damaged
- Leaking
- Fire

- Damaged/Not Visible
- Evidence

FLOORS

- Observed
- Damaged
- Leaking
- Fire

- Damaged/Not Visible
- Evidence

- Observed
- Damaged
- Leaking
- Fire

- Damaged/Not Visible
- Evidence

- Observed
- Damaged
- Leaking
- Fire

- Damaged/Not Visible
- Evidence

- Observed
- Damaged
- Leaking
- Fire

- Damaged/Not Visible
- Evidence

EXHAUST

- Observed
- Damaged
- Evidence

- Observed
- Damaged
- Evidence

- Observed
- Damaged
- Evidence
<table>
<thead>
<tr>
<th>Category</th>
<th>Conditions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Major</td>
<td>Any door that is not functioning or cannot be locked due to damage to the frame, hardware, or fire damage.</td>
</tr>
<tr>
<td>Structural/Security/Security Door</td>
<td>Any door that does not function as it should or cannot be locked because of damage to the door's hardware.</td>
</tr>
<tr>
<td>Electrical/Security/Security Door</td>
<td>Any door that does not function as it should or cannot be locked because of damage to the door's hardware.</td>
</tr>
<tr>
<td>Electrical/Security/Smoke Detector</td>
<td>Any door that has a hole or break greater than 1 inch in diameter, significant physical damage to the panel or cover that affects the integrity of the door system or door housing.</td>
</tr>
<tr>
<td>Missing Door</td>
<td>Any door that is required for security or privacy. That is missing or any other door that is missing and is required for security and functionality.</td>
</tr>
<tr>
<td>Electrical System</td>
<td>Stopped Access to Electrical Panel</td>
</tr>
<tr>
<td>Laundry</td>
<td>Any door to a laundry or service area that is not functioning or cannot be locked due to damage.</td>
</tr>
<tr>
<td>Kitchen</td>
<td>Any door that is not functioning or cannot be locked due to damage.</td>
</tr>
<tr>
<td>Electrical</td>
<td>Any door that is not functioning or cannot be locked due to damage.</td>
</tr>
<tr>
<td>Doors/Doors</td>
<td>Any door that is not functioning or cannot be locked due to damage.</td>
</tr>
<tr>
<td>Plumbing</td>
<td>Any toilet, sink, or hand washing that is not functioning or cannot be locked due to damage.</td>
</tr>
<tr>
<td>Ventilation</td>
<td>Any ventilation system or covering that is not functioning or cannot be locked due to damage.</td>
</tr>
<tr>
<td>Drinking Water</td>
<td>Any water system or covering that is not functioning or cannot be locked due to damage.</td>
</tr>
<tr>
<td>Windows</td>
<td>Any window that is not functioning or cannot be locked due to damage.</td>
</tr>
<tr>
<td>Fire Safety</td>
<td>Any fire safety system or covering that is not functioning or cannot be locked due to damage.</td>
</tr>
<tr>
<td>Safety</td>
<td>Any safety device or covering that is not functioning or cannot be locked due to damage.</td>
</tr>
<tr>
<td>Health &amp; Safety</td>
<td>Any health and safety system or covering that is not functioning or cannot be locked due to damage.</td>
</tr>
</tbody>
</table>

**Health & Safety**

- **Damaged** - Any door that is not functioning or cannot be locked due to damage.
- **Rusted** - Any door that is not functioning or cannot be locked due to damage.
- **Broken** - Any door that is not functioning or cannot be locked due to damage.
- **Missing** - Any door that is not functioning or cannot be locked due to damage.
- **Damaged Door** - Any door that is not functioning or cannot be locked due to damage.

**Electrical**

- **Damaged** - Any door that is not functioning or cannot be locked due to damage.
- **Rusted** - Any door that is not functioning or cannot be locked due to damage.
- **Broken** - Any door that is not functioning or cannot be locked due to damage.
- **Missing** - Any door that is not functioning or cannot be locked due to damage.
- **Damaged Door** - Any door that is not functioning or cannot be locked due to damage.

**Plumbing**

- **Damaged** - Any door that is not functioning or cannot be locked due to damage.
- **Rusted** - Any door that is not functioning or cannot be locked due to damage.
- **Broken** - Any door that is not functioning or cannot be locked due to damage.
- **Missing** - Any door that is not functioning or cannot be locked due to damage.
- **Damaged Door** - Any door that is not functioning or cannot be locked due to damage.

**Structural**

- **Damaged** - Any door that is not functioning or cannot be locked due to damage.
- **Rusted** - Any door that is not functioning or cannot be locked due to damage.
- **Broken** - Any door that is not functioning or cannot be locked due to damage.
- **Missing** - Any door that is not functioning or cannot be locked due to damage.
- **Damaged Door** - Any door that is not functioning or cannot be locked due to damage.
ATTACHMENT C
NDED MINIMUM REHABILITATION STANDARDS
FOR SINGLE-FAMILY AND MULTI-FAMILY REHABILITATION

[NOTE: The below mentioned rehabilitation standards, as adopted by the Department, may be used for HTF projects, as applicable, and are incorporated by reference into the Nebraska DED HTF Rehabilitation Standards. Any discrepancy between Nebraska’s HTF Rehabilitation Standards and the general NDED Rehabilitation Standards, the Nebraska HTF standards will preempt].

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

7. STAIRWAYS, DECKS, BALCONIES AND PORCHES – Every interior and exterior stairway, porch, deck, balcony and appurtenance thereto, including hand and guard rails, shall be constructed to be sound and safe to use and capable of supporting the load that normal use may place upon it.

Other Inspectable Items: Stairs:
- Broken / Damaged / Missing Steps
- Broken / Missing Hand Railing

Patio, Porch, Deck, Balcony:
- Baluster / Side Railings Damaged

8. SUPPLIED PLUMBING FIXTURES – Every plumbing fixture and water and waste pipe shall be properly installed in safe, sanitary working condition, free from leaks, defects, and obstructions.

9. BATHROOM, TOILET ROOM, KITCHEN AND UTILITY ROOM FLOORS – Every bathroom, toilet room, kitchen, and utility room floor surface shall be constructed to be impervious to water and to permit such floors to be easily kept clean and sanitary.

Indoor-outdoor type carpeting, when properly installed, shall be allowed in bathrooms, toilet rooms, kitchens and utility rooms except when in conflict with required interim controls or standard treatments required to comply with the lead-based paint regulation.

10. CHIMNEYS AND SMOKE PIPES – Every chimney and smoke pipe shall be adequately supported, structurally sound, and clean.

11. TREES AND VEGETATION – Trees and vegetation endangering the unit and/or it occupants shall be eliminated.

12. INTERNATIONAL RESIDENTIAL CODE FOR ONE AND TWO-FAMILY DWELLINGS – All rehabilitation work must meet or exceed the requirements of the International Residential Code as promulgated by the International Code Council in its current edition or as adopted in ordinance by the local jurisdiction.
   a. Work must comply with the permitting and inspection requirements of the local jurisdiction.
   b. In the absence of local permitting and inspection services, the local recipient program shall engage qualified inspectors and document code inspection and compliance.
13. **LEAD-BASED PAINT** – As required under 24 CFR Part 35, the Final HUD Regulation on Lead-Based Paint Hazards in Federally Owned Housing and Housing Receiving Federal Assistance, all assisted dwelling units constructed before January 1, 1978, will be evaluated for lead-based paint hazards or presumed to have lead-based paint present throughout the unit when paint is disturbed.
   a. Evaluation will be done by a qualified, certified or licensed person as required under the regulation.
   b. All lead-based paint hazards will be identified and reduced or eliminated through paint stabilization, interim controls or abatement with work being done by supervised, trained, qualified, certified or licensed persons as required under the regulation.
   c. Safe work practices will be followed at all times.
   d. Occupants shall be protected or temporarily relocated as required by the regulation. With some exceptions, as listed at 24 CFR 35.1345, occupants shall be temporarily relocated before and during hazard reduction activities to a suitable, decent, safe and similarly accessible dwelling unit that does not have lead hazards.
   e. The dwelling unit and worksite shall be secured. The worksite shall be prepared and warning signs shall be posted as required by the regulation.
   f. Clearance examinations will be performed by qualified personnel and final clearance shall be achieved as required by the regulations.

14. **ENERGY CONSERVATION** –
   a. Equipment, appliances, windows, doors and appurtenances replaced during rehabilitation shall be replaced with Energy Star qualified products.
   b. If feasible, attics should be insulated to R38 and walls to a minimum of R11.
   c. Replacement heating and/or cooling systems shall be properly sized as evidenced by completion of ACCA/ANSI Manual J® or an equivalent sizing calculation tool.
   d. All accessible air ducts shall be tightly sealed.
   e. Heating or cooling supply running through unconditioned space should be avoided or rerouted, but when present and accessible, shall be insulated.
15. **INDOOR AIR QUALITY** – The scope and conduct of rehabilitation of each dwelling unit shall take into consideration the improvement and maintenance of satisfactory and healthy air quality within the unit.
   a. A carbon monoxide detector installed per manufacturers’ recommendations shall be present in each unit, and receive primary power from the building wiring or battery. If the house is all electric a carbon monoxide detector is not required.
   b. Devices and appurtenances identified to contain mercury shall be removed or replaced excluding CFL bulbs.
   c. Materials and methods used in carrying out rehabilitation, shall to the extent feasible, minimize and prevent dust, out gassing, volatile organic compounds and other contaminants within the dwelling unit.

**Other Inspectable Items:**
- Health and Safety:
  - Air Quality - Mold and/or Mildew Observed
  - Sewer Odor Detected
  - Propane/Natural Gas/Methane Gas Detected

16. **UNIVERSAL DESIGN AND ACCESSIBILITY** – Rehabilitation of each unit shall be carried out with consideration for the needs of its occupants and to the maximum practical extent in accordance with the principles of universal design. For guidance in implementing universal design features, visit [www.design.ncsu.edu/cud](http://www.design.ncsu.edu/cud).
   a. The housing must meet the accessibility requirement of 24 CFR part 8, which implements section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), and Titles II and III of the Americans with Disabilities Act (42 U.S.C. 12131-12189) implemented at 28 CFR parts 35 and 36, as applicable. “Covered multi-family dwelling,” as defined at 24 CFR 100.201, must also meet the design and construction requirements at 24 CFR 100.205, which implements the Fair Housing Act (42 U.S.C. 3601-3619). Rehabilitation may include improvements that are not required by regulation or statute that permit use by a person with disabilities.

**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 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.).

Receptacle convenience outlets in or on open porches, breezeways or garages shall be of the GFI type with a weather proof receptacle box.

All wall and/or ceiling type lighting fixtures shall be controlled by a wall switch, except porcelain type fixtures used in cellars and/or attics, which may be controlled with a proper pull chain.

All electrical equipment, appliances and wiring shall be properly installed and in safe condition.

All broken and/or missing switch and receptacle plates shall be replaced.

Minimum electrical service for each dwelling and/or dwelling unit’s circuit breaker box shall be by a three wire 120/240 volt single phase service rated no less than 100 amps, or as adjusted for size and usage of equipment and appliances in accordance with the ICC Electrical Code and approved, in writing, by the electrical inspector of the local jurisdiction or program.

Other Inspectable Items:

- Electrical System:
  - Blocked Access to Electrical Panel / Improper Storage
  - Burnt Breakers
  - Evidence of Leaks / Corrosion
  - Frayed Wiring
  - GFI - Inoperable
  - Missing Breakers / Fuses
  - Missing / Broken Cover Plates
  - Lighting - Missing / Inoperable Fixtures

- Emergency Power:
  - Auxiliary Lighting Inoperable (if applicable)

7. **HAZARDOUS ELECTRICAL CONDITIONS** – Where any condition of the electrical system in the dwelling or structure is identified as, and constitutes a hazard, the hazardous conditions shall be corrected.

8. **HEATING FACILITIES** – Heating facilities shall be properly installed, be in working condition and be capable of adequately heating all habitable rooms, and toilet rooms contained therein, or intended for use by the occupants capable of maintaining a room temperature of 68°F (20°C) when the outdoor temperature is within the winter outdoor design temperature for the locality as cited in Appendix D of the International Plumbing Code. Space heaters shall not substitute for a central heating unit.

Every installed central heating system shall comply with the following requirements:

a. The central heating unit shall be safe and in good working condition;

b. Every heat duct, steam pipe and hot water pipe shall be free of leaks and obstructions and deliver an adequate amount of heat where intended;

c. Every seal between any and all sections of a hot air furnace shall be air-tight so noxious gases and fumes will not escape into the heat ducts;
d. Required clearance from combustible materials shall be maintained;

e. All chimneys and vents shall have a flue liner intact and in safe working condition.

Every existing space heater shall comply with the following requirements:

a. No space heater burning solid, liquid or gaseous fuels shall be of a portable type;

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.

4. **REQUIREMENTS FOR HABITABLE BASEMENT SPACE** – No basement space shall be used as a habitable room or dwelling unit unless all of the following requirements are met:
   a. Such required minimum window area is located entirely above the grade of ground adjoining such window area, or an adequate window well of sufficient size as to allow escape of inhabitants residing within such basement apartment, has been constructed;
   b. Such basement dwelling unit or rooming unit shall be entirely sealed off from the central heating plant with a one hour fire separation. To assist grantees in evaluating existing building components, HUD has published the “Guideline on Fire Ratings of Archaic Materials and Assemblies”, February 2000, available at [http://www.huduser.org/publications/destech/fire.html](http://www.huduser.org/publications/destech/fire.html);
   c. Such basement dwelling unit or rooming unit provides two means of exit, with at least one means of opening directly to the outside;

5. **MINIMUM STORAGE AREAS** – Each dwelling unit shall have at least one closet with a minimum of 6 square feet of floor area and a minimum height of 6’, located within the dwelling unit. Dwelling units with 2 or more bedrooms shall have a storage floor area of at least 4 square feet per bedroom. This storage requirement does not necessarily have to be located in the bedrooms.

E. **MINIMUM STANDARDS FOR GARAGES, FENCES AND PREMISES**

1. **PROTECTION OF EXTERIOR WOOD SURFACES** – All exterior wood surfaces shall be properly protected from the elements against decay and rot by lead-free paint, or other approved protective coating.

2. **FENCES** – Every residential fence shall be in a state of maintenance and repair or shall be removed. Wood materials that are not decay resistant shall be protected against decay by use of lead-free paint or by other preservative material.

   If a fence is removed and replaced, said installation shall conform with all local requirements.
Other Inspectable Items:  Fencing and Gates:
  Damaged / Failing / Leaning
  Holes
  Missing Sections

3. **CONDITION OF PREMISES** – All areas and all parts of the premises upon which any dwelling or dwelling units are located and all areas adjacent thereto and a part of the premises shall be in a clean and sanitary condition. This shall include, but not be limited to, removal of abandoned and junked automobiles, automobile bodies, chassis, parts, and trailers; inoperable machines and appliances; lumber piles and building materials not used in actual construction; tin cans, broken glass, broken furniture, boxes, crates, and other debris, rubbish, junk and garbage.

Other Inspectable Items:  Retaining Walls:
  Damaged / Falling / Leaning
Health and Safety:
  Air Quality – Sewer Odor Detected
  Propane / Natural Gas / Methane Gas Detected
  Electrical Hazards - Exposed Wires / Open Panels
  Water Leaks on / near Electrical Equipment
  Flammable Materials - Improperly Stored
  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 here within.

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.

7. 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.