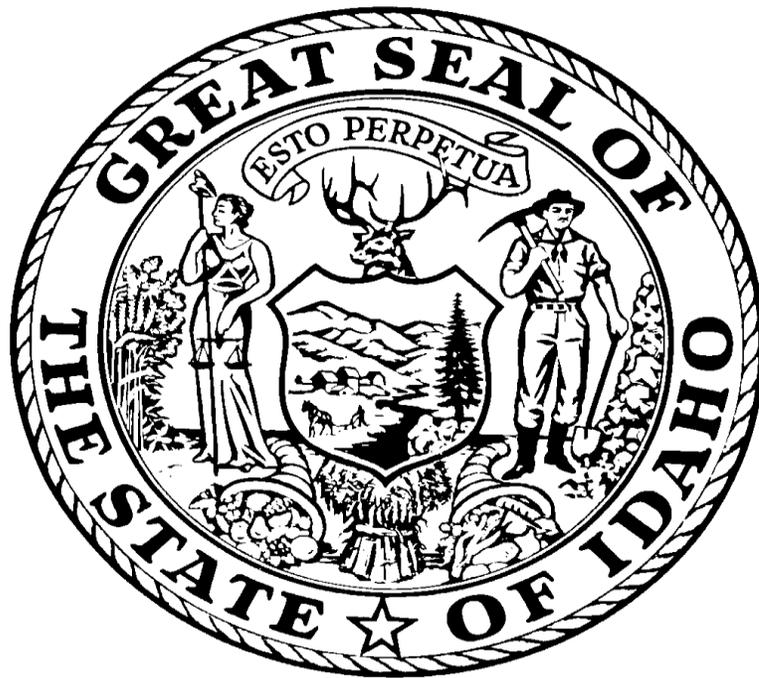


**2018 Annual Action Plan For
Idaho's Federal Community Development and
Affordable Housing & Development Programs**

Amended 11/1/2018



**=Minor Amendment in November 2019 to add Repayment Provisions to the HOME Homebuyer Program*

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Executive Summary

AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

1. Introduction

N/A

2. Summarize the objectives and outcomes identified in the Plan

This could be a restatement of items or a table listed elsewhere in the plan or a reference to another location. It may also contain any essential items from the housing and homeless needs assessment, the housing market analysis, or the strategic plan.

See AP-20 of this plan. Includes HOME and HTF Tenant Preference populations.

3. Evaluation of past performance

This is an evaluation of past performance that helped lead the grantee to choose its goals or projects.

Responses exceed maximum allowable characters

See Unique Appendices

4. Summary of Citizen Participation Process and consultation process

Summary from citizen participation section of plan.

See Unique Appendices

5. Summary of public comments

This could be a brief narrative summary or reference an attached document from the Citizen Participation section of the Con Plan.

See Unique Appendices

6. Summary of comments or views not accepted and the reasons for not accepting them

See attachment titled "Citizen Participation comments".

7. Summary

See attachment titled "Citizen Participation Comments".

PR-05 Lead & Responsible Agencies - 91.300(b)

1. Agency/entity responsible for preparing/administering the Consolidated Plan

The following are the agencies/entities responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
Lead Agency	IDAHO	
CDBG Administrator	IDAHO	Commerce
HOPWA Administrator	IDAHO	
HOME Administrator	IDAHO	Grants Department
ESG Administrator	IDAHO	Homeless Programs
	IDAHO	

Table 1 – Responsible Agencies

Narrative

Idaho Housing and Finance Association is the Lead Agency for HUD-CPD reports. IHFA is the State of Idaho's designated administrator of HUD-funded housing programs.

Consolidated Plan Public Contact Information

- CDBG Program- Department of Commerce
- HOME- Idaho Housing and Finance Association
- ESG- Idaho Housing and Finance Association
- HTF- Idaho Housing and Finance Association

AP-10 Consultation - 91.110, 91.300(b); 91.315(l)

1. Introduction

N/A

Provide a concise summary of the state's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies

The Low Income Housing Tax Credit program awarded \$583,363 to a 41-unit HOME and LIHTC project in Boise that will serve the chronically homeless. The project consists of 40 one-bedroom units with a two-bedroom on site manager's unit. The project is currently under construction.

The QAP continues to include language that allows IHFA, upon determination of a special housing need within the state, to set aside up to 15% of the annual per capita tax credit amount to address this housing need, and announce specific guidelines which may apply to application for these funds. If this set aside is not utilized by the Association or if qualified applications are not received, the set-aside will be made available to other qualified non-targeted applications. If utilized, the Association will announce specific guidelines which may apply to the application for these funds a minimum of 180 days prior to the application round.

An RFP was published for a LIHTC 10% set-aside project for homeless veterans who are eligible for VA health care services and participate in case management offered by the VA which follow the VA's Healthcare for Homeless Veterans Program. The project will prioritize potential tenants according to the recommendation of the VA's Healthcare for Homeless Veterans Program, oftentimes first prioritizing those who are chronically homeless. The project will be scored using the QAP scoring requirements, unless other detailed in the request for proposal. The RFP does not have a deadline.

Idaho's H2 group addressed goals I-B, II-C, III-A, III-B, and III-C in the past year. A poll of the group revealed that other objectives were occurring as functions of other planning and executing bodies, and so agreed to discontinue this additional meeting/working group.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness

The Strategic Planning Committee works to address the needs of the CoC regarding housing types across the Continuum. This committee will be responsible to establish benchmarks for percentages of new beds both for Permanent Supportive Housing and chronically homeless designations. The Committee has developed performance benchmarks in regards to HUD's system performance measures, which will address the subpopulations of chronically homeless individuals and families, families with children,

veterans, unaccompanied youth, and persons at risk of homelessness . Prioritization decisions will be made in the current Homeless Connect (coordinated entry) Committee, and incorporated into the Written Standards. The CoC is also focusing on development of RRH, or conversion of TH to RRH, when applicable. IHFA also has contacts working with foster care programs at the Idaho Department of Health and Welfare, and new relationships with RHY funded providers. These relationships continue to be developed, and more formal participation in the COC will begin in 2018 and 2019. The CA will recommend to the COC Board that voting Board positions be added for foster care and RHY providers, enabling coordination and ensuring that persons exiting foster care are not discharged into homelessness.

All ESG and COC applicants are asked to address the following questions in each annual application: “are proposed project policies and practices consistent with the laws related to providing education services to homeless individuals and families?”; and “Does the project have a designated staff person to ensure that homeless children are enrolled in school and receive educational services as appropriate?” These questions are scored, and agencies are required to have policies in place at the time of funding. The COC also monitors agencies receiving ESG and COC funds to ensure these policies are in place. Coordination between homeless housing and services providers and school district homeless liaisons occurs frequently, and each educates the other about qualifications and services available. This serves to maximize funding and impact for homeless families with children.

Describe consultation with the Continuum(s) of Care that serves the State in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS

IHFA, the ESG recipient, also serves as the Collaborative Applicant for the Idaho Balance of State CoC. Collaboration between the CoC and the ESG recipients begins with IHFA’s Vice President of Housing Support Services serving as the CoC Board Chair, and extends across CoC jurisdictions by cross-CoC collaboration. The CoC’s regional coalitions, which include private, non-profit, government, and homeless service agencies, provide valuable insight and needs considerations to the CoC planning body. The planning body then provides consolidated feedback to the ESG recipient. The CoC’s Data Collection, Reporting, and Evaluation Committee provides data completeness, destinations, change in income, and length of stay reports, among others to the CoC Board and ESG recipient on a quarterly basis. PIT, AHAR, CAPER, and HIC data are also made available to both parties on an annual basis. The CoC Board provides input into ESG performance measures and has access to reporting documents.

2. Agencies, groups, organizations and others who participated in the process and consultations

Table 2 – Agencies, groups, organizations who participated

1	Agency/Group/Organization	IDAHO HOUSING AND FINANCE ASSOCIATION
	Agency/Group/Organization Type	Housing PHA Services - Housing Services-Persons with Disabilities Services-Persons with HIV/AIDS Services-Victims of Domestic Violence Services-homeless Service-Fair Housing Health Agency Other government - State Other government - County Other government - Local Business Leaders Neighborhood Organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs Anti-poverty Strategy Lead-based Paint Strategy

	<p>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</p>	<p>IHFA is in ongoing consultation with its service providers, agencies, local and state government, CoCs, property owners and developers. Through this ongoing consultation IHFA maintains updated information on issues and concerns regarding affordable housing, homelessness, and services</p>
2	<p>Agency/Group/Organization</p>	<p>State of Idaho Dept of Commerce</p>
	<p>Agency/Group/Organization Type</p>	<p>Other government - State Other government - County Other government - Local</p>
	<p>What section of the Plan was addressed by Consultation?</p>	<p>Economic Development</p>
	<p>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</p>	<p>To better understand Idaho cities and counties non-housing community development needs, the IDC conducted a local government survey. The survey was sent out to 193 cities and 44 counties in August 2014. The survey did have specific questions related to CDBG current method of distribution. Of the 237 surveys sent out a total of 98 were received. In an effort to enhance economic development coordination statewide University of Idaho, with IDC's support, implemented the Idaho Pathways Project, which was developing-Idaho's Comprehensive Economic Development Strategy - 2015-20 (CEDS). This activity was unique in that it brought together Idaho's six economic development districts (EDD) to develop their regional CEDS plans based on unifying themes as projected in the statewide CEDS. This effort, which was completed in March 2015 helped to ensure a consistent overall vision and template from around the state that aligns with state's economic development goals. However, the effort more importantly allowed each region to maintain its economic strategies based on its unique characteristics and assets. The CEDS process does require engagement of private industry to better understand their needs, specifically workforce skill gaps. As the Consolidated Plan was being developed, IDC assessed data and objectives identified in the EDDs CEDS report to compare the goals and method of</p>

		<p>distribution of the CDBG program were in alignment. IDC also utilizes and Economic Advisory Council to review IDC and CDBG policies as well as review of CDBG applications. The EAC is comprised of individuals who represent private industry and regularly provide feedback and advice on public/private partnership and business perspectives.</p>
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Other local/regional/state/federal planning efforts considered when preparing the Plan

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care		

Table 3 - Other local / regional / federal planning efforts

AP-12 Participation - 91.115, 91.300(c)

1. Summary of citizen participation process/Efforts made to broaden citizen participation Summarize citizen participation process and how it impacted goal-setting

In preparing and adopting the 2018 Action Plan, IDC and IHFA follows the Public Participation Plan for Idaho's Federal Community Development and Affordable Housing Programs.

(1) First public comment period- Legal notices were published in Idaho's major newspapers twice, the first time prior to the 30-day comment period beginning, the second prior to the public hearing. The 30-day comment period was January 8- February 7, 2018. The legal notice included a statement in Spanish directing the reader to the IHFA/IDC websites where the full legal notice was available in Spanish. The legal notice included the date, time, and location of the public hearing, how submit a comment, how to request a reasonable accommodation and alternative formats, and contacts at IHFA and IDC. The public hearing location was handicap accessible. One oral comment was received during this comment period.

(2) A second 30-day comment period was held after HUD published the annual allocation amounts. Although the 2018 Action Plan had not yet been submitted to HUD, IHFA determined because the actual allocation amounts for the 2018 HOME and ESG exceeded the estimated allocation amounts by more than 25% the public would be provided an opportunity to provide input. The second 30-day comment period began May 14, ending June 13, 2018. One public hearing was held at the Idaho Department of Commerce on June 11, 2018. A legal notice in English, outlining the comment period, handicap accessible hearing location, how to request a reasonable accommodation including alternative language formats, and IHFA and IDC contacts. The legal notice included a statement in Spanish directing the reader to the IHFA and IDC websites where the complete legal notice was available in Spanish. The legal notice was published twice in Idaho's major newspapers, and was emailed to IHFA and IDC's partners and stakeholders. No comments were received during this comment period.

Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (if applicable)
1	Public Hearing	Non-targeted/broad community	1st comment period; One person representing himself attended the first public hearing, which was held on January 30th at the Idaho Department of Commerce.	His comment was not accepted by IHFA or IDC. The reason the comment was not accepted was only because of the required action(s) a grantee must take if the comment is "accepted".	See attachment- 2018 Action Plan Comments	
2	Newspaper Ad	Non-English Speaking - Specify other language: Spanish Non-targeted/broad community	1st comment period; One comment received	Would like IHFA to include Valley county as a target county for funding.	Comment not accepted. See attachment 2018 Action Plan Comments.	

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
3	Email distribution	Residents of Public and Assisted Housing Developers, Owners, CoC members	1 st comment period; 0 responses	0	0	
4	Public Hearing	Non-targeted/broad community	2 nd Comment Period 0 responses	0	0	
5	Newspaper Ad	Non-English Speaking - Specify other language: Spanish Non-targeted/broad community	2 nd Comment Period 0 responses	0	0	
6	Email Distribution	Non-targeted/broad community Residents of Public and Assisted Housing	2 nd Comment period 0 responses	0	0	

Table 4 – Citizen Participation Outreach

Expected Resources

AP-15 Expected Resources – 91.320(c)(1,2)

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	8,213,561	0	0	8,213,561	13,931,988	Over the next year it is expected CDBG funding will be used to construct or improve eligible public facilities, public infrastructure, housing related activities, and economic development activities specific to job creation or downtown improvements. These high priority activities will typically benefit populations including low-to-moderate income, families, rural, special needs, and non-housing community development

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	5,333,727	2,000,000	0	7,333,727	14,000,000	Homeowner rehabilitation and HOME TBRA are not eligible projects/programs

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
ESG	public - federal	Conversion and rehab for transitional housing Financial Assistance Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services Transitional housing	1,031,627	0	0	1,031,627	1,031,627	Shelter Operations and services, homelessness prevention and rapid re-housing. Conversion and rehab of transitional housing is not an approved activity under IHFA's ESG Program.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HTF	public - federal	Acquisition Admin and Planning Homebuyer assistance Multifamily rental new construction Multifamily rental rehab New construction for ownership	3,000,000	0	0	3,000,000	0	
Continuum of Care	public - federal	Admin and Planning Financial Assistance Housing Rapid re-housing (rental assistance) Rental Assistance Services TBRA	2,801,256	0	0	2,801,256	0	Awarded 2017 Continuum of Care grants.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
Housing Trust Fund	public - federal	Other	0	0	0	0	0	This is a duplicate entry created by eCon Planning Suite in error. It cannot be deleted.
LIHTC	private	Multifamily rental new construction Multifamily rental rehab	3,800,000	0	0	3,800,000	14,800,000	
Other	private	Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services	1,455,887	0	0	1,455,887	1,455,887	
Other	public - federal	Admin and Planning Services TBRA Other	449,350	0	0	449,350	449,350	

Table 5 - Expected Resources – Priority Table

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

The CDBG program does not require match except for administration at the State level, but the Idaho Department of Commerce does award points to projects based partially on the percentage of match they provide to the project. The local, State, and Federal match categories leverage the CDBG funds by completing the funding package necessary to construct public facilities and infrastructure and housing related projects. The private match leverage is from businesses expanding or building new facilities as a result of the CDBG infrastructure improvements.

With the projected \$37.5 million over 5 year period the Idaho Department of Commerce expects to receive in CDBG funding it is estimated a total of \$30 million annually from other local, State, Federal, and private sources will be partnered with the CDBG funded project.

Idaho's HOME program provides the gap financing to eligible and approved rental and homebuyer activities. HOME funds are leveraged with private and federal program funds. IHFA incurs a 25% match liability for every HOME entitlement dollar expended on housing activities. IHFA meets this match liability by identifying eligible forms match as defined at HOME CPD Notice 97-03.

Housing Trust Fund regulations do not require matching funds.

Ten percent (10%) of each annual allocation and program income may be used for HOME administrative costs, 5% of each allocation may be awarded to CHDOs as an annual operating assistance grant. The remaining funds are awarded to owners, developers, and homebuyers for eligible HOME-assisted activities.

Housing Trust Fund- 90% of each allocation will be used for eligible HTF rental activities. 10% of each allocation may be used for operational support and/or operating reserves. Up to 10% of each allocation may be used by IHFA for program and administrative costs.

ESG contribution sources include other non-ESG HUD funds, other federal funds, state government, local government, private funds, and other. ESG imposes a 100% match requirement (minus \$100,000) which may be fulfilled by cash donations or in-kind services. Donations to the ESG encourage and support numerous activities, including homeownership, increasing access to facilities and services, case management, life skills guidance, and counseling, among other support and service efforts.

If appropriate, describe publically owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

The State of Idaho does not designate publically-owned land no property to address housing needs identified in this plan.

Annual Goals and Objectives

AP-20 Annual Goals and Objectives – 91.320(c)(3)&(e)

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Public Facilities/Infrastructure-Compliance	2015	2019	Affordable Housing Homeless Non-Homeless Special Needs Non-Housing Community Development		Housing related activities Public Facilities Public Infrastructure	CDBG: \$1,966,788	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 21622 Persons Assisted Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit: 20 Households Assisted Homeless Person Overnight Shelter: 8 Persons Assisted Overnight/Emergency Shelter/Transitional Housing Beds added: 8 Beds
2	Public Facilities/Infrastructure-Rehabilitation	2015	2019	Affordable Housing Homeless Non-Homeless Special Needs Non-Housing Community			CDBG: \$2,360,146	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 21622 Persons Assisted Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit: 24

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
				Development				Households Assisted Homeless Person Overnight Shelter: 8 Persons Assisted Overnight/Emergency Shelter/Transitional Housing Beds added: 8 Beds Housing for Homeless added: 5 Household Housing Unit
3	Public Facilities/Infrastructure- New Construction	2015	2019	Affordable Housing Non-Homeless Special Needs Non-Housing Community Development			CDBG: \$1,966,788	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 21622 Persons Assisted Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit: 20 Households Assisted
4	Economic Development- Job Creation	2015	2019	Non-Housing Community Development		Economic Development	CDBG: \$786,715	Jobs created/retained: 60 Jobs
5	Economic Development- Downtown Revitalization	2015	2019	Non-Housing Community Development		Economic Development	CDBG: \$786,715	Other: 2 Other
6	Provide Suitable Living Environment	2015	2019	Homeless		Homeless Shelter Operations & Prevention Housing related activities	ESG: \$1,031,627 ESG Match: \$1,455,887	Tenant-based rental assistance / Rapid Rehousing: 375 Households Assisted Homeless Person Overnight Shelter: 3548 Persons Assisted Homelessness Prevention: 185

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
								Persons Assisted
7	Provide Decent Affordable Housing	2015	2019	Affordable Housing		Create Decent Affordable Homeownership Create and Preserve Affordable Rental Housing	HOME: \$7,333,727 Trust Fund: \$3,000,000	Rental units constructed: 83 Household Housing Unit Rental units rehabilitated: 15 Household Housing Unit Homeowner Housing Added: 17 Household Housing Unit

Table 6 – Goals Summary

<p>1</p>	<p>Goal Name</p>	<p>Public Facilities/Infrastructure-Compliance</p>
	<p>Goal Description</p>	<p>Activities will include projects in non-entitlement cities and counties throughout the State of Idaho that bring public facilities systems (infrastructure, community facilities, public utilities) into compliance with environmental laws, federal and state standards, industry standards or best management practices.</p> <p>25% - Public Facility / Infrastructure – Compliance</p> <p>Why 25%?</p> <p>First, for the state CDBG program, the Public Facilities/ Infrastructure- Compliance goal consists of a large diverse number of activities, therefore, by going with 25% it gives local governments a fair amount of flexibility to submit an application based on their Public Facilities/Infrastructure-Compliance needs. The original intent of the CDBG program was meant to not be a top down driven model.</p> <p>Second, backed by Idaho Department of Commerce's local government needs survey, 87% of responders were satisfied with the existing allocation percentages.</p> <p>Further rationale for 25%, includes an increasing interest to assist with housing for the homeless population, see attached public comment section. Homeless and domestic violence shelters could fall within this goal. A housing first approach to mitigating homelessness type projects will be considered a public facility, but could also be identified under homelessness prevention or public facilities housing benefit, depending on lease agreement. Another reason for the 25% is that the survey indicated a higher than average need for park and recreational facilities, which could fall within the public facilities/infrastructure compliance goal.</p> <p>Third, projects funding from this allocation priority will help to ensure Idaho Department of Commerce meets its 70% of funding to benefit low-to-moderate income requirement.</p>

2	Goal Name	Public Facilities/Infrastructure-Rehabilitation
	Goal Description	<p>Activities will include projects in non-entitlement cities and counties throughout the State of Idaho that are rehabilitation, replacement, or remodeling of a public facility (infrastructure, community facilities, public utilities and affordable housing) system.</p> <p>30% - Public Facility / Infrastructure – Rehab</p> <p>Why 30%?</p> <p>First, for the state CDBG program, the Public Facilities/Infrastructure- Rehab. Consists of a large diverse number of activities, therefore, by going with 30% it gives local governments a fair amount of flexibility to submit an application based on their Public Facility/Infrastructure- Rehab needs. The original intent of the CDBG program, was not meant to be a top down driven model.</p> <p>Second, backed by Idaho Department of Commerce’s local government needs survey 87% of responders were satisfied with the existing allocation percentages.</p> <p>Further rationale for 30%, includes an increasing interest to assist with housing for the homeless population, see attached public comment section. Homeless and domestic violence shelters could fall within this goal. A housing first approach to mitigating homelessness type project will at this time be considered a public facility, but could also be identified under homelessness prevention or public facilities housing benefit, depending on lease agreement. Another reason for the 30% is that the survey indicated a higher than average need for park and recreational facilities, which could fall within the Public Facilities/Infrastructure-Rehab goal.</p> <p>Third, projects funding from this allocation priority will help to ensure Idaho Department of Commerce meets its 70% of funding to benefit low-to-moderate income requirement.</p>

3	Goal Name	Public Facilities/Infrastructure-New Construction
	Goal Description	<p>Activities will include projects in non-entitlement cities and counties throughout the State of Idaho that install a new public facility (infrastructure, community facilities and public utilities) system or extend a system to a new service area.</p> <p>25% - Public Facility / Infrastructure – New Construction</p> <p>Why 25%?</p> <p>First, for the state CDBG program, the Public Facilities/Infrastructure-New Construction goal consists of a large diverse number of activities, therefore, by going with 25% it gives local governments a fair amount of flexibility to submit an application based on their Public Facility/Infrastructure-New Construction needs. The original intent of the CDBG program was not meant to be a top down driven model.</p> <p>Second, backed by Idaho Department of Commerce's local government needs survey 87% of responders were satisfied with the existing allocation percentages.</p> <p>Third, projects funding from this allocation priority will help to ensure Idaho Department of Commerce meets its 70% of funding to benefit low-to-moderate income requirement.</p>

4	Goal Name	Economic Development-Job Creation
	Goal Description	<p>Public infrastructure improvements in non-entitlement cities and counties throughout the State of Idaho for business expansion and subsequent job creation for low to moderate income persons</p> <p>10% - Job Creation</p> <p>Why 10%?</p> <p>No question job creation, especially higher paying jobs, is a need in Idaho. However, utilizing CDBG for job creation is not always user friendly for local governments and their partnering business due to environment review timelines, property acquisition standards, and job creation/retention requirements. Therefore, only a limited number of eligible job creation projects that are not in a fast tracking mode nor obligating a large percentage of private funds to the public infrastructure expansion, are an effective and efficient use of CDBG.</p> <p>Second, the local government needs survey indicated job creation as the 2nd highest priority with the “public infrastructure to business” as the highest need activity.</p> <p>Third, projects funding from this allocation priority will help to ensure Idaho Department of Commerce meets its 70% of funding to benefit low-to-moderate income requirement.</p>

5	Goal Name	Economic Development-Downtown Revitalization
	Goal Description	<p>Public Improvements in non-entitlement cities and counties throughout the State of Idaho downtown blighted areas that bring two substandard infrastructure systems into compliance or code</p> <p>10% - Downtown Revitalization</p> <p>Why 10%?</p> <p>Many smaller cities that are served by the CDBG program have seen retail box type businesses establish outside their downtown area which have pulled business and jobs out of their downtown core or have experienced a general lack of sustainable investment in the existing private buildings. In an effort to mitigate these elements some cities are looking to reinvest back into their downtowns. In part because it's a significant part of their sense of place, but also the infrastructure is in-place. Therefore, a demand exists to improve their downtown infrastructure, which typically includes ADA improvements.</p> <p>Second, Idaho Department of Commerce's local government needs survey indicated the existing downtown revitalization goal as the 3rd highest need priority.</p>
6	Goal Name	Provide Suitable Living Environment
	Goal Description	The ESG program will serve a minimum of 3,500 households with shelter, homeless prevention and rapid re-housing funds.
7	Goal Name	Provide Decent Affordable Housing
	Goal Description	<p>IHFA will award HOME funds to approved eligible affordable rental housing and homebuyer activities during the 2018 Program Year. See 2018 Projects.</p> <p>IHFA will award HTF funds to eligible and approved affordable rental housing activities during Program 2018 as indicated in AP-35 Projects.</p>

AP-25 Allocation Priorities – 91.320(d)

Introduction:

Exceeds Maximum characters- See Unique Appendices

Funding Allocation Priorities

	Public Facilities/Infrastructure- Compliance (%)	Public Facilities/Infrastructure- Rehabilitation (%)	Public Facilities/Infrastructure- New Construction (%)	Economic Development- Job Creation (%)	Economic Development- Downtown Revitalization (%)	Provide Suitable Living Environment (%)	Provide Decent Affordable Housing (%)	Total (%)
CDBG	25	30	25	10	10	0	0	100
HOME	0	0	0	0	0	0	100	100
ESG	0	0	0	0	0	60	40	100
HTF	0	0	0	0	0	0	0	n/a
Housing Trust Fund	0	0	0	0	0	0	100	100
LIHTC	0	0	0	0	0	0	100	100
Other ESG Match	0	0	0	0	0	0	0	0
Other HOPWA Competitive Grant	0	0	0	0	0	0	100	100

Table 7 – Funding Allocation Priorities

Reason for Allocation Priorities

CDBG- See AP20 Goals 2,3,4,5 and 6 goal descriptions.

HOME & HTF- The 2014 Idaho Housing Needs Survey, and the 2014 Idaho County Demographic, Housing, and Transportation Report, as well as

input from the public indicate the creation and preservation of affordable permanent rental housing for extremely low-income, elderly, and disabled throughout Idaho is the highest priority housing need followed closely by affordable homebuyer housing.

ESG- Other than funding from faith-based organizations and Federal programs, Idaho's homeless housing and service programs receive very little financial support. In the absence of much needed emergency shelter funding, many individuals and families are unable to receive temporary assistance and reprieve from homelessness, and access to services to assist in being rapidly re-housed. For this reason, Idaho has directed the maximum amount of ESG funds allowed by HUD regulations (60%) towards emergency shelter activities. The remaining forty percent (40%) is used for homelessness prevention and rapid re-housing activities, with an emphasis placed on rapid re-housing. The additional emphasis is imposed due to IHFA's alignment with HUD objectives, and HUD precedence within the Homelessness Prevention and Rapid Re-Housing Program (HPRP) program which was born out of the American Recovery and Reinvestment Act of 2009, to divert individuals out of homelessness and shorten shelter stays. Further descriptions are included in section AP-20.

How will the proposed distribution of funds will address the priority needs and specific objectives described in the Consolidated Plan?

See above.

AP-30 Methods of Distribution – 91.320(d)&(k)

Introduction:

- Idaho Department of Commerce- State of Idaho's CDBG Program
- Idaho Housing and Finance- State of Idaho's HOME Program
- Idaho Housing and Finance- Idaho's Emergency Solutions Grant Program
- Idaho Housing and Finance- Idaho's National Housing Trust Fund Program

The HTF regulations require a description of how IHFA determined the HOME Maximum Per-Unit Subsidy Limits are appropriate for the HTF Program. Idaho's HOME Maximum Per-unit Subsidy Limits, as established by Region X HUD-CPD Office, are 240% of the base limit for the Section 234 Program (Condominium housing basic housing limits for elevator-type projects). In determining the most appropriate per-unit subsidy limits for the HTF program, IHFA reviewed the amount of HOME funds invested on a per-unit basis throughout Idaho over three program years (2013-2015). HOME-assisted units were located throughout Idaho, including high cost and resort areas. In most instances, the HOME per-unit maximum subsidy limits were more than sufficient to meet the financing needs of the project. Accordingly, IHFA has determined the HOME Per-Unit Maximum Subsidy limits are an appropriate per-unit subsidy limit for the Housing Trust Fund Program.

Table 8 - Distribution Methods by State Program

1	State Program Name:	Down Payment/Closing Cost Assistance
	Funding Sources:	HOME
	Describe the state program addressed by the Method of Distribution.	<p>Currently suspended- DP/CC assistance is awarded as a 0% interest, due-on-sale or default loan to qualified low-income homebuyers to help with the purchase of a safe, decent, and affordable home.</p> <p>As defined in the written agreement, a HOME-assisted homebuyer must reside in the assisted unit as a primary residence during the HOME period of affordability. If an assisted homebuyer rents or no longer occupies their HOME-assisted unit during the period of affordability, IHFA would call the loan due and payable. IHFA allows two exceptions to the primary residence requirement: Military deployment, and Post-secondary education. The homeowner must request an exception in writing to the HOME Programs Department, and include a written plan of when they plan to return to the HOME-assisted unit.</p> <p>The HOME period of affordability is determined by the amount of HOME subsidy the homebuyer receives. Following the HOME Program's Recapture Option, the homebuyer is allowed to sell their HOME-assisted unit at any time, to any willing buyer, at whatever price the market will bear. At the time title is transferred, IHFA will attempt to recapture the entire HOME subsidy amount as available from the Net proceeds of the sale. IHFA's Recapture Option follows §92.254 (a)(ii)(A)(4 and 5). IHFA reviews the maximum amount of DPCC available on an annual basis and may increase or decrease the amount, depending on funding availability and market conditions. The maximum amount available and application requirements are published in the Annual Administrative Plan.</p>

<p>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</p>	<p>Suspended- The homebuyer(s) must be able to document annual (gross) household income \leq80% AMI as defined by 24 CFR 5.609. IHFA's underwriting requirements are identified in the Annual Administrative Plan.</p> <p>When the homebuyer receives HOME-assistance, the sales price of the home cannot exceed the HOME Program's Homeownership Value Limit for the area, be modest in character, and meet IHFA's definition of Standard Condition(meets Idaho's current Residential Code for existing structures, applicable local codes, standards, and ordinances, as well as Section 8 Housing Quality Standards, prior to occupancy.</p>
<p>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</p>	<p>N/A</p>
<p>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</p>	<p>N/A</p>
<p>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</p>	

	<p>Describe how resources will be allocated among funding categories.</p>	<p>N/A</p>
	<p>Describe threshold factors and grant size limits.</p>	<p>Program is Suspended for the Program Year 2018- The maximum HOME DPCC is 10% of the sales price, not to exceed \$14,999. The program requirements are reviewed on an annual basis and may be revised in the Annual Administrative Plan (effective January 1st of each year).</p>
	<p>What are the outcome measures expected as a result of the method of distribution?</p>	
<p>2</p>	<p>State Program Name:</p>	<p>Homebuyer Properties Activity</p>
	<p>Funding Sources:</p>	<p>HOME</p>

<p>Describe the state program addressed by the Method of Distribution.</p>	<p>Funding proposals are accepted from qualified units of local government and non-profit developers following a published Request for Proposals. Eligible activities under this project include acquisition and rehabilitation of Substandard (condition) and new construction of single-family units. The units are sold to qualified HOME-eligible, IHFA-qualified homebuyers within 9 months of completion. The sales price cannot exceed the annual HOME Homeownership Value Limits for the area nor have a PITI (Principle, interest, taxes, insurance) that exceeds 30% of monthly household income. IHFA may waive this requirement under certain circumstances, such as a homebuyer with excellent long-term credit.</p> <p>A homebuyer must reside in their HOME-assisted unit as primary residence as defined in the HOME Administrative Plan during the HOME period of affordability (there are two exceptions: See HOME down payment/closing costs program above). The HOME period of affordability is determined by the amount of HOME assistance the homebuyer receives. The homebuyer is allowed to sell the HOME-assisted unit at any time, to any willing buyer, for whatever the market will bear. At the time the title is transferred, IHFA will attempt to recapture the full amount of the HOME loan as available from the net proceeds of the sale (as defined under the HOME Program's Recapture Option §92.254 (a)(ii)(A)(4 and 5)). The maximum amount of assistance to the homebuyer is determined by IHFA on an annual basis, and identified in the Annual Administrative Plan. It is available online at http://www.idahohousing.com/ihfa/grant-programs/home-program.aspx</p> <p>An eligible homebuyer(s) must document household income $\leq 80\%$ AMI as defined by 24 CFR 5.609 (Annual Gross Income), have limited liquid assets, and have as defined in the HOME Administrative Plan.</p> <p>The acquisition (by owner-developer) and the sale to the homebuyer, must include documentation the purchase offer agreement complies with HUD-ER requirements, as well as the Uniform Relocation Act and Voluntary Sales Disclosures requirements, as well as other applicable federal and state cross-cutting regulations.</p> <p>HOME Match is only considered eligible under this activity, if the amount of the match contribution reduces the sales price to the homebuyer or enables the house to be sold for less than the development costs by an amount equal to the match contribution.</p>
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<p>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</p>	<p>Prior to an award of HOME funds, a proposal is reviewed for organizational and developer capacity, as well as market demand in the area for the type and scope of the proposed activity (new construction or acquisition/rehabilitation of single-family unit). Prior to commitment of HOME funds, the budget is submitted and the project is reviewed for necessity and cost reasonableness to produce a unit of modest character in the proposed market area. This review takes into consideration the HOME Homeownership Value Limits as well as the 80% AMI income limits for the area in which the activity is proposed. When the development phase is complete, the unit is sold to a HOME-eligible, IHFA-approved low-income homebuyer within 9 months. When the unit is sold, the developer repays the (HOME) development funds from the proceeds of the sale, less the HOME funds assumed by the homebuyer and the developer fee. In certain cases, a nonprofit developer may need additional help when selling their HOME-assisted units in a local high cost houses areas. In certain cases, IHFA may allow an increase in homebuyer subsidy up to 20% of the sale price or \$40,000, whichever is less. The underwriting policies to evaluate housing debt and overall debt of the household, the appropriateness of the amount of assistance, monthly expenses, assets available to acquire the housing, and financial resources to sustain homeownership and future refinancing, are identified in the Annual Administrative Plan. If the unit's total development costs exceed the sales price, the difference can be defined as a development subsidy need not be repaid by the developer.</p> <p>The loan to the low-income homebuyer is a 0% interest, due-on- sale, soft second loan. If there is excess sales proceeds, in some cases they are returned to the HOME program. The sales price of the unit cannot exceed the applicable HOME Homeownership Value Limits for the market area. Each unit must be modest in character, meet Idaho's residential building code and applicable local code(s), property standards and ordinances, and if rehabilitated, follow the HOME Rehabilitation Standards. The homebuyer's assume a portion of the developer's loan at sale, and is contingent upon approval by an IHFA or USDA-RD loan product and the completion of an approved homebuyer education course. The Homebuyer subsidy is evaluated on an annual basis and published in the HOME Administrative Plan. In 2018, the homebuyer assistance is capped at 10% of the sales price, except as approved by IHFA.</p> <p style="text-align: center;">Page 35 of 150</p>
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<p>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</p>	<p>N/A</p>
<p>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</p>	<p>N/A</p>
<p>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</p>	
<p>Describe how resources will be allocated among funding categories.</p>	<p>N/A</p>

	<p>Describe threshold factors and grant size limits.</p>	<p>Only non-profit development organizations and qualified units of local government are allowed to participate in this activity and must be both owner and developer. Eligible activities include new construction and acquisition/rehabilitation of single-family housing units to be sold to HOME-eligible low-income households. Unit must be sold (or under contract) within 9 months of the completion date of the construction/rehabilitation work. Sponsor may receive up to the HOME maximum subsidy limit on a per unit basis. When each unit is sold to a HOME-eligible, IHFA-qualified homebuyer, they may receive up to 10% of the sales price as a soft second, 0% interest, due-on-sale loan. However, in certain high cost areas Idaho, IHFA may choose to allow a higher homebuyer subsidy to help fill the gap between the market value of the home and the amount of the mortgage the homebuyer qualified for, up to a maximum of \$40,000.</p> <p>HOME funds are awarded to a qualified owner-developers in the form of a 0% due-on- sale loan.</p> <p>Homebuyer must qualify for, and accept, the maximum amount of the first (1st) mortgage offered before IHFA determines the amount of homebuyer subsidy.</p>
	<p>What are the outcome measures expected as a result of the method of distribution?</p>	<p>Approximately 24 Single-family homes will be constructed or rehabilitated by qualified owner-developers, then sold to qualified low-income homebuyers.</p>
<p>3</p>	<p>State Program Name:</p>	<p>Rental Housing Production</p>
	<p>Funding Sources:</p>	<p>HOME Housing Trust Fund</p>

<p>Describe the state program addressed by the Method of Distribution.</p>	<p>Following a published NOFA for multifamily rental and an RFP for single-family rental, eligible owner/developers will apply for funds for eligible rental housing activities. Each proposal must include minimum threshold criteria and other project-specific criteria as identified in the published notice and the current Administrative Plan. Eligible recipients are defined as owners/developers who are registered Business Entities with the State of Idaho and in Good Standing with IHFA (demonstrated experience and capacity to own, develop, manage, and market federally-assisted rental housing, are familiar with the requirements of other Federal housing programs that may be used in conjunction with CPD funds to ensure compliance with applicable requirements and regulations. Demonstrated experience includes completing previous projects on time and within the approved budget, and no outstanding or material findings of non-compliance during the period of affordability. IHFA awards HOME/HTF funds as a low or no interest loan (HOME) or grant (HTF only), depending on the type of project, other programs involved in the project, and the type of preference tenant population(s) served. HOME and/or HTF funds are not be committed to a project until the site has received environmental clearance and all sources of financing are reasonably secured. IHFA's HOME and HTF programs are designed to work with a variety public and private funding sources and programs to help create and preserve affordable housing. Single-family rental activities must be owned by a non-profit or unit of local government at application and during the period of affordability. HOME and HTF partner with the Low-Income Housing Tax Credit program to create affordable multifamily rental housing units. The HOME and HTF program are designed to partner with a variety public and private funding sources to help create and preserve affordable housing. IHFA is the Allocating Agency for Idaho's Low-Income Housing Tax Credit Program.</p>
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<p>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</p>	<p>HOME and HTF proposals are required to include threshold criteria (see below- minimum threshold criteria) to receive a full review and scoring. Additional criteria include the type, scope, and description of project, per-unit investment, proposed project reserves, other proposed funding sources/programs, debt service coverage ratio, proposed loan or repayment structure, ownership structure, Federal cross-cutting requirements as required, local planning and zoning approval, proposed tenant population(s), match contribution, timeline, developer capacity, proximity to essential services based on tenant population, green building, energy efficiency, site/unit design and amenities, etc.</p>
<p>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</p>	<p>N/A</p>
<p>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</p>	<p>N/A</p>

<p>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</p>	
<p>Describe how resources will be allocated among funding categories.</p>	<p>IHFA awards HOME/HTF to eligible owner-developers following a published NOFA or RFP. Multifamily rental applications follow established criteria, which is identified each year in the Annual Administrative Plan (chapter 8). Multifamily applications are submitted at the same time as IHFA's LIHTC applications, normally once each year. Single-family rental owner-developers submit proposals once each year following a published RFP that identifies the proposal requirements, including market assessment, federally-assisted programs development capacity, knowledge of cross-cutting regulations, estimated sources and uses, and the proposed type, number, and scope of individual activities. As each property is identified, a budget and site control documents (including Voluntary Sales Disclosure and Uniform Relocation Act) are submitted for review. Only when the property/property received Environmental Clearance are funds committed.</p> <p>100% of Idaho's HTF funds will be used for rental housing production and preservation. The funds will target extremely low-income (≤30% AMI) households.</p>
<p>Describe threshold factors and grant size limits.</p>	

	<p>What are the outcome measures expected as a result of the method of distribution?</p>	<p>60 HOME and HTF-assisted rental units serving Low, Very low, and Extremely low-income families and individuals, including elderly and disabled.</p>
<p>4</p>	<p>State Program Name:</p>	<p>Rental Housing Production</p>
	<p>Funding Sources:</p>	<p>HOME Housing Trust Fund</p>

<p>Describe the state program addressed by the Method of Distribution.</p>	<p>Following a published NOFA for multifamily rental and an RFP for single-family rental, eligible owner/developers will apply for funds for eligible rental housing activities. Each proposal must include minimum threshold criteria and other project-specific criteria as identified in the published notice and the current Administrative Plan. Eligible recipients are defined as owners/developers who are registered Business Entities with the State of Idaho and in Good Standing with IHFA (demonstrated experience and capacity to own, develop, manage, and market federally-assisted rental housing, are familiar with the requirements of other Federal housing programs that may be used in conjunction with CPD funds to ensure compliance with applicable requirements and regulations. Demonstrated experience includes completing previous projects on time and within the approved budget, and no outstanding or material findings of non-compliance during the period of affordability. IHFA awards HOME/HTF funds as a low or no interest loan (HOME) or grant (HTF only), depending on the type of project, other programs involved in the project, and the type of preference tenant population(s) served. HOME and/or HTF funds are not be committed to a project until the site has received environmental clearance and all sources of financing are reasonably secured. IHFA's HOME and HTF programs are designed to work with a variety public and private funding sources and programs to help create and preserve affordable housing. Single-family rental activities must be owned by a non-profit or unit of local government at application and during the period of affordability. HOME and HTF partner with the Low-Income Housing Tax Credit program to create affordable multifamily rental housing units. The HOME and HTF program are designed to partner with a variety public and private funding sources to help create and preserve affordable housing. IHFA is the Allocating Agency for Idaho's Low-Income Housing Tax Credit Program.</p>
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<p>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</p>	<p>HOME and HTF proposals are required to include threshold criteria (see below- minimum threshold criteria) to receive a full review and scoring. Additional criteria include the type, scope, and description of project, per-unit investment, proposed project reserves, other proposed funding sources/programs, debt service coverage ratio, proposed loan or repayment structure, ownership structure, Federal cross-cutting requirements as required, local planning and zoning approval, proposed tenant population(s), match contribution, timeline, developer capacity, proximity to essential services based on tenant population, green building, energy efficiency, site/unit design and amenities, etc.</p>
<p>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</p>	<p>N/A</p>
<p>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</p>	<p>N/A</p>

<p>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</p>	
<p>Describe how resources will be allocated among funding categories.</p>	<p>IHFA awards HOME/HTF to eligible owner-developers following a published NOFA or RFP. Multifamily rental applications follow established criteria, which is identified each year in the Annual Administrative Plan (chapter 8). Multifamily applications are submitted at the same time as IHFA's LIHTC applications, normally once each year. Single-family rental owner-developers submit proposals once each year following a published RFP that identifies the proposal requirements, including market assessment, federally-assisted programs development capacity, knowledge of cross-cutting regulations, estimated sources and uses, and the proposed type, number, and scope of individual activities. As each property is identified, a budget and site control documents (including Voluntary Sales Disclosure and Uniform Relocation Act) are submitted for review. Only when the property/property received Environmental Clearance are funds committed.</p> <p>100% of Idaho's HTF funds will be used for rental housing production and preservation. The funds will target extremely low-income (≤30% AMI) households.</p>
<p>Describe threshold factors and grant size limits.</p>	

	What are the outcome measures expected as a result of the method of distribution?	60 HOME and HTF-assisted rental units serving Low, Very low, and Extremely low-income families and individuals, including elderly and disabled.
5	State Program Name:	State of Idaho CDBG
	Funding Sources:	CDBG
	Describe the state program addressed by the Method of Distribution.	When this section of the Consolidated Plan is converted to a Word document for publishing purposes, the current version of the eCon Planning Suite cuts off a portion of the CDBG response. Accordingly, the State of Idaho CDBG Program section and all responses required below are found in the <u><i>Unique Appendices</i></u> .
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	When this section of the Consolidated Plan is converted to a Word document for publishing purposes, the current version of the eCon Planning Suite cuts off a portion of the CDBG response. Accordingly, the State of Idaho CDBG Program section and all responses required below are found in the <u><i>Unique Appendices</i></u> .

<p>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</p>	<p>When this section of the Consolidated Plan is converted to a Word document for publishing purposes, the current version of the eCon Planning Suite cuts off a portion of the CDBG response. Accordingly, the State of Idaho CDBG Program section and all responses required below are found in the <u><i>Unique Appendices</i></u>.</p>
<p>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</p>	
<p>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</p>	
<p>Describe how resources will be allocated among funding categories.</p>	<p>When this section of the Consolidated Plan is converted to a Word document for publishing purposes, the current version of the eCon Planning Suite cuts off a portion of the CDBG response. Accordingly, the State of Idaho CDBG Program section and all responses required below are found in the <u><i>Unique Appendices</i></u>.</p>

	<p>Describe threshold factors and grant size limits.</p>	<p>When this section of the Consolidated Plan is converted to a Word document for publishing purposes, the current version of the eCon Planning Suite cuts off a portion of the CDBG response. Accordingly, the State of Idaho CDBG Program section and all responses required below are found in the <u><i>Unique Appendices.</i></u></p>
	<p>What are the outcome measures expected as a result of the method of distribution?</p>	<p>When this section of the Consolidated Plan is converted to a Word document for publishing purposes, the current version of the eCon Planning Suite cuts off a portion of the CDBG response. Accordingly, the State of Idaho CDBG Program section and all responses required below are found in the <u><i>Unique Appendices.</i></u></p>
<p>6</p>	<p>State Program Name:</p>	<p>State of Idaho ESG</p>
	<p>Funding Sources:</p>	<p>ESG ESG Match</p>

<p>Describe the state program addressed by the Method of Distribution.</p>	<p>IHFA’s ESG subrecipients are chosen through a competitive statewide application process. This process includes the following elements:</p> <ul style="list-style-type: none"> • Funding availability announced in Idaho newspapers in each region of the state soliciting project applications from interested state or local governments and non-profit organizations. • In 2017, 25 applications were submitted for review by the Independent Review Panel (IRP). Persons with experience in issues related to homelessness were recruited to serve on the IRP. The reviewers are responsible for rating applications using criteria provided by IHFA. • Members of the IRP score each proposal individually before meeting to reconcile and average all panelists’ scores. The resulting averaged score reflects the Panel’s collective determination of merit. All applications meeting a threshold score determined by a weighted average were funded. • When special/additional funding is made available to the ESG program, the Recipient will allocate those funds through an internal process to expedite award. Factors affecting this distribution may include timing of the award, timeliness of expenditures, performance, need, and HUD or CoC priorities.
<p>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</p>	<p>The following includes a summary of the six vital areas that serve as the basis for funding approval:</p> <ul style="list-style-type: none"> • Agency background, including history of service and population served • Emergency Solutions needs and/or the service deficiency the project addresses • Identify independent elements and/or services requiring funding • Goals and objectives and how they would be achieved • Outcome measurements and documentation of accomplishments • Statement describing applicant’s capacity to administer the award

<p>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</p>	
<p>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</p>	<p>IHFA’s ESG subrecipients are chosen through a competitive statewide application process. This process includes the following elements:</p> <ul style="list-style-type: none"> • Funding availability announced in Idaho newspapers in each region of the state soliciting project applications from interested state or local governments and non-profit organizations. • In 2017, 25 applications were submitted for review by the Independent Review Panel (IRP). Persons with experience in issues related to homelessness were recruited to serve on the IRP. The reviewers are responsible for rating applications using criteria provided by IHFA. • Members of the IRP score each proposal individually before meeting to reconcile and average all panelists’ scores. The resulting averaged score reflects the Panel’s collective determination of merit. All applications meeting a threshold score determined by a weighted average were funded. The following includes a summary of the six vital areas that serve as the basis for funding approval: <ol style="list-style-type: none"> 1. Agency background, including history of service and population served. Emergency Solutions needs and/or the service deficiency the project addresses Identify independent elements and/or services requiring funding. Goals and objectives and how they would be achieved. Outcome measurements and documentation of accomplishments Statement describing applicant’s capacity to administer the award. From the rating process, sixteen (16) agencies were awarded conditional funding to provide shelter services and operations, and nine (9) agencies were awarded homelessness prevention or rapid re-housing activities in their respective regions of

	<p>the state. All applicants were evaluated based on their threshold score. For the qualifying applicants, documentation is required regarding the following functional areas in the technical submission:</p> <ul style="list-style-type: none"> • Homeless Participation and representation on the Board of Directors • Insurance coverage • Matching funds • Local government certifications • When special/additional funding is made available to the ESG program, the Recipient will allocate those funds through an internal process to expedite award. Factors affecting this distribution may include timing of the award, timeliness of expenditures, performance, need, and HUD or CoC priorities.
<p>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</p>	
<p>Describe how resources will be allocated among funding categories.</p>	<p>ESG threshold factors are based on parameters set by HUD within program regulations. Shelter activities will be comprised of no more than sixty percent (60%) of the total ESG award. Of the remaining forty percent (40%), homelessness prevention will exceed no more than forty percent (40%), with rapid re-housing funds equaling approximately sixty percent (60%).</p> <p>Additional funding allocations will adhere to regulatory limits, but funding may be allocated based on HUD-identified priorities or CoC-identified targets.</p>

	<p>Describe threshold factors and grant size limits.</p>	<p>Subrecipients must document their experience with the proposed population, organizational capacity, and demonstrated fiscal ability to administer federal funding. The State ESG program does not set grant size limits, but bases allocation on requests provided by applicant agencies, which include a descriptive budget narrative documenting need.</p>
	<p>What are the outcome measures expected as a result of the method of distribution?</p>	<ul style="list-style-type: none"> • Seventy five percent (75%) of participants presenting with two or more barriers to housing stability at assessment are able to obtain stable housing within 60 days. • Fifty percent (50%) of participants who are literally homeless upon assessment will be diverted from shelter and rapidly re-housed; or • Seventy five percent (75%) of clients receiving homelessness prevention will not enter a HUD-funded shelter or rapid re-housing program within twelve (12) months of receiving assistance • Fifty percent (50%) of participants living in shelter will exit to permanent housing within sixty (60) days of shelter entry • Fifty percent (50%) of participants will exit the program receiving at least on mainstream resource in addition to housing.
<p>7</p>	<p>State Program Name:</p>	<p>State of Idaho ESG</p>
	<p>Funding Sources:</p>	<p>ESG ESG Match</p>

<p>Describe the state program addressed by the Method of Distribution.</p>	<p>IHFA’s ESG subrecipients are chosen through a competitive statewide application process. This process includes the following elements:</p> <ul style="list-style-type: none"> • Funding availability announced in Idaho newspapers in each region of the state soliciting project applications from interested state or local governments and non-profit organizations. • In 2017, 25 applications were submitted for review by the Independent Review Panel (IRP). Persons with experience in issues related to homelessness were recruited to serve on the IRP. The reviewers are responsible for rating applications using criteria provided by IHFA. • Members of the IRP score each proposal individually before meeting to reconcile and average all panelists’ scores. The resulting averaged score reflects the Panel’s collective determination of merit. All applications meeting a threshold score determined by a weighted average were funded. • When special/additional funding is made available to the ESG program, the Recipient will allocate those funds through an internal process to expedite award. Factors affecting this distribution may include timing of the award, timeliness of expenditures, performance, need, and HUD or CoC priorities.
<p>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</p>	<p>The following includes a summary of the six vital areas that serve as the basis for funding approval:</p> <ul style="list-style-type: none"> • Agency background, including history of service and population served • Emergency Solutions needs and/or the service deficiency the project addresses • Identify independent elements and/or services requiring funding • Goals and objectives and how they would be achieved • Outcome measurements and documentation of accomplishments • Statement describing applicant’s capacity to administer the award

<p>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</p>	
<p>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</p>	<p>IHFA’s ESG subrecipients are chosen through a competitive statewide application process. This process includes the following elements:</p> <ul style="list-style-type: none"> • Funding availability announced in Idaho newspapers in each region of the state soliciting project applications from interested state or local governments and non-profit organizations. • In 2017, 25 applications were submitted for review by the Independent Review Panel (IRP). Persons with experience in issues related to homelessness were recruited to serve on the IRP. The reviewers are responsible for rating applications using criteria provided by IHFA. • Members of the IRP score each proposal individually before meeting to reconcile and average all panelists’ scores. The resulting averaged score reflects the Panel’s collective determination of merit. All applications meeting a threshold score determined by a weighted average were funded. The following includes a summary of the six vital areas that serve as the basis for funding approval: <ol style="list-style-type: none"> 1. Agency background, including history of service and population serve Emergency Solutions needs and/or the service deficiency the project addresses Identify independent elements and/or services requiring funding Goals and objectives and how they would be achieved Outcome measurements and documentation of accomplishments Statement describing applicant’s capacity to administer the award. From the rating process, sixteen (16) agencies were awarded conditional funding to provide shelter services and operations, and nine (9) agencies were awarded homelessness prevention or rapid re-housing activities in their respective regions of

	<p>the state. All applicants were evaluated based on their threshold score. For the qualifying applicants, documentation is required regarding the following functional areas in the technical submission:</p> <ul style="list-style-type: none"> • Homeless Participation and representation on the Board of Directors • Insurance coverage • Matching funds • Local government certifications • When special/additional funding is made available to the ESG program, the Recipient will allocate those funds through an internal process to expedite award. Factors affecting this distribution may include timing of the award, timeliness of expenditures, performance, need, and HUD or CoC priorities.
<p>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</p>	
<p>Describe how resources will be allocated among funding categories.</p>	<p>ESG threshold factors are based on parameters set by HUD within program regulations. Shelter activities will be comprised of no more than sixty percent (60%) of the total ESG award. Of the remaining forty percent (40%), homelessness prevention will exceed no more than forty percent (40%), with rapid re-housing funds equaling approximately sixty percent (60%).</p> <p>Additional funding allocations will adhere to regulatory limits, but funding may be allocated based on HUD-identified priorities or CoC-identified targets.</p>

<p>Describe threshold factors and grant size limits.</p>	<p>Subrecipients must document their experience with the proposed population, organizational capacity, and demonstrated fiscal ability to administer federal funding. The State ESG program does not set grant size limits, but bases allocation on requests provided by applicant agencies, which include a descriptive budget narrative documenting need.</p>
<p>What are the outcome measures expected as a result of the method of distribution?</p>	<ul style="list-style-type: none"> • Seventy five percent (75%) of participants presenting with two or more barriers to housing stability at assessment are able to obtain stable housing within 60 days. • Fifty percent (50%) of participants who are literally homeless upon assessment will be diverted from shelter and rapidly re-housed; or • Seventy five percent (75%) of clients receiving homelessness prevention will not enter a HUD-funded shelter or rapid re-housing program within twelve (12) months of receiving assistance • Fifty percent (50%) of participants living in shelter will exit to permanent housing within sixty (60) days of shelter entry • Fifty percent (50%) of participants will exit the program receiving at least on mainstream resource in addition to housing.

AP-35 Projects – (Optional)

Introduction:

State of Idaho's 2018 CDBG, HOME, HTF, and ESG projects

#	Project Name
1	State of Idaho Administration
2	State of Idaho Technical Assistance
3	CDBG-Public Facilities/Infrastructure-New Construction
4	CDBG-Public Facilities/Infrastructure-Rehabilitation
5	CDBG-Public Facilities/Infrastructure-Compliance
6	CDBG-Economic Development-Job Creation
7	CDBG-Economic Development-Downtown
8	HOME Administration
10	2018 HOME Single-family Homebuyer Properties
11	2018 Multifamily Rental- New Construction
12	2018 Single-family Rental
13	2018 CHDO Operating Assistance Grant
14	2018 CHDO Predevelopment Loan
16	HTF Administration
17	2018 Emergency Solutions Grant

Table 9 – Project Information

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

CDBG Allocation priorities were established based on the services local governments or non-profits provide. These services are under a constant challenge to meet demand and regulatory requirements; therefore, these services have consistently been in the highest demand for CDBG funding. The priorities were also established on what realistically could be effectively managed and to ensure that CDBG funds benefit at least 70% low-to-moderate income persons. The obstacles to addressing the needs include: decreasing CDBG funding, increasing construction cost, ruralness of communities, and the local government's ability to communicate and understand some of the complex requirements with limited staff and resources. The state has set-up the CDBG program to assist the elderly and frail elderly special needs population by continuing to keep in-place the senior center set-aside. Having this set-aside allows for senior center facilities to compete for CDBG funding within a limited number of applications, thereby, improving opportunities to receive funding. Senior centers are more than a socializing location but also prepare and cook for meals on-site and the delivery of meals to seniors who are unable to commute or are home bound.

The State will also continue to ensure that qualified local governments (meeting LMI area-wide) are

aware that the removal of architectural barriers in existing public buildings and certain ADA improvements are eligible for CDBG funding. Activities such as accessible bathrooms and ADA compliant sidewalks benefit all individuals including the physically disabled.

HOME and HTF- To help address Idaho's affordable housing needs, IHFA allocates funds to permanent housing activities which address the following housing strategies: (1) Create and preserve affordable rental housing (HOME and HTF); (2) Provide direct assistance to HOME-eligible and IHFA qualified low-income households as gap financing to help with the purchase of modest Standard Condition single-family units (HOME only)[DPCC program currently suspended]; (3) Provide 0% interest loans to nonprofit developers and units of local government to acquire and construct or rehabilitate single-family units to be sold to qualified low-income homebuyers (HOME only); (4) Provide operating assistance grants to certified non-profit, community-based housing development organizations (CHDOs) to help with their day-to-day operations as they build organizational capacity to own/develop affordable rental housing and homebuyer properties in Idaho (HOME only).

The current Consolidated Plan indicates IHFA would explore the feasibility of a HOME TBRA program. In PY2015, IHFA determined, because there is a severe shortage of affordable rental housing in Idaho, HOME funds should be used to help create more affordable rental housing. Therefore, a TBRA program is not be the best use of the HOME Program's very limited resources.

ESG-Service access is limited in rural Idaho. Funding constraints, available transportation, as well as the limited number of agencies with homeless-related missions, adds to this issue. For this reason, ESG, COC, and HOPWA projects are allowed to evaluate client need and service delivery, and use their own assessments to determine program needs, while ensuring program regulations are complied. This open flexibility encourages projects to meet the needs to the population in each region.

AP-38 Project Summary

Project Summary Information

1	Project Name	State of Idaho Administration
	Target Area	
	Goals Supported	
	Needs Addressed	
	Funding	CDBG: \$264,271
	Description	State CDBG administration
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
2	Project Name	State of Idaho Technical Assistance
	Target Area	
	Goals Supported	
	Needs Addressed	
	Funding	CDBG: \$82,135
	Description	State Technical Assistance
	Target Date	

	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
3	Project Name	CDBG-Public Facilities/Infrastructure-New Construction
	Target Area	
	Goals Supported	Public Facilities/Infrastructure-New Construction
	Needs Addressed	Public Facilities Public Infrastructure
	Funding	CDBG: \$1,966,788
	Description	New construction of public facilities (infrastructure, community facilities, and public utilities) or extension of public facilities to an eligible service area. This includes new infrastructure to support affordable housing and housing related activities.
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
4	Project Name	CDBG-Public Facilities/Infrastructure-Rehabilitation
	Target Area	
	Goals Supported	Public Facilities/Infrastructure-Rehabilitation

	Needs Addressed	Public Facilities Public Infrastructure
	Funding	CDBG: \$2,360,146
	Description	Activities that include the rehabilitation, replacement and/or remodeling of public facilities (infrastructure, community facilities, public utilities and affordable housing) systems.
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
5	Project Name	CDBG-Public Facilities/Infrastructure-Compliance
	Target Area	
	Goals Supported	Public Facilities/Infrastructure-Compliance
	Needs Addressed	Public Facilities Public Infrastructure
	Funding	CDBG: \$1,966,788
	Description	Activities that bring public facilities systems (infrastructure, community facilities, public utilities) into compliance with environmental laws, federal and state standards, industry standards, building codes and best management practices.
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	

	Location Description	
	Planned Activities	
6	Project Name	CDBG-Economic Development-Job Creation
	Target Area	
	Goals Supported	Economic Development-Job Creation
	Needs Addressed	Economic Development
	Funding	CDBG: \$786,715
	Description	Infrastructure improvements for business expansion and subsequent job creation.
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
7	Project Name	CDBG-Economic Development-Downtown
	Target Area	
	Goals Supported	Economic Development-Downtown Revitalization
	Needs Addressed	Economic Development Cleanup of blighted properties
	Funding	CDBG: \$786,715
	Description	Public infrastructure improvements to eliminate and prevent blighted areas in downtowns.
	Target Date	

	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
8	Project Name	HOME Administration
	Target Area	
	Goals Supported	Provide Decent Affordable Housing
	Needs Addressed	Create and Preserve Affordable Rental Housing Create Decent Affordable Homeownership
	Funding	HOME: \$533,372
	Description	Administrative and project planning costs
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	Underwriting, application review, physical progress/inspection, loan document preparation, compliance monitoring, staff salaries, training and professional development, and percentage of IHFA overhead costs.
9	Project Name	2018 HOME Single-family Homebuyer Properties
	Target Area	
	Goals Supported	Provide Decent Affordable Housing
	Needs Addressed	Create Decent Affordable Homeownership

	Funding	HOME: \$2,233,744
	Description	New Construction/ Rehabilitation of Single-family homebuyer properties
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	Acquisition and new construction or rehabilitation of single-family properties.
10	Project Name	2018 Multifamily Rental- New Construction
	Target Area	
	Goals Supported	Provide Decent Affordable Housing
	Needs Addressed	Create and Preserve Affordable Rental Housing
	Funding	HOME: \$4,299,943 HTF: \$2,394,000 LIHTC: \$3,900,000
	Description	See title
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
11	Project Name	2018 Single-family Rental

	Target Area	
	Goals Supported	Provide Decent Affordable Housing
	Needs Addressed	Create and Preserve Affordable Rental Housing
	Funding	Housing Trust Fund: \$306,000
	Description	See title
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
12	Project Name	2018 CHDO Operating Assistance Grant
	Target Area	
	Goals Supported	Provide Decent Affordable Housing
	Needs Addressed	Housing related activities
	Funding	HOME: \$266,668
	Description	Up to \$50,000 may be provided to certified CHDOs to help with the day-to-day operations and capacity building.
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	

	Planned Activities	
13	Project Name	2018 CHDO Predevelopment Loan
	Target Area	
	Goals Supported	Provide Decent Affordable Housing
	Needs Addressed	Housing related activities
	Funding	:
	Description	Up to \$50,000 may be provided to qualified CHDOs as a loan, to help pay for upfront predevelopment soft costs. If the activity does not go forward, IHFA may choose to waive the repayment of the loan if there are impediments to the project or it is infeasible.
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
14	Project Name	HTF Administration
	Target Area	
	Goals Supported	Provide Decent Affordable Housing
	Needs Addressed	Create and Preserve Affordable Rental Housing Create Decent Affordable Homeownership
	Funding	HTF: \$300,000
	Description	
	Target Date	

	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
15	Project Name	2018 Emergency Solutions Grant
	Target Area	
	Goals Supported	Provide Suitable Living Environment Provide Decent Affordable Housing
	Needs Addressed	Tenant-Based Rental Assistance Homeless Shelter Operations & Prevention
	Funding	ESG: \$1,031,627
	Description	ESG funding for shelters, homelessness prevention, and rapid rehousing activities.
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	Shelter services and operations, homelessness prevention, rapid rehousing, data collection, and administration.

AP-40 Section 108 Loan Guarantee – 91.320(k)(1)(ii)

Will the state help non-entitlement units of general local government to apply for Section 108 loan funds?

No

AP-45 Community Revitalization Strategies – 91.320(k)(1)(ii)

Will the state allow units of general local government to carry out community revitalization strategies?

Yes

State’s Process and Criteria for approving local government revitalization strategies

State’s Process and Criteria for approving local government revitalization strategies

Commerce (the State) will require the applicant to follow a similar process as outlined in the CDBG rules for Grant Application Process – IDAPA 28.02.01.

AP-50 Geographic Distribution – 91.320(f)

Description of the geographic areas of the state (including areas of low-income and minority concentration) where assistance will be directed

HOME and HTF- *See Unique Appendices*

CDBG- Funds are allocated on a competitive basis: annually for public facilities, housing, downtown revitalization, and senior and community center projects; quarterly for economic development, job creation projects; and throughout the year for imminent threat projects. The most competitive projects are funded without using any artificial targeting of areas or beneficiaries. Funding per region varies year to year depending on the greatest needs and project sustainability Statewide. Idaho generally spends on average over 75% of the CDBG funds on activities that benefit low-to-moderate income persons.

ESG- For purposes of CPD program fund allocation, program administration, and BOS COC structuring, Idaho is divided into seven (7) regions. See Unique Appendices for a map of the 7 regions, and the counties that are included in each region. ESG funds are distributed across the seven regions through a competitive application process, or in the case of additional funding, through a modified allocation method, as described in AP-30. Final awards are based on application score for shelter funds and a formula which determines need based on five factors when determining homelessness prevention and rapid re-housing allocations, or in the case of additional funding, via methods described in AP-30.

Rationale for the priorities for not allocating investments geographically

ESG distribution of shelter funds is based on the competitive application process. Homelessness prevention and rapid rehousing considers application scores as well as the outcome of a formula-based allocation using multiple factors, including application score, population, unemployment rate, Point-In-Time count results, and bed utilization. There are two common geographic influences: 1) population concentrations, and 2) the service delivery dynamics in rural Idaho. The absence of one or more agencies able, willing, or in existence to be to apply for funds can cause a lack of funding in certain regions.

When additional funding is made available to the ESG program, modified allocation priorities will be identified using factors such as timing of the award, timeliness of expenditures, performance, needs, and HUD or COC priorities.

Affordable Housing

AP-55 Affordable Housing – 24 CFR 91.320(g)

Introduction:

The numbers below reflect the one-year goals for the provision of affordable housing to benefit low, very low, and extremely low-income households and individuals through the State of Idaho's HOME, and HTF Programs.

One Year Goals for the Number of Households to be Supported	
Homeless	0
Non-Homeless	115
Special-Needs	0
Total	115

Table 10 - One-Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	0
The Production of New Units	40
Rehab of Existing Units	75
Acquisition of Existing Units	0
Total	115

Table 11 - One-Year Goals for Affordable Housing by Support Type

Discussion:

The second table above indicates the number of estimated HOME and Housing Trust Funds units preserved or created in Program Year 2018.

AP-60 Public Housing - 24 CFR 91.320(j)

Introduction:

Idaho Housing and Finance administers the Section 8 Housing Choice Voucher program in 34 of 44 Idaho counties and encourages public housing programs statewide. IHFA is only one in a statewide network of public housing providers. IHFA does not oversee any citywide or countywide Participating Jurisdictions (PJs) for public housing. These jurisdictions have local official governing boards responsible to appoint the board of a Public Housing Authority (PHA) and direct PHA activities.

Actions planned during the next year to address the needs to public housing

Taking into consideration the above description of IHFA's Section 8 programs, below is a description of efforts to foster public housing resident initiatives during the 2018 program year are as follows:

- IHFA will continue to make available a Housing Choice Voucher Homeownership program, currently available only to disabled households and those voucher households currently participating in the voucher Family Self Sufficiency program. To date, 42 participants have been successful in purchasing homes using Section 8 Housing Choice Vouchers to provide mortgage payment subsidy on a long-term basis.
- IHFA will hold regional PHA Plan hearings and perform outreach in each area that has an IHFA branch office that administers Section 8 vouchers and Low Rent Public Housing to encourage participation in a Resident Advisory Board.
- IHFA implemented a Homeownership program for the 29 scattered-site Low Rent Public Housing units in Idaho Falls, offering these homes first to public housing residents, then to Housing Choice Voucher holders, and next to area low-income households. To date sixteen homes have been purchased, and several public housing and Housing Choice Voucher clients are working toward homeownership.
- IHFA used the HUD Rental Assistance Demonstration program to convert its 47-unit Low Rent Public Housing complex in Kellogg, Idaho to the Section 8 project-based program and permanently transferred the property to The Housing Company. This move, effective July 1, 2016, will provide for long-term affordability.

Actions to encourage public housing residents to become more involved in management and participate in homeownership

See above

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

No public housing program within IHFA's jurisdiction (Non-entitlement areas of Idaho) are designated as troubled.

AP-65 Homeless and Other Special Needs Activities – 91.320(h)

Introduction

See Unique Appendices

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

In the absence of appropriate and effective intervention efforts and resources, many families and individuals will become homeless as life changes, such as loss of employment, lack of affordable housing, loss of support networks, exit from an institution or facility, and other severe circumstances present themselves. For those that experience these misfortunes, recovery can be extremely difficult when disability, controlled substance or alcohol dependency, or other extreme conditions exist. In some cases, long-term and ongoing permanent housing is the most appropriate housing solution. However, IHFA, the BOS COC, and regional housing coalitions identify the need for services that focus on reducing shelter stays and diverting individuals and families away from homelessness altogether. The BOS COC reallocated program funds in the 2017 COC application to rapid rehousing projects that will contribute to Idaho's effort in reducing the extent of homelessness for many. These COC-funded rapid rehousing projects began operation in October 2018 if funded. ESG funds also place an emphasis on the existence of rapid rehousing activities by reserving a higher percentage of ESG funds for rapid rehousing than those reserved for homelessness prevention.

IHFA and the BOS COC acknowledge and support the commitment to preventing and ending homelessness displayed by HUD through *Opening Doors*. Whether a participant receives housing and service support through transitional or permanent housing, each agency strives to provide individualized goal-based service planning to increase the likelihood for long-term success and self-sufficiency; ensure access to more stable housing situations; and establish support networks and habits that reduce the likelihood of recidivism.

As approved by IHFA- From time to time, a set-aside may be created using Housing Trust Funds to construct or rehabilitate permanent supportive rental housing as part of a CoC project or application. HTF requirements and criteria as set out in the 2015-2019 Amended Consolidated Plan, the 2016 Amended Action Plan, the HTF Allocation Plan, and IHFA's HTF Administrative Plan or Policies will apply.

Addressing the emergency shelter and transitional housing needs of homeless persons

IHFA will launch the BOS COC Coordinated Entry System on January 22, 2018. This system will assess the vulnerability, needs, and extent of barriers of those experiencing homelessness. The collection of this data will allow homeless provider networks, such as the BOS COC, understand the homeless population's needs better. Using an objective assessment of each individual or family will allow IHFA to assess which housing component and service types that Idaho is in most need of. "Right sizing," or re-aligning resources with the population need, can then occur. This process will ensure homeless persons are directed towards resources that have the highest likelihood of reducing their extent of homelessness, or removing them from homelessness altogether. As this shift in resource priority is made, emergency

shelters can be utilized as intended; to reduce length of homelessness and re-introduce households to stable living environments. The BOS COC has created a committee that is working through Coordinated Entry System implementation with a HUD-approved technical assistance provider.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

In the absence of appropriate and effective intervention efforts and resources, many families and individuals will become homeless as life changes, such as loss of employment, lack of affordable housing, loss of support networks, exit from an institution or facility, and other severe circumstances present themselves. For those that experience these misfortunes, recovery can be extremely difficult when disability, controlled substance or alcohol dependency, or other extreme conditions exist. In some cases, long-term and ongoing permanent housing is the most appropriate housing solution. However, IHFA, the BOS COC, and regional housing coalitions identify the need for services that focus on reducing shelter stays and diverting individuals and families away from homelessness altogether. The BOS COC recently reallocated program funds in its 2017 COC application to rapid rehousing projects that will contribute to Idaho's effort in reducing the extent of homelessness for many. These COC-funded rapid rehousing projects will begin in 2018 if funded. ESG funds also place an emphasis on the existence of rapid rehousing activities by reserving a higher percentage of ESG funds for rapid rehousing than those reserved for homelessness prevention.

IHFA and the BOS COC acknowledge and support the commitment to preventing and ending homelessness displayed by HUD through *Opening Doors*. Whether a participant receives housing and service support through transitional or permanent housing, each agency strives to provide individualized goal-based service planning to increase the likelihood for long-term success and self-sufficiency; ensure access to more stable housing situations; and establish support networks and habits that reduce the likelihood of recidivism.

As approved by IHFA- From time to time, a set-aside may be created using Housing Trust Funds to construct or rehabilitate permanent supportive rental housing as part of a CoC project or application. HTF requirements and criteria as set out in the 2015-2019 Amended Consolidated Plan, the 2016 Amended Action Plan, the HTF Allocation Plan, and IHFA's HTF Administrative Plan or Policies will apply.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs

Of the ESG funding not associated with shelter activities, approximately forty (40%) is used towards homelessness prevention efforts. These funds can be leveraged with services which assist families or individuals in evaluating their primary cause(s) of becoming or being at risk of homelessness. Doing so increases the probability that those receiving

assistance will learn to adapt and improve situations in an effort to avoid homelessness or being at risk of homelessness. All agencies operating COC, ESG, and other homeless-targeted programs will be strongly encouraged to offer services that educate and counsel individuals and families on skills that promote self-sufficiency.

The BOS COC is working with a HUD contractor to identify points of entry into homelessness, which may increase the Continuum's understanding of how to redirect individuals and families away from becoming homeless. The effort will include a collaboration of state agencies, homeless network providers, both continuum of care in Idaho, and all others who may meet, treat, serve, or interact with the homeless on a regular basis. The coordination will attempt to bring health, housing, social service, employment, education, and youth service providers together to discuss the important issue of homelessness, and while linking and pairing the services of those involved, develop a plan that addresses the need to prevent and reduce homelessness.

AP-75 Barriers to affordable housing – 91.320(i)

Introduction:

Not required.

Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment

Analysis of Impediments to Affirmatively Furthering Fair Housing The current (2017) Analysis of Impediments to Affirmatively Furthering Fair Housing (AI) aka Fair Housing Assessment is at <https://www.idahohousing.com/federal-programs/legal-notices-plans-and-reports/>

Responses exceed the maximum allowable characters- See Unique Appendices

AP-85 Other Actions – 91.320(j)

Introduction:

Not required.

Actions planned to address obstacles to meeting underserved needs

CDBG- The obstacles to addressing the needs include: decreasing CDBG funding, increasing construction cost, the size and the ruralness of communities, and the local government's ability to communicate and understand some of the complex requirements with limited staff and resources. The state has set-up the CDBG program to assist the elderly and frail elderly special needs population by continuing to keep in-place the senior center set-aside. Having this set-aside allows for senior center facilities to compete for CDBG funding within a limited number of applications, thereby, improving opportunities to receive funding. Senior centers are more than a socializing location but also prepare and cook for meals on-site and the delivery of meals to seniors who are unable to commute or are home bound.

The State will also continue to ensure that qualified local governments (meeting LMI area-wide) are aware that the removal of architectural barriers in existing public buildings and certain ADA improvements are eligible for CDBG funding. Activities such as accessible bathrooms and ADA compliant sidewalks benefit all individuals including the physically disabled.

HOME and HTF- Statewide affordable housing strategies to meet underserved permanent housing needs: (1) Create and preserve permanent affordable rental housing throughout Idaho following a published NOFA (multifamily) or RFP (single-family rental) with a minimum threshold application process (HOME and HTF); (2) Create and preserve homebuyer properties throughout Idaho following a published RFP process for nonprofit developers and units of local government (HOME); (3) Provide gap financing assistance to HOME-eligible, IHFA-qualified low-income households to help purchase standard condition single-family homes (HOME); (4) Provide operating assistance grants to eligible non-profit, community-based housing development organizations for day-to-day operations and build organizational capacity as they develop affordable housing for their communities (HOME).

ESG- IHFA, in collaboration with the BOS COC and related networks, will place an emphasis on the following efforts: 1) implement an effective and successful Coordinated Entry System, using meaningful assessments, to help prioritize funding allocations and conduct right-sizing efforts; 2) evaluate Housing First models and concepts to begin developing and promoting similar housing models in Idaho; 3) seek Unified Funding Agency status to increase efficiencies and coordination within the Continuum of Care program; 4) take advantage of technical assistance approved by HUD to improve collaboration and partnerships among agencies serving homeless persons; and 5) maintain ESG's current impact on the homeless population in Idaho. Specifically, the BOS COC in conjunction with ESG providers and the Boise/Ada COC will collaborate to promote congruence between COC Coordinated Entry Systems. IHFA and the BOS COC will implement Coordinated Entry in January 2018. Additionally, IHFA is partnering with the City of Boise to fund construction of a 25-30 unit Housing First facility, expected to open summer of 2018, and is working to secure partner commitments for an existing housing facility in Twin Falls, which will also use the Housing First model.

Actions planned to foster and maintain affordable housing

Response exceeds maximum allowable characters- See Unique Appendices

Actions planned to reduce lead-based paint hazards

IHFA will once again allow HTF and HOME-assisted developers to purchase pre-78 residential housing units with the following conditions: (1) The owner-developer/developer must be an EPA-Certified Renovation Firm; (2) Application for funding must include evidence the area in which the property(s) are located has an adequate supply of EPA-Certified Risk Assessors and Renovation contractors and workers; (3) hard rehabilitation costs minus the LBP hazard assessment, interim controls, and clearance testing cannot not exceed \$24,999 in Federal funding/per unit.

- HOME and HTF - Whenever funds are awarded to acquire and/or rehabilitate residential housing constructed on or before January 1, 1978, IHFA will require the seller and buyer to comply with the applicable requirements at 24 CFR Part 35, and as determined by the scope of the activity and the amount of federal assistance on a per-unit basis as defined at §31.915. These requirements are enforced through written agreement with the owner.
- Because the State of Idaho does not have a Lead-based paint (LBP) hazard reduction program, the Federal EPA Lead-Based Paint Renovation, Repair, and Paint (RRP) Rule apply. In addition, because HOME is a HUD program, the HUD Lead-Safe Housing Rule (LSHR) also applies to acquisition and/or rehabilitation activities involving pre-78 housing. In those cases when one Federal rule is more restrictive than the other, the most restrictive rule will apply.

When program requirements differ, IHFA will follow the most restrictive.

- Owners are required to follow the EPA RRP Rule and HUD's Lead Safe Housing Rule. Lead-based paint procedures are identified in the annual Administrative Plan and enforced through written agreement with the owner. LBP tenant disclosures, hazard identification, and reduction requirements are monitored during the HOME period-of-affordability.

Actions planned to reduce the number of poverty-level families

Idaho State Department of Health and Welfare goals and objectives are noted in the 2015-2019 Five-Year Consolidated Plan.

IHFA- Households participating in the Federal Section 8 Housing Choice Voucher program are eligible to be part of Idaho Housing's Family Self-Sufficiency (FSS) Program, a voluntary program that helps families become economically independent. Participants may receive an interest-bearing escrow (savings) account that accrues as the household's portion of the rent increases because of an increase in earned-income. This tax-free account is given to the family when they complete their FSS Contract of Participation and are free of welfare for 12 consecutive months. The program matches an individual's savings, up to \$2,000, dollar-for-dollar towards the down payment on a home.

HOME/CDBG/HTF- HUD's Section 3 regulation require development activities to include to provide, to the maximum extent feasible, work and training opportunities that target low-income persons/ business concerns when aggregate federal funding in the project meets the applicable Section 3 threshold amounts. Project owners also conduct

outreach to Minority/Women-Owned Business Enterprises. Developers are encouraged to use Idaho's Procurement Technical Assistance Center when professional and construction services are needed. Idaho Procurement Technical Assistance Center (PTAC) reaches Disadvantaged and Women Business enterprises, HUD Zone businesses, disabled veteran-owned businesses, and SBA Section 8(a) business around the state.

Actions planned to develop institutional structure

CDBG-Commerce's plans to develop and maintain an institutional structure include providing on-going technical assistance, application workshops, grant trainings, and presentations to potential grantees.

IHFA will continue to provide or approve technical assistance, as requested, to help affordable housing developers build organizational and development capacity for the type, scope, and complexity of the housing activities to be undertaken.

ESG has and will continue to provide training to all ESG subrecipients when requested, needed, or otherwise appropriate, as well as offer ongoing technical assistance to subrecipient staff administering ESG.

Actions planned to enhance coordination between public and private housing and social service agencies

IHFA and IDC will continue to facilitate and participate in stakeholder forums during PY2018 to enhance collaboration and coordination between public, private and faith based service providers for housing, economic development, and other services:

- Housing Coordination and Policy Forum (www.ihfa.org/research_hirc_forum.asp)
- Rural Forums
- Idaho Community Review (www.idahocities.org)
- Idaho Homeless Coordinating Council
- Idaho's ADA Task Force
- Coalition for Idahoans with Disabilities
- Idaho Hispanic Profile Project
- IHFA Funding Allocation Committee
- Idaho Commission on Aging
- State of Idaho HIV/STD Planning Committee
- Cities and counties
- Local planning districts
- USDA-RD Fair Housing Forum

The Idaho Balance of State Continuum of Care was awarded a planning grant during both the 2015 and 2016 program funding competitions. The non-renewable planning grant is intended to aid COC's in expanding current activities and establish governing structures and systems which ensure proper oversight and coordination of HUD-funded homeless programs. The activities identified by the BOS COC are coordination activities, project evaluation, participation in the consolidated plan, COC application activities, and developing a COC system. Several of these activities will include efforts that will enhance coordination between public and private housing and service agencies, including IHFA's H2 (Housing and Healthcare) Initiative, currently under development with HUD-funded technical assistance. The COC will

make itself more visible in regional planning and advocacy bodies to ensure all agencies and individuals connected to homelessness issues is familiar with resources available. This will promote and foster relationships between housing and service providers. The 2016 grant will be used for similar activities during the 2017-2018 year. ESG and HOPWA providers will be included in the COC's efforts.

The BOS COC is working with a HUD contractor to identify points of entry which may increase the Continuum's ability to redirect individuals and families away from becoming homeless. The effort will include a collaboration of state agencies, homeless network providers, both continuums of care in Idaho, and all others who may meet, treat, serve, or interact with the homeless on a regular basis. The coordination will attempt to bring health, housing, social service, employment, education, and youth service providers together to discuss the important issue of homelessness, and, while making linkages between the services represented, develop a plan that addresses the need to prevent and reduce homelessness. IHFA and the BOS COC are also in the process of developing and implementing Coordinated Entry throughout the COC, which includes partners from other state agencies, funded and non-funded homeless service providers, and private agencies and funders.

Discussion:

As requested, IHFA will provide a *Certification of Consistency with the Five-Year Consolidated Plan* in a fair and impartial manner for those HUD programs IHFA has previously indicated it would support.

Program Specific Requirements

AP-90 Program Specific Requirements – 91.320(k)(1,2,3)

Introduction:

CDBG program will spend 70% LMI activities for a two year period. This two year period would be 2018 and 2019.

HOME & HTF Programs- For a more specific description of the HOME/HTF application and funding process, see the Annual Administrative Plan at <https://www.idahohousing.com/federal-programs/home-program/>.

Chapter 8 of the Administrative Plan outlines the requirements for HOME and HTF applications for multifamily rental activities, including minimum threshold criteria, and individual point categories for all applications and funding sources (HOME/HTF), and an HTF-Specific Funding Priorities scoring category that include additional points for each of the following if HTF funds are requested: Geographic diversity, application capacity, project-based rental assistance, affordability period (an extended use period), leverage from non-federal sources, and priority housing needs (tenant preference) populations.

Community Development Block Grant Program (CDBG) Reference 24 CFR 91.320(k)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	0
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	0
Total Program Income:	0

Other CDBG Requirements

1. The amount of urgent need activities	300,000
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2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two, or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.

70.00%

**HOME Investment Partnership Program (HOME)
Reference 24 CFR 91.320(k)(2)**

1. A description of other forms of investment being used beyond those identified in Section 92.205 is as follows:

IHFA's HOME Program funds are not used for any form of investment not otherwise described at 24 CFR 92.205.

2. A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:

3. A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds? See 24 CFR 92.254(a)(4) are as follows:

Prior to approval, each homebuyer is required to acknowledge there is a primary occupancy requirement during the HOME period of affordability. At the time the loan closes, the homebuyer must sign a HOME Occupancy Certification which explains IHFA's annual occupancy monitoring, the primary residence requirement, and the potential corrective actions IHFA would take if the homebuyer no longer occupies the unit as their primary residence and refuses to return.

See additional information regarding how IHFA ensures the affordability of an assisted unit under the HOME Resale Provision in the attached Amended 2018 Unique Appendices.

4. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:

IHFA's HOME and HTF program do not refinance existing debt secured by multifamily rental housing.

**Emergency Solutions Grant (ESG)
Reference 91.320(k)(3)**

1. Include written standards for providing ESG assistance (may include as attachment)

The BOS COC Written Standards for the COC became effective July 1, 2017, which includes coverage of ESG components and housing types. The COC has developed a committee, COC Planning, to address any concerns or edits of these written standards. ESG subrecipients are subject to the terms outlined in the Written Standards regarding eligibility criteria, eligible funding types, and assessment of projects for consistency with Housing First

Principles.

In conjunction with the Written Standards, IHFA as the ESG administrator in Idaho currently has a policy manual to identify, highlight, and/or clarify both federal regulations of Title 24 Code of Federal Regulations Part 576 that govern ESG and the procedures used by IHFA, as directed by the U.S. Department of Housing and Urban Development (HUD). Also included are standards for financial management and internal controls at 2 CFR 200. The manual also states IHFA's responsibilities related to environmental regulations found within 24 CFR Part 50 and 58. It is located on IHFA's website, www.idahohousing.com.

To promote and ensure consistency within the administration of ESG, and across the statewide program, the policy manual states the purpose of the program, the fundamental components of a COC system, grant application process, the funding methodology instituted by IHFA, and the policies imposed through the governance of the program. General policy determinations include, but are not limited to, record retention, data collection and evaluation, coordinated entry, financial managements, conflict of interest, project monitoring, confidentiality, physical condition of the unit/facility, HMIS participation, matching grant funds, the cost reimbursement process, fair housing, HUD's homeless definitions, and eligible activities. The eligible activities are further defined by project type (shelter, homelessness prevention, and rapid re-housing).

2. If the Continuum of Care has established centralized or coordinated assessment system that meets HUD requirements, describe that centralized or coordinated assessment system.

The Balance of State Continuum of Care has implemented a Coordinated Assessment System which utilizes the Coordinated Assessment of Barriers to Housing form. This evaluation is conducted during applicant screening at all COC, ESG, and HOPWA projects. The assessment measures extent of homelessness, factors contributing to homelessness, and resources available to the homeless individual or family. The final scoring will place each applicant in one of four categories. These categories include: very substantial barriers to housing, substantial barriers to housing, moderate barriers to housing, and low barriers to housing. The individual or family in need of assistance will then be referred to a program which most appropriately matches their assessment and apparent needs.

In some areas of the state, housing options may be limited. In circumstances where the most appropriate type of housing or service is not available, the homeless individual or family will be referred to the housing type that most closely resembles the preferred option.

In addition, IHFA is currently working with the Balance of State (BoS) Continuum of Care (CoC) to develop and implement a more comprehensive Coordinated Entry System in the geographic area served by the BoS, which excludes Ada County. The BoS CoC is also collaborating with the Boise/Ada CoC to promote congruency between the two systems. IHFA and the BoS CoC will implement Coordinated Entry by the end of calendar year 2018.

3. Identify the process for making sub-awards and describe how the ESG allocation available to private nonprofit organizations (including community and faith-based organizations).

IHFA's ESG subrecipients are chosen through a competitive statewide application process. This process includes

the following elements:

- Funding availability announced in Idaho newspapers in each region of the state soliciting project applications from interested state or local governments and non-profit organizations.
- Applications are submitted for review by the Independent Review Panel (IRP). Persons with experience in issues related to homelessness or very low income households were recruited to serve on the IRP. The reviewers are responsible for rating applications using criteria created by IHFA, with input from the CoCs.
- Members of the IRP score each proposal individually before meeting to reconcile and average all panelists' scores. The resulting averaged score reflects the Panel's collective determination of merit. All applications meeting a threshold score determined by a weighted average were funded. The following includes a summary of the six vital areas that serve as the basis for funding approval:
 - Agency background, including history of service and population served
 - Emergency Solutions needs and/or the service deficiency the project addresses
 - Identify independent elements and/or services requiring funding
 - Goals and objectives and how they would be achieved
 - Outcome measurements and documentation of accomplishments
 - Statement describing applicant's capacity to administer the award from the rating process, sixteen (16) agencies were awarded funding to provide shelter services and operations, and nine (9) agencies were awarded homelessness prevention or rapid re-housing activities in their respective regions of the state. All applicants were evaluated based on their threshold score. For the qualifying applicants, documentation is required regarding the following functional areas in the technical submission:
 - Grant budget
 - Homeless Participation and representation on the Board of Directors
 - Insurance coverage
 - Matching funds
 - Local government certifications
 - Accounting certifications
 - Various assurances
 - Various authorizations
 - Facility description and capacities. Upon making final awards, grant agreements are provided with instructions, policies, and procedures for implementing the Emergency Solutions Grant. Sub recipients request reimbursement on a monthly or bi-monthly basis. Expenditure receipts must accompany the request for funds, documenting eligible grant activities performed by the agency within a 60-day period. IHFA monitors grant spending until all awarded funds are depleted for each contracted agency. Grant Agreements are in effect for the duration of the grant (one year).
- When special/additional funding is made available to the ESG program, the Recipient will allocate those funds through an internal process to expedite award. Factors affecting this distribution may include timing of the award, timeliness of expenditures, performance, need, and HUD or CoC priorities.

4. If the jurisdiction is unable to meet the homeless participation requirement in 24 CFR 576.405(a), the jurisdiction must specify its plan for reaching out to and consulting with homeless or formerly homeless individuals in considering policies and funding decisions regarding facilities and services funded under ESG.

Due to the nature and extensive range of services and programs provided by and through Idaho Housing and Finance Association, adhering to the requirement to place a homeless or formerly homeless individual on the grantee's Board is not possible. However, the Emergency Solutions Grant program attempts to pair program structure and governance activities with the COC program, and actively participates in COC activities. IHFA Homeless Programs Department staff actively participate in the administration of both ESG and COC programs and compliance. We rely on the inclusion of a formerly homeless individual on the COC Board as sufficiently meeting the requirements of 24 CFR 576.405 (a).

5. Describe performance standards for evaluating ESG.

Performance standards set by IHFA staff, with the recommendations and input of the BOS COC's Board, the Idaho Homelessness Coordinating Committee, are used to evaluate target outcomes set for each project participating in the program. The following performance measures have been established for ESG:

- Targeting Applicants In Most Need of Assistance Seventy-five percent (75%) of participants presenting with two or more barriers to housing stability at assessment are able to obtain stable housing within 60 days. Achievement of this goal will be verified using HMIS data or a comparable database.
- Reducing Number of Those Living On Streets or In Shelters Fifty percent (50%) of participants who are literally homeless upon assessment will be diverted from shelter and rapidly re-housed; or Seventy-five percent (75%) of clients receiving homelessness prevention will not enter a HUD-funded shelter or rapid re-housing program within twelve (12) months of receiving assistance. Achievement of the applicable goal will be verified using HMIS data or a comparable database.
- Shortening Length of Homelessness Fifty percent (50%) of participants living in shelter will exit to permanent housing within sixty (60) days of shelter entry. Achievement of this goal will be verified using HMIS data or a comparable database.
- Reducing Housing Barriers or Risk of Housing Stability Fifty percent (50%) of participants will exit the program receiving at least on mainstream resource in addition to housing. Achievement of this goal will be verified using HMIS data or a comparable database. Goal achievement will factor into future funding applications. Organizations who do not meet the following performance standards may not be funded.

Housing Trust Fund (HTF)
Reference 24 CFR 91.320(k)(5)

1. How will the grantee distribute its HTF funds? Select all that apply:

Applications submitted by eligible recipients

2. If distributing HTF funds through grants to sub grantees, describe the method for distributing HTF funds through grants to subgrantees and how those funds will be made available to state agencies and/or units of general local government. If not distributing funds through grants to subgrantees, enter "N/A."

N/A

3. If distributing HTF funds by selecting applications submitted by eligible recipients,

a. Describe the eligibility requirements for recipients of HTF funds (as defined in 24 CFR § 93.2). If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A."

Eligible recipients are defined as owners-developers who are registered Business Entities with the State of Idaho and in Good Standing with IHFA (demonstrated experience and capacity to own, develop, manage, and market federally-assisted rental housing, are familiar with the requirements of other Federal housing programs that may be used in conjunction with CPD funds to ensure compliance with applicable requirements and regulations. Demonstrated experience includes completing previous projects on time, within approved budget, with no outstanding material findings or non-compliance during the period of affordability.

b. Describe the grantee's application requirements for eligible recipients to apply for HTF funds. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A."

MINIMUM APPLICATION THRESHOLD CRITERIA

- Most recent 3rd party CPA-prepared financial statement from applicant, developer, and owner (e.g. general partner). Owner statement not required if entity is newly formed.
- Physical Needs Assessment required for all acquisition and/or rehabilitation projects. PNA will determine the scope of rehabilitation. See Chapter 2 for PNA requirements.
- Capitol Needs Assessment- Needed for all projects- In sufficient detail to determine amount of funds needed for replacement and repairs during the life of the project. See Chapter 2 for specific requirements.
- All operating costs must be described in sufficient detail to compare line items against properties that are similar in physical type and size, so that the PJ may determine whether the planned expenditures are sufficient and reasonable. The operating budget should include general management expenses, maintenance and operating costs, any project paid utilities, taxes, insurance premiums, and adequate deposits to replacement reserves. In most cases, evaluation of total operating costs should be summarized in "per unit per year" amounts rather than as a percentage of projected revenue.
- Market Study-See Exhibit M for requirements
- Fair Housing
- Affirmatively Furthering Fair Housing (AFFH) Resolution adopted by the proposed project's unit of local government (City or County) depending on the location of the project) if the local government has not adopted

AFFH Resolution, the application does not meet minimum threshold and will not be scored.

- Applicant will submit one of the following:
- If the proposed activity is located in a CDBG Non-Entitlement area, submit the local jurisdiction's most recent Fair Housing Assessment Plan reviewed by the State of Idaho's CDBG Program (Idaho Department of Commerce); or
- If the proposed activity is located in a CDBG Entitlement Area (Boise, Nampa, Meridian, Lewiston, Coeur d'Alene, Idaho Falls, Caldwell, and Pocatello), submit that city's most recent Analysis of Impediments To Affirmatively Further Fair Housing. If the city's Analysis of Impediments or Affirmative Housing Assessment document is available online, then applicant need only provide IHFA with the link to the online document (hard copy would not be required); or
- If the local jurisdiction in which the property will be located has never received State CDBG funds (and hasn't completed a Fair Housing Assessment Plan on their own), or the project will not be located in a CDBG Entitlement area, then applicant must request a Fair Housing Assessment Plan be completed by the local jurisdiction. The plan must contain the same components as the State of Idaho's CDBG Program.
- Evidence the applicant and developer have the experience and capacity to begin construction within 12 months and complete the project within a reasonable period of time.
- Evidence of site control that complies with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and Environmental Review Procedure 24 CFR 58.22 (See Chapter 6, 9 and Exhibit O)
- Owner/Developer/Management Capacity Self-Certification Form (See Exhibit W)
- Pro forma that incorporates the following assumptions:

7% vacancy factor

2% annual increase in income

3% annual increase in expenses including replacement reserves

- Release of Information (See Exhibit X)

c. Describe the selection criteria that the grantee will use to select applications submitted by eligible recipients. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A."

d. Describe the grantee's required priority for funding based on geographic diversity (as defined by the grantee in the consolidated plan). If not distributing funds by selecting applications submitted by eligible recipients, enter

"N/A".

A. Minimum threshold criteria as defined in the annual Administrative Plan

<https://www.idahohousing.com/documents/admin-plan-ch8-home-rental-activities-application-2.pdf>

B. Project site complies with Site and Neighborhood Standards [24 CFR Part 92.202 and

§983.57(e)(2) & (3)];

C. Project site located in areas/communities defined as *rural* in the Administrative Plan

<https://www.idahohousing.com/documents/admin-plan-ch1-overview.pdf>

e. Describe the grantee's required priority for funding based on the applicant's ability to obligate HTF funds and undertake eligible activities in a timely manner. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A."

f. Describe the grantee's required priority for funding based on the extent to which the rental project has Federal, State, or local project-based rental assistance so that rents are affordable to extremely low-income families. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A."

g. Describe the grantee's required priority for funding based on the financial feasibility of the project beyond the required 30-year period. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A."

h. Describe the grantee's required priority for funding based on the merits of the application in meeting the priority housing needs of the grantee (such as housing that is accessible to transit or employment centers, housing that includes green building and sustainable development features, or housing that serves special needs populations). If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A."

i. Describe the grantee's required priority for funding based on the extent to which the application makes use of non-federal funding sources. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A."

4. Does the grantee's application require the applicant to include a description of the eligible activities to be conducted with HTF funds? If not distributing funds by selecting applications submitted by eligible recipients, select "N/A."

Yes

5. Does the grantee's application require that each eligible recipient certify that housing units assisted with HTF funds will comply with HTF requirements? If not distributing funds by selecting applications submitted by eligible recipients, select "N/A."

Yes

6. Performance Goals and Benchmarks. The grantee has met the requirement to provide for performance goals and benchmarks against which the grantee will measure its progress, consistent with the grantee's goals

established under 24 CFR 91.315(b)(2), by including HTF in its housing goals in the housing table on the SP-45 Goals and AP-20 Annual Goals and Objectives screens.

Yes

7. Maximum Per-unit Development Subsidy Amount for Housing Assisted with HTF Funds. Enter or attach the grantee's maximum per-unit development subsidy limits for housing assisted with HTF funds.

The limits must be adjusted for the number of bedrooms and the geographic location of the project. The limits must also be reasonable and based on actual costs of developing non-luxury housing in the area.

If the grantee will use existing limits developed for other federal programs such as the Low Income Housing Tax Credit (LIHTC) per unit cost limits, HOME's maximum per-unit subsidy amounts, and/or Public Housing Development Cost Limits (TDCs), it must include a description of how the HTF maximum per-unit development subsidy limits were established or a description of how existing limits developed for another program and being adopted for HTF meet the HTF requirements specified above.

Idaho's HOME Maximum Per-unit Subsidy Limits are 240% of the base limit for the Section 234 Mortgage Insurance Program. Idaho is defined as a high cost percentage exception area under 212(e)(1) of NAHA by HUD's Office of Multifamily Housing.

In determining the most appropriate maximum per-unit subsidy limits for the HTF program, IHFA reviewed the amount of HOME funds invested on a per-unit basis throughout Idaho over three program years (2013-2015). HOME-assisted units were located throughout Idaho, including high cost and resort areas. In most instances, the HOME per-unit maximum subsidy limits were more than sufficient to meet the financing needs of the project. Accordingly, IHFA has determined the HOME Per-Unit Maximum Subsidy limits are an appropriate per-unit subsidy limit for the Housing Trust Fund Program.

8. Rehabilitation Standards. The grantee must establish rehabilitation standards for all HTF-assisted housing rehabilitation activities that set forth the requirements that the housing must meet upon project completion. The grantee's description of its standards must be in sufficient detail to determine the required rehabilitation work including methods and materials. The standards may refer to applicable codes or they may establish requirements that exceed the minimum requirements of the codes. The grantee must attach its rehabilitation standards below.

In addition, the rehabilitation standards must address each of the following: health and safety; major systems; lead-based paint; accessibility; disaster mitigation (where relevant); state and local codes, ordinances, and zoning requirements; Uniform Physical Condition Standards; and Capital Needs Assessments (if applicable).

The HTF Rehabilitation Standards are available online in the 2018 Annual Administrative Plan Exhibit C-2 at <https://www.idahohousing.com/federal-programs/home-program/>

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HOUSING TRUST FUND REHABILITATION STANDARDS

PURPOSE

The following standard is written to comply with the Idaho's most current adopted codes, federal program regulations, federal cross-cutting regulations, local code/ordinances/standards, and applicable Federal and State laws.

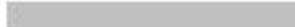
INTENT

With respect to the type of materials used and how the work is performed, as identified in the following rehabilitation standards, it is IHFA's intent that current adopted Idaho and local codes should be followed, unless otherwise indicated.

UNIFORM PHYSICAL CONDITION STANDARDS 24 CFR 5.703.

HTF rehabilitation also includes the repair/replacement of deficiencies identified as part of the Uniform Physical Condition Standards (UPCS) inspection. The UPCS inspection and checklist is a required component of the rehabilitation. Any deficiency item must be included as part of the rehabilitation scope of work.

UPCS is the Section 8 housing quality standard to ensure housing remains decent, safe, sanitary, and in good repair as described in



UNIFORM PHYSICAL CONDITION STANDARDS

QUALITY OF WORK

- A. Rehabilitation work will be code compliant, completed in a thorough and workmanlike manner in accordance with industry practice and contractually agreed upon plans and specifications as well as any subsequent mutually agreed upon change orders during the construction process. 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 where required by the statutes of the jurisdiction in which the project is to be constructed
 - 2. As required, Developer will contract with licensed architectural and engineering design professionals to provide appropriate professional services for the project. It is the responsibility of each licensed professional to insure 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 that 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, National Gypsum Association, National Roofing Contractors Association (NRCA), Architectural Woodwork Institute (AWI), SMACNA, ASTM, AFME, etc.
- C. Warranties shall be required per the standard construction contracts on all materials, equipment, and workmanship.

I. CODE COMPLIANCE

All work shall comply with all applicable Idaho state and local codes, ordinances, and zoning requirements. Key currently updated Idaho State Codes are located at https://dbs.idaho.gov/Codes/What_codes_does_DBIS_use.pdf

Please note that the IHFA 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.

A code review analysis will be produced by the project's design professionals itemizing the applicable codes for each area of discipline.

The HTF Standards are designed to exceed the Uniform Physical Condition Standards (UPCS) and ensure HTF-assisted project and units are decent, safe, sanitary, and in good repair as described in 24 CFR 5.703. See _____

UNIFORM PHYSICAL CONDITION STANDARDS for Inspectable Items and Observable Deficiencies

Owner/Developer must demonstrate compliance with HTF rehabilitation Standards (state and local code/ zoning/ordinances) through project affiliation with professional design team drawing certifications (e.g. architectural design stamp) and/or other approved methods, such as state inspector certification.

A code review analysis will be produced by the project's design professionals itemizing the applicable codes for each area of discipline.

II. Building Codes:

- 2012 International Building Code
- 2012 International Residential Code parts I, II, III, IV and IX
- 2012 International Energy Conservation Code
- 2012 International Existing Building Code
- IDAPA 07.03.01 - RULES OF BUILDING SAFETY, Idaho Administrative Rules amending the above codes, see page 18 (marked page 3) through 29 (marked page 9) at https://dbs.idaho.gov/rules/2016/2016_Building_Statutes_Rules_pkt.pdf

Plumbing Code:

- Idaho State Plumbing Code based on the 2009 Uniform Plumbing Code
- Rules Governing Plumbing Safety IDAPA 07.02.02- 07.02.07
https://dbs.idaho.gov/rules/2016/2016_Plumbing_Statutes_Rules_pkt.pdf

Mechanical Codes:

- 2012 International Mechanical Code – IDAPA rule 07.07.01.004
- 2012 International Fuel Gas Code – IDAPA rule 07.07.01.005
- 2012 International Residential Code Parts V & VI – IDAPA rule 07.07.01.006
- The rules are located on pages 18 through 21 at the following
- link: https://dbs.idaho.gov/rules/2016/2016_HVAC_Statutes_Rules_pkt.pdf

Elevator Codes:

- ANSI/ASME A17.1 2010, Safety Code for Elevators and Escalators with the following exceptions: i. Compliance with section 2.8.3.3.2 shall require that the means for disconnecting the main power as required by this section to be within sight of controller. ii. Compliance with section 8.11.2.1.5(c) Car and Counterweight Buffer testing shall be conducted at slow speed in accordance with Item 5.9.2.1(a) in ANSI/ASME A17.2 2007. iii. Compliance with Section 2.2.2.5, which requires a sump pump or drain in the elevator pit, shall be optional. If a sump pump or drain is installed, it shall meet the requirements of this section. A sump with a cover shall be provided in each elevator pit.

EXHIBIT C-2 HOUSING TRUST FUND PROGRAM REHABILITATION STANDARDS

- ANSI/ASME A17.2 2007 Guide for Inspection of Elevators, Escalators, & Moving Walks.
- ANSI/ASME A17.3 2008 Safety Code for Existing Elevators and Escalators.
- ANSI/ASME A17.4 1999 Guide for Emergency Personnel.
- ANSI/ASME A17.5 2004 Elevator and Escalator Electrical Equipment.
- ANSI/ASME A17.6 2010 Standard for Elevator Suspension, and Governor Systems.
- ANSI/ASME A17.7 2007 Performance-based Safety Code for Elevators and Escalators.
- ANSI/ASME A18.1 2008 Safety Standards for Platform Lifts and Chairlifts.
- ASME QE-1 2010 Standard for the Qualification of Elevator Inspectors.
- IDAPA 07.07.01
https://dbs.idaho.gov/rules/2016/2016_Elevator_Statutes_Rules_pkt.pdf
- Fire Code (administered by the State Fire Marshal):
- 2012 Idaho Fire Code, see <http://www.doi.idaho.gov/SFM/>

Electrical Codes:

- 2014 National Electrical Code, including amendments as listed in IDAPA 07.01.06.
- IDAPA Electrical Administrative Rules - 07.01.01 – 07.01.11
https://dbs.idaho.gov/rules/2016/2016_Electrical_Statutes_Rules_pkt.pdf
- 2013 edition of the National Fire Alarm and Signaling Code (NFPA 72)
- 2012 edition of the International Fire Code (IFC)
- 2012 edition of the International Energy Conservation Code (IECC)
- 2012 edition of the Life Safety Code (NFPA 101)

III. HEALTH AND SAFETY

If the housing is occupied at the time of rehabilitation, any life-threatening deficiencies must be identified and addressed immediately. See [Rehabilitation Scope of Work - UPCS Unit Inspection Sample Size](#) [Inspectable Items and Observable Deficiencies](#)

IV. SCOPE OF WORK DETERMINATION

In developing a scope of work, developers will work with IHFA to ensure that all requirements under the HTF Rehabilitation Standards are satisfied and that the proposed scope of work meets the goals of Part I above. IHFA approval of the scope of work is required in accordance with IHFA Administrative Plan and these standards.

V. EXPECTED USEFUL LIFE / REHABILITATION SCOPE & CAPITAL PLANNING

- A. In developing a scope of work on housing rehabilitation projects, 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 or repair. Additionally, new components with an expected useful life of less than 30 years shall be considered for future replacement.
- B. Once a scope of work has been developed by the grantee and their development partners the grantee must also develop a Capital Plan in compliance with IHFA policy on Capital Needs Assessments (see link above). 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 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 has an expected useful life of 25 years, it will not show up on the initial CNA*

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

VI. ENERGY EFFICIENCY

- 1) As outlined in those standards, all projects will either achieve the target energy efficiency objectives of the standard or present IHFA with an operational case for project sustainability pursuant to the financial structure of the project.
- 2) In both the design and implementation of project rehabilitation scopes of work, particular emphasis should be to maximize the effectiveness of the energy efficiency related work scopes.

VII. DISASTER MITIGATION

- A. To the extent applicable/relevant, the housing must be improved to mitigate the potential impact of potential disasters (e.g. earthquakes, hurricanes, floods,

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wildfires) in accordance with state or local codes, ordinances, and requirements, or such other requirements that HUD may establish.

- B. Specifically regarding flood hazards, the most relevant potential natural disaster for the State of Idaho:
 - 1. Projects shall meet FEMA federal regulation, and HUD's 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.

VIII. BIDDING AND PROJECT MANAGEMENT

All projects follow their own written procurement procedure. Procedure must reflect applicable state and local laws, federal regulations, including Section 3, and Minority and Women-Owned Business Entity Outreach. Developer will submit a project management plan in the HTF application that outlines 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 IHFA at the time the HTF award requires prior notification by IHFA HTF staff.

IX. PROJECT ARCHITECTURAL REHABILITATION DESIGN STANDARDS

Building Occupancy & Construction Type

Fire resistance rating separation requirements per code

Historic Buildings

- A. Shall comply with IBC, Chapter 3409
- B. 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. In the absence of a Programmatic Agreement among the State of Idaho Historic Preservation Officer, IHFA, and the Advisory Council on Historic Preservation for the administration of the HTF Program (the "HTF Programmatic Agreement"), scopes of work shall be reviewed and approved by IHFA's Historic Preservation Consultant in consultation with the State Historic Preservation Officer. If/when there is an HTF Programmatic Agreement, scopes of work shall be reviewed and approved by IHFA's Historic Preservation Consultant in accordance with the HTF Programmatic Agreement.

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

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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.
3. Projects shall comply with other standards as may apply or be required by funding sources (i.e. USDA Rural Development)
4. Comply with Section 504 of the Rehabilitation Act of 1973 implemented at 24 CFR Part 8
 - a. Substantial rehabilitation (defined as 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.

Building Design

1. 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 10 of the IBC, 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.

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- c. Kitchens – in general, for apartment buildings – each unit will have a functional and code-compliant kitchen. 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. 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.
- 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.

X. 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 including local and municipal zoning.
- 2. Sprinkler water service
 - a. Underground water service as required for building sprinkler system shall be in accordance with applicable codes.
- 3. Drainage
 - a. 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 currently adopted codes and regulations.

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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 currently adopted codes and regulations.
6. Vehicular access to public way
 - a. Site design shall conform to local zoning, local public works, and Idaho Transportation Department regulations, as well as be sensible in its layout to maximize vehicular and pedestrian safety.
7. On-site Parking
 - a. 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.
8. Pedestrian access and hardscape
 - a. 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
 - a. 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. Site amenities shall be accessible as required by code.
10. Mailboxes
 - a. Provision will be made for USPS-approved cluster mailbox units if required by the USPS.
11. Landscaping
 - a. Lawns, ground cover, planting beds, perennial plants, shrubs, and trees may be provided to enhance the livability, and to provide a positive aesthetic sense.
 - b. 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
 - a. If necessary, provision shall be made for the outdoor storage and collection of solid waste

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and recycling materials in receptacles (dumpsters, wheeled trashcans, totes). Enclosures may be provided and should be accessible as required by code.

13. Site lighting
 - a. Shielded fixtures may be provided to illuminate parking and pedestrian walkways, and will conform to local zoning.
14. Fuel Storage
 - a. On-site outdoor placement and storage of fuels per applicable regulations and utility requirements.
15. Underground or overhead utilities
 - a. 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. Re-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 pea gravel (or similar suitable material) over Vapor barriers
6. Moisture mitigation
 - a. Water and dam proofing – where possible and as may be required by existing conditions of groundwater and storm water intrusion into subsurface portions of buildings, provide waterproofing or damp proofing as appropriate.
 - b. Provide vapor barriers covered with a wear layer of pea gravel over earthen basement or crawl space floors to remain.

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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 "Re-pointing Mortar Joints on Historic Masonry Buildings"
5. Chimneys
 - a. Assure structural integrity, reconstruct, and repoint 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. 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

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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 weatherproof integrity of the roof system shall be assured.

c. Ventilation

- i. Roof assemblies shall be properly ventilated in accordance with applicable code requirements, and appropriate building science detailing.

2. Exterior Finishes

a. Cladding

i. Wood Siding –

1. 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.
2. Siding shall be free of gaps and holes and provide continuous weatherproof system.
3. Repair or re-side as necessary to provide a weather resistant enclosure.
4. 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 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.

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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), Architectural Woodwork Standards (AWS).
 - 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 Section XI N.1.b)
 - 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
 - a. 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.
 - b. Inspect structure for soundness and reconstruct any deteriorated members as required.
 - c. Install new support piers as may be required.
 - d. Patch existing decking with matching materials, or install new durable decking.

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- b. Railings i. shall be sound and adequately fastened to meet code requirements for structural loading. Repair or replace in-kind as appropriate.
 - ii. Shall meet code requirements for height of protective guards, or have supplemental guards installed.
- e. Steps shall be safe and sound and meet applicable codes, with railings as necessary.
- f. 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.
- g. 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. As outlined in those standards all projects will either achieve the target energy efficiency objectives of the standards or present IHFA 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 Code.
 - b. Masonry walls shall be insulated utilizing current building science detailing to ensure ongoing integrity of masonry systems.
3. Air sealing
 - 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

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 un-insulated 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 E1c 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 applicable code requirements of the IBC, Chapter 10.
 - 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 - 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 .

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

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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. Developers are encouraged to consider upgrading to Tier II level 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 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 DBS and/or local Authority Having Jurisdiction 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

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- 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 that 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 –
- a. 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

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. Items shall be located per accessibility requirements, where necessary.
- 3. Signage and identification – building signage shall be provided as required.
- 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. Kitchen appliances –
 - a. Provide new, full-size (30", 4-burner) stove and refrigerator in each apartment.

EXHIBIT C-2 HOUSING TRUST FUND PROGRAM REHABILITATION STANDARDS

- 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.
4. 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. Where a project is served by natural gas, consideration of the use of natural gas dryers is encouraged.
5. Solid waste handling – Provide trash and recycling receptacles as appropriate to enable the tenants and property management staff to handle and store solid .
6. Playground equipment – Provide safe, code-approved new playground equipment

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 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) Architectural 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

N. Special Construction

- 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:
Lead-Based Paint • Federal 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 that 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.
http://portal.hud.gov/hudportal/HUD?src=/program_offices/healthy_homes/enforcement/lshr
- EPA Renovation Repair and Painting Rule (40 CFR Part 745) – Requires contractors conducting renovation, repair or maintenance that disturbs paint in "target" housing 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/pls/oshaweb/owadisp.show_document?p_table=STANDARDS&p_id=10641

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. ASME 17.1 Safety Code for Elevators - 2013
 - b. State of Idaho Elevator Code.
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.

EXHIBIT C-2 HOUSING TRUST FUND PROGRAM REHABILITATION STANDARDS

P. Mechanical

1. General:

- a. All mechanical systems shall be designed by a mechanical engineer or other qualified professional.
- b. Energy efficiency:
 - i. As outlined in the HTF Standards, all projects will either achieve the target energy efficiency objectives of the standard or present IHFA with an operational case for project sustainability pursuant to the financial structure of the project.
 - ii. 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 as noted above.
 - i. Plumbing fixtures will be accessibility compliant as required
 - ii. 2012 Fire & Building Code, Section 6 as pertains to boilers

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 Code, and approved by the Idaho Department of Building Safety:
 - i. System design shall conform to applicable NFPA standard 13 or 13R.
 - ii. System calculations and design shall be done by a qualified person. 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.
- c. All fixtures, piping fittings and equipment shall be lead-free.
- d. Kitchen fixtures – When existing kitchen fixtures are not reused in accordance with 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 a. above, new water saving toilets, tubs and tub surrounds, lavatory sinks, and faucets shall be

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HOUSING TRUST FUND PROGRAM REHABILITATION STANDARDS

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. 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 as required by code.

e. Motors and pumps – high efficiency Brushless Permanent Magnet Pumps (BLPM) with variable frequency drives (VFD)

f. Control wiring and control strategies with outdoor temperature reset.

g. 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. International Mechanical Code.

ii. ASHRAE 62.2

iii. REBS or Mechanical engineer

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.

EXHIBIT C-2 HOUSING TRUST FUND PROGRAM REHABILITATION STANDARDS

2. Project electrical must be installed by a licensed electrician
3. Design shall be comply with all the applicable codes listed above. In general, the electrical system should be new throughout a building:
4. 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.
5. Utility connections shall be installed per the rules and regulations of the electrical utility.
6. 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.
 - c. Elevator wiring shall conform to the ANSI 17.1 and the Idaho Elevator Safety Rules.
7. 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.
8. Artificial Lighting shall be provided using IBC 1205 as a minimum guideline.
 - a. Developers are encouraged to upgrade to Energy Star® Category.
9. Site lighting with shielded fixtures may be provided to illuminate parking and pedestrian walkways, and will conform to local zoning (and Act 250 if necessary).
10. Emergency and exit lighting/illuminated signage shall be per the International Fire Code.
11. Fire detection and alarms:
 - a. Shall be installed as required by code.
 - b. Smoke detectors shall be installed per code.
 - c. CO detectors shall be installed per code.

EXHIBIT C-2 HOUSING TRUST FUND PROGRAM REHABILITATION STANDARDS

12. 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.
 13. 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.
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EXHIBIT C-2 HOUSING TRUST FUND PROGRAM REHABILITATION STANDARDS

XI. UNIFORM PHYSICAL CONDITION STANDARDS CHECKLIST

1. The UPCS checklist must be completed as part of the Physical Needs Assessment in the HTF application for funds. Any item called out on the UPCS checklist must be repaired or replaced as part of the rehabilitation project's scope of work.
2. A physical inspection of all units and tenant common areas is required as part of the Physical Needs Assessment (building code, ADA, Section 504, local standards, etc.
3. Unit sampling size (see below) applies only to the UPCS inspection requirement.

Rehabilitation Scope of Work - UPCS Unit Inspection Sample Size

Minimum Unit Sample Size Reference Chart			
Units on the Property	Minimum Unit Sample Size	Units on the Property	Minimum Unit Sample Size
1	1	26 - 29	14
2	2	30 - 34	15
3	3	35 - 40	16
4	4	41 - 47	17
5 - 6	5	48 - 56	18
7	6	57 - 67	19
8 - 9	7	68 - 81	20
10 - 11	8	82 - 101	21
12 - 13	9	102 - 130	22
14 - 16	10	131 - 175	23
17 - 18	11	176 - 257	24
19 - 21	12	258 - 449	25
22 - 25	13	450 - 1461	26
1462 - 9999	27		

HOUSING TRUST FUND UPCS INSPECTABLE ITEM		*YES	*NO
**NOTE: Deficiencies highlighted in orange are life-threatening and must be addressed immediately, if the housing is occupied.		Check Yes or No for each item below	
Inspectable Item	Observable Deficiency	Type and Degree of Deficiency that must be addressed	
Property Site			
Fencing and Gates	Damaged/Falling/Leaning	Fence or gate is missing or damaged to the point it does not function as it was designed	
Holes	Hole in fence or gate is larger than 6 inches by 6 inches		
Missing Sections	An exterior fence, security fence or gate is missing a section which could threaten safety or security		
Grounds	Erosion	Runoff has extensively displaced soils which has caused visible damage or potential failure to adjoining structures, threatens the safety of pedestrians or makes the grounds unusable	
Overgrown/Penetrating Vegetation	Vegetation has visibly damaged a component, area or system of the property or has made them unusable or impassable		
Ponding/Site Drainage	There is an accumulation of more than 5 inches deep and/or a large section of the grounds. More than 20%-is unusable for its intended purpose due to poor drainage or ponding		
Health & Safety	Air Quality - Sewer Odor detected	Sewer odors that could pose a health risk if inhaled for prolonged periods	
Air Quality - Propane/Natural Gas/Methane Gas Detected	Strong propane, natural gas or methane odors that could pose a risk of explosion, fire and/or pose a health risk if inhaled		
Electrical Hazards - Exposed Wires/Open Panels	Any exposed bare wires or openings in electrical panels (capped wires do not pose a risk)		
Electrical Hazards - Water Leaks on/near Electrical Equipment	Any water leaking, puddling or ponding on or immediately near any electrical apparatus that could pose a risk of fire, electrocution, or explosion		
Flammable Materials - Improperly Stored	Flammable materials are improperly stored, causing the potential risk of fire or explosion		
Garbage and Debris - Outdoors	Too much garbage has gathered- more than the planned storage capacity, or garbage has gathered in an area not sanctioned for staging or storing garbage or debris		
Hazards - Other	Any general defects or hazards that pose risk of bodily injury		
Hazards - Sharp Edges	Any physical defect that could cause cutting or breaking of human skin or other bodily harm		
Hazards - Tripping	Any physical defect in walkways or other travelled area that poses a tripping risk		

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HOUSING TRUST FUND UPCS INSPECTABLE ITEM	*YES indicates repair or replacement is needed; Item must be included in the Scope of Work *NO indicates no repair or replacement needed. Not required in the Scope of Work		*YES	*NO
**NOTE: Deficiencies highlighted in orange are life-threatening and must be addressed immediately, if the housing is occupied.			Check Yes or No for each item below	
Inspectable Item	Observable Deficiency	Type and Degree of Deficiency that must be addressed		
Infestation - Insects	Evidence of infestation of insects, including roaches and ants-throughout a unit or room, food preparation or storage area or other area of building substantial enough to present a health and safety risk			
Infestation - Rats/Mice/Vermin	Evidence of rats or mice--sightings, rat/ mouse holes, or droppings substantial enough to present a health and safety risk			
Mailboxes/Project Signs		Mailbox cannot be locked or is missing		
Signs Damaged	The project sign is not legible or readable because of deterioration or damage			
Parking Lots/Driveways/Roads	Cracks	Cracks that are large enough to affect traffic ability over more than 5% of the property's parking lot(s), driveways, roads or which pose a safety hazard		
Ponding	3 inches or more of water has accumulated, making 5% or more of the parking lot or driveway unusable or unsafe			
Potholes/Loose Material	Potholes or loose material that have made a parking lot/driveway unusable/impassable for vehicles and/or pedestrians or could cause tripping or falling			
Settlement/Heaving	Settlement/heaving has made a parking lot/driveway unusable/impassable or creates unsafe conditions for pedestrians and vehicles			
Play Areas and Equipment	Damaged/Broken Equipment	More than 20% of the equipment is broken or does not operate as it should or any item that poses a safety risk		
Deteriorated Play Area Surface	More than 20% of the play surface area shows deterioration or the play surface area could cause tripping or falling and thus poses a safety risk			
Refuse Disposal	Broken/Damaged Enclosure-Inadequate Outside Storage Space	A single wall or gate of the enclosure has collapsed or is leaning and in danger of falling, or trash cannot be stored in the designated area because it is too small to store refuse until disposal		
Retaining Walls	Damaged/Falling/Leaning	A retaining wall is damaged and does not function as it should or is a safety risk		
Storm Drainage	Damaged/Obstructed	The system is partially or fully blocked by a large quantity of debris , causing backup into adjacent areas or runoffs into areas where runoff is not intended		
Walkways/Steps	Broken/Missing Hand Railing	The hand rail is missing, damaged, loose or otherwise unusable		
Cracks/Settlement/Heaving	Cracks, hinging/tilting or missing sections that affect traffic ability over more than 5% of the property's walkways/steps or any defect that creates a tripping or falling hazard			
Spalling/Exposed rebar	More than 5% of walkways have large areas of spalling--larger than 4 inches by 4 inches that affects traffic ability			

HOUSING TRUST FUND UPCS INSPECTABLE ITEM		**YES		**NO	
		*YES		*NO	
		*YES		*NO	
**NOTE: Deficiencies highlighted in orange are life-threatening and must be addressed immediately, if the housing is occupied.					Check Yes or No for each item below
Inspectable Item	Observable Deficiency	Type and Degree of Deficiency that must be addressed			
Building Exterior					
Doors	Damaged Frames/Threshold/Lintels/Trim	Any door that is not functioning or cannot be locked because of damage to the frame, threshold, lintel or trim			
Damaged Hardware/Locks	Any door that does not function as it should or cannot be locked because of damage to the door's hardware				
Damaged Surface (Holes/Paint/Rusting/Glass)	Any door that has a hole or holes greater than 1 inch in diameter, significant peeling/cracking/no paint or rust that affects the integrity of the door surface, or broken/missing glass				
Damaged/Missing Screen/Storm/Security Door	Any screen door or storm door that is damaged or is missing screens or glass--shown by an empty frame or frames or any security door that is not functioning or is missing				
Deteriorated/Missing Caulking/Seals	The seals/caulking is missing on any entry door, or they are so damaged that they do not function as they should				
Missing Door	Any exterior door that is missing				
**Fire Escapes	Blocked Egress/Ladders	Stored items or other barriers restrict or block people from exiting			
Visibly Missing Components	Any of the functional components that affect the function of the fire escape. For example, one section of a ladder or railing, are missing				
Foundations	Cracks/Gaps	Large cracks in foundation more than 3/8 inches wide by 3/8 inches deep by 6 inches long that present a possible sign of a serious structural problem, or opportunity for water penetration or sections of wall or floor that are broken apart			
Spalling/Exposed Rebar	Significant spalled areas affecting more than 10% of any foundation wall or any exposed reinforcing material, such as rebar, etc.				
**Health and Safety	Electrical Hazards - Exposed Wires/Open Panels	Any exposed bare wires or openings in electrical panels (capped wires do not pose a risk)			
**Electrical Hazards - Water Leaks on/near Electrical Equipment	Any water leaking, puddling or ponding on or immediately near any electrical apparatus that could pose a risk of fire, electrocution or explosion				
**Emergency Fire Exits - Emergency/Fire Exits Blocked/Unusable	The exit cannot be used or exit is limited because a door or window is nailed shut, a lock is broken, panic hardware is chained, debris, storage, or other conditions block exit				
Emergency Fire Exits - Missing Exit Signs	Exit signs that clearly identify all emergency exits are missing or there is no illumination in the area of the sign				

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HOUSING TRUST FUND UPCS INSPECTABLE ITEM		*YES	*NO
*YES indicates repair or replacement is needed; Item must be included in the Scope of Work			
*NO indicates no repair or replacement needed. Not required in the Scope of Work			
**NOTE: Deficiencies highlighted in orange are life-threatening and must be addressed immediately, if the housing is occupied.		Check Yes or No for each item below	
Inspectable Item	Observable Deficiency	Type and Degree of Deficiency that must be addressed	
Flammable/Combustible Materials - Improperly Stored	Flammable materials are improperly stored, causing the potential risk of fire or explosion		
Garbage and Debris - Outdoors	Too much garbage has gathered-more than the planned storage capacity or garbage has gathered in an area not sanctioned for staging or storing garbage or debris		
Hazards - Other	Any general defects or hazards that pose risk of bodily injury		
Hazards - Sharp Edges	Any physical defect that could cause cutting or breaking of human skin or other bodily harm		
Hazards - Tripping	Any physical defect in walkways or other travelled area that poses a tripping risk		
Infestation - Insects	Evidence of infestation of insects-including roaches and ants-throughout a unit or room, food preparation or storage area or other area of building substantial enough to present a health and safety risk		
Infestation/Rats/Mice/Vermin	Evidence of rats or mice-Rat or mouse holes, or droppings substantial enough to present a health and safety risk		
Lighting	Broken Fixtures Bulbs	10% or more of the lighting fixtures and bulbs surveyed are broken or missing	
Roofs	Damaged Soffits /Fascia	Soffits or fascia that should be there are missing so damaged that water penetration is visibly	
Damaged Vents	Vents are missing or so visibly damaged that further roof damage is possible		
Damaged/Clogged Drains	The drain is damaged or partially clogged with debris or the drain no longer functions		
Damaged/Torn Membrane/ Missing Ballast	Ballast has shifted and no longer functions as it should or there is damage to the roof membrane that may result in water penetration		
Missing/Damaged Components from Downspout/ Gutter	Drainage system components are missing or damaged causing visible damage to the roof, structure, exterior wall surface, or interior		
Missing/Damaged Shingles	Roofing shingles are missing or damaged enough to create a risk of water penetration		
Ponding	Evidence of standing water on roof, causing potential or visible damage to roof surface or underlying materials		
Walls	Cracks/Gaps	Large crack or gap that is more than 3/8 inches wide or deep and 6 inches long presents a possible sign of serious structural problem or opportunity for water penetration	
Damaged Chimneys	Part or all of the chimney has visibly separated from the adjacent wall or there are cracked or missing pieces large enough to present a sign of chimney failure or there is a risk of falling pieces that could create a safety hazard		
Missing/Damaged Caulking/Mortar	Any exterior wall caulking or mortar deterioration that presents a risk of water penetration or risk of structural damage		

HOUSING TRUST FUND UPCS INSPECTABLE ITEM		*YES	*NO
**NOTE: Deficiencies highlighted in orange are life-threatening and must be addressed immediately, if the housing is occupied.		Check Yes or No for each item below	
Inspectable Item	Observable Deficiency	Type and Degree of Deficiency that must be addressed	
Missing Pieces/Holes/Spalling	Any exterior wall deterioration or holes of any size that present a risk of water penetration or risk of structural damage		
Stained/Peeling/Needs Paint	More than 20% of the exterior paint is peeling or paint is missing and siding surface is exposed thereby exposing siding to water penetration and deterioration		
Windows	Broken/Missing/Cracked Panes	Any missing panes of glass or cracked panes of glass where the crack is either greater than 4" and/or substantial enough to impact the structural integrity of the window pane	
Damaged Sills/Frames/Lintels/Trim	Sills, frames, lintels, or trim are missing or damaged, exposing the inside of the surrounding walls and compromising its weather tightness		
Damaged/Missing Screens	Missing screens or screens with holes greater than 1 inch by 1 inch or tears greater than 2 inches in length		
Missing/Deteriorated Caulking/Seals/Glazing	There are missing or deteriorated caulk or seals- With evidence of leaks or damage to the window or surrounding structure		
Peeling/Needs Paint	More than 20% of the exterior window paint is peeling or paint is missing and window frame surface is exposed thereby exposing window frame to water penetration and deterioration		
**Security Bars Prevent Egress	The ability to exit through egress window is limited by security bars that do not function properly and, therefore, pose safety risks		

HOUSING TRUST FUND	*YES* indicates repair or replacement is needed; Item must be included in the Scope of Work		*YES	*NO
UPCS INSPECTABLE ITEM	*NO* indicates no repair or replacement needed. Not required in the Scope of Work			
**NOTE: Deficiencies highlighted in orange are life-threatening and must be addressed immediately, if the housing is occupied.			Check Yes or No for each item below	
Inspectable Item	Observable Deficiency	Type and Degree of Deficiency that must be addressed		

Building Systems			
Domestic Water	Leaking Central Water Supply	Leaking water from water supply line is observed	
Missing Pressure Relief Valve	There is no pressure relief valve or pressure relief valve does not drain down to the floor		
Rust/Corrosion on Heater Chimney	The water heater chimney shows evidence of flaking, discoloration, pitting, or crevices that may create holes that could allow toxic gases to leak from the chimney		
Water Supply Inoperable	There is no running water in any area of the building where there should be		
Electrical System	Blocked Access/Improper Storage	One or more fixed items or items of sufficient size and weight impede access to the building system's electrical panel during an emergency	
Burnt Breakers	Carbon residue, melted breakers or arcing scars are evident		
Evidence of Leaks/Corrosion	Any corrosion that affects the condition of the components that carry current or any stains or rust on the interior of electrical enclosures, or any evidence of water leaks in the enclosure or hardware		
Frayed Wiring	Any nicks, abrasion, or fraying of the insulation that exposes any conducting wire		
Missing Breakers/Fuses	Any open and/or exposed breaker port		
**Missing Outlet Covers	A cover is missing, which results in exposed visible electrical connections		
Elevators	Not Operable	The elevator does not function at all or the elevator doors open when the cab is not there	
Emergency Power	Auxiliary Lighting Inoperable (if applicable)	Auxiliary lighting does not function	
Fire Protection	Missing Sprinkler Head	Any sprinkler head is missing, visibly disabled, painted over, blocked, or capped	
**Missing/Damaged/Expired Extinguishers	There is missing, damaged or expired fire extinguisher in any area of the building where a fire extinguisher is required		
Health & Safety	Air Quality - Mold and/or Mildew Observed	Evidence of mold or mildew is observed that is substantial enough to pose a health risk	
Air Quality - Propane/Natural Gas/Methane Gas	Strong propane, natural gas or methane odors that could pose a risk of explosion/ fire		

HOUSING TRUST FUND UPCS INSPECTABLE ITEM		*YES	*NO
**NOTE: Deficiencies highlighted in orange are life-threatening and must be addressed immediately, if the housing is occupied.		Check Yes or No for each item below	
Inspectable Item	Observable Deficiency	Type and Degree of Deficiency that must be addressed	
Detected	and/or pose a health risk if inhaled		
Air Quality - Sewer Odor Detected	Sewer odors that could pose a health risk if inhaled for prolonged periods		
Electrical Hazards - Exposed Wires/Open Panels	Any exposed bare wires or openings in electrical panels (capped wires do not pose a risk)		
Electrical Hazards - Water Leaks on/near Electrical Equipment	Any water leaking, puddling or ponding on or immediately near any electrical apparatus that could pose a risk of fire, electrocution or explosion		
Elevator - Tripping	An elevator is misaligned with the floor by more than 3/4 of an inch. The elevator does not level as it should, which causes a tripping hazard		
Emergency Fire Exits - Emergency/Fire Exits Blocked/Unusable	The exit cannot be used or exit is limited because a door or window is nailed shut, a lock is broken, panic hardware is chained, debris, storage, or other conditions block exit		
Emergency Fire Exits - Missing Exit Signs	Exit signs that clearly identify all emergency exits are missing or there is no illumination in the area of the sign		
Flammable Materials - Improperly Stored	Flammable materials are improperly stored, causing the potential risk of fire or explosion		
Garbage and Debris - Indoors	Too much garbage has gathered-more than the planned storage capacity or garbage has gathered in an area not sanctioned for staging or storing garbage or debris		
Hazards - Other	Any general defects or hazards that pose risk of bodily injury		
Hazards - Sharp Edges	Any physical defect that could cause cutting or breaking of human skin or other bodily harm		
Hazards - Tripping Hazards	Any physical defect in walkways or other travelled area that poses a tripping risk		
Infestation - Insects	Evidence of infestation of insects-including roaches and ants-throughout a unit or room, food preparation or storage area or other area of building substantial enough to present a health and safety risk		
Infestation - Rats/Mice/Vermin	Evidence of rats or mice--sightings, rat or mouse holes, or droppings substantial enough to present a health and safety risk		
HVAC	Boiler/Pump Leaks		
Fuel Supply Leaks	Evidence of any amount of fuel leaking from the supply tank or piping		
General Rust/Corrosion	Significant formations of metal oxides, significant flaking, discoloration, or the development of a noticeable pit or crevice		
Misaligned Chimney/Ventilation System	A misalignment of an exhaust system on a combustion fuel-fired unit (oil, natural gas,		

HOUSING TRUST FUND	*YES* indicates repair or replacement is needed; Item must be included in the Scope of Work	*YES	*NO
UPCS INSPECTABLE ITEM	*NO* indicates no repair or replacement needed. Not required in the Scope of Work		
**NOTE: Deficiencies highlighted in orange are life-threatening and must be addressed immediately, if the housing is occupied.		Check Yes or No for each item below	
Inspectable Item	Observable Deficiency	Type and Degree of Deficiency that must be addressed	

	propane, wood pellets etc.) that causes improper or dangerous venting of gases		
Roof Exhaust System	Roof Exhaust Fan(s) Inoperable	The roof exhaust fan unit does not function	
Sanitary System	Broken/Leaking/Clogged Pipes or Drains	Evidence of active leaks in or around the system components or evidence of standing water, puddles or ponding— a sign of leaks or clogged drains	
Missing Drain/Cleanout/Manhole Covers	Protective cover missing		

Common Areas				
Basement/Garage/Carport	Baluster/Side Railings damaged	Any damaged or missing balusters or side rails that limit the safe use of an area		
Closet/Utility/Mechanical	Cabinets - Missing/Damaged	10% or more of cabinet, doors, or shelves are missing or the laminate is separating		
Community Room	Call for Aid - Inoperable	The system does not function as it should		
Halls/Corridors/Stairs	Ceiling-Holes/Missing Tiles/Panels/Cracks	Any holes in ceiling, missing tiles or large cracks wider than 1/4 of an inch and greater than 11 inches long		
Kitchen	Ceiling - Peeling/Needs Paint	More than 10% of ceiling has peeling paint or is missing paint		
Laundry Room	Ceiling - Water Stains/Water Damage/Mold/Mildew	Evidence of a leak, mold or mildew--such as a darkened area--over a ceiling area greater than 1 foot square		
Lobby	Countertops - Missing/Damaged	10% or more of the countertop working surface is missing, deteriorated, or damaged below the laminate ---not a sanitary surface to prepare food		
Office	Dishwasher/Garbage Disposal	The dishwasher or garbage disposal does not operate as it should		
Other Community Spaces	Damaged Doors, Frames, Threshold, Lintels, Trim	Any door that is not functioning or cannot be locked because of damage to the frame, threshold, lintel or trim		

HOUSING TRUST FUND UPCS INSPECTABLE ITEM		*YES	*NO
**NOTE: Deficiencies highlighted in orange are life-threatening and must be addressed immediately, if the housing is occupied.		Check Yes or No for each item below	
Inspectable Item	Observable Deficiency	Type and Degree of Deficiency that must be addressed	
Patio/Porch/Balcony	Doors - Damaged Hardware/Locks	Any door that does not function as it should or cannot be locked because of damage to the door's hardware	
Restrooms	Doors-Damaged Surface (Holes/Paint/Rust/Glass)	Any door that has a hole or holes greater than 1 inch in diameter, significant peeling/cracking/no paint or rust that affects the integrity of the door surface, or broken/missing glass	
Storage	Doors-Damaged/Missing Screen/Storm/Security Door	Any screen door or storm door that is damaged or is missing screens or glass--shown by an empty frame or frames or any security door that is not functioning, or is missing	
Doors	Deteriorated/Missing Seals (Entry Only)	The seals/caulking is missing on any entry door, or they are so damaged that they do not function as they should	
Doors	Missing Door	Any door that is missing that is required for the functional use of the space	
Dryer Vent	Missing/Damaged/Inoperable	Is not effectively vented to the outside he dryer vent is missing or it is not functioning because it is blocked.	
Electrical	One or more fixed items or items of sufficient size and weight impede access to the building system's electrical panel during an emergency		
Electrical	Carbon residue, melted breakers or arcing scars are evident		
Electrical	Any corrosion that affects the condition of the components that carry current or any stains or rust on the interior of electrical enclosures or any evidence of water leaks in the enclosure or hardware		
Electrical	Any nicks, abrasion, or fraying of the insulation that exposes any conducting wire		
Electrical	Any open and/or exposed breaker port		
Electrical-Missing Covers	A cover is missing, which results in exposed visible electrical connections		

9. HTF Resale or Recapture Guidelines. Below, the grantee must enter (or attach) a description of the guidelines that will be used for resale or recapture of HTF funds when used to assist first-time homebuyers. If the grantee will not use HTF funds to assist first-time homebuyers, enter "N/A."

N/A

10. HTF Affordable Homeownership Limits. If the grantee intends to use HTF funds for homebuyer assistance and does not use the HTF affordable homeownership limits for the area provided by HUD, it must determine 95 percent of the median area purchase price and set forth the information in accordance with §93.305. If the grantee will not use HTF funds to assist first-time homebuyers, enter "N/A."

Any limitation or preference must not violate nondiscrimination requirements in § 93.350, and the grantee must not limit or give preferences to students. The grantee may permit 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.

Tenant Selection Criteria & Preference Populations

(1) Limit the housing to income eligible families;(2) Are reasonably related to the applicants' ability to perform the obligations of the lease (*i.e.*, to pay the rent, not to damage the housing; not to interfere with the rights and quiet enjoyment of other tenants); (3) Limit eligibility or give a preference to a particular segment of the population if permitted in its written agreement with the grantee (and only if the limitation or preference is described in the grantee's consolidated plan). (i) Any limitation or preference must not violate nondiscrimination requirements in § 93.350. A limitation or preference does not violate nondiscrimination requirements if the housing also receives funding from a Federal program that limits eligibility to a particular segment of the population (*e.g.*, the Housing Opportunity for Persons With AIDS program under 24 CFR part 574), and the limit or preference is tailored to serve that segment of the population.(ii) If a project does not receive funding from a Federal program that limits eligibility to a particular segment of the population, the project may have a limitation or preference for persons with disabilities who need services offered at a project only if: (A) The limitation or preference is limited to the population of families (including individuals) with disabilities that significantly interfere with their ability to obtain and maintain housing; (B) Such families will not be able to obtain or maintain themselves in housing without appropriate supportive services; and (C) Such services cannot be provided in a non-segregated setting. The families must not be required to accept the services offered at the project. In advertising the project, the owner may advertise the project as offering services for a particular type of disability; however, the project must be open to all otherwise eligible persons with disabilities who may benefit from the services provided in the project. (4) Do not exclude an applicant with a voucher under the Section 8 Tenant- Based Assistance: Housing Choice Voucher program (24 CFR part 982) or an applicant participating in a HOME tenant-based rental assistance program (24 CFR part 92) because of the status of the prospective tenant as a holder of such voucher or comparable HOME tenant-based assistance document. (5) Provide for the selection of tenants from a written waiting list in the chronological order of their application, insofar as is practicable; and (6) Give prompt written notification to any rejected applicant of the grounds for any rejection.

Idaho's current Five-Year (2015-2019) Consolidated Plan has identified three (3) Priority Housing Needs (PHN) Populations: Elderly, Disabled, and ≤30% AMI households. Permanent rental housing owners may choose to provide a tenant preference for any one or more of these PHN populations. If approved by IHFA, the priority Housing needs Population(s) will be identified as a tenant preference(s) in the HTF written agreement.

12. Refinancing of Existing Debt. Enter or attach the grantee's refinancing guidelines below. The guidelines describe the conditions under which the grantee will refinance existing debt. The grantee's refinancing guidelines must, at minimum, 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. If the grantee will not refinance existing debt, enter "N/A."

Summary of Objectives and Outcomes

See AP-20 of this Plan

Evaluation of Past Performance - Program Year 2017

CDBG

Idaho Department of Commerce (IDC) awarded 32 projects (activities) a total of \$10,085,345 in 2017. Of the 32 projects, improvements were made to four senior citizen centers, eight public parks, six wastewater treatment systems, ten water systems, one downtown, one Kid's Klub, and one non-profit commercial kitchen. These 32 projects were to help achieve at least one of the five CDBG goals as established in the [2015-19] Five-Year Consolidated Plan.

Of the five CDBG goals, Commerce met four, as identified below. Under the public infrastructure and facilities goal, all three objectives (compliance, new construction, and rehabilitation) exceeded their percentage of the obligation benchmark. Based on achieving these goals Commerce will not be changing the CDBG obligation percentages for 2018.

Under economic development, the one downtown project helped Commerce to achieve 6.7% of the 10% goal of expending at least 10% (or \$720,000) of the annual allocation toward revitalizing downtowns. However, the job creation goal of 10% was not met. In fact, no applications were received in 2017. It is likely, part of the reason no applications were received is due to the existence of other state grant programs, such as Commerce's Rural Initiative Grant and Opportunity Funds Grant. These state job creation grants are more popular than CDBG for job creation, as they have fewer requirements. Even though for the last two years Commerce has not received any CDBG job creation applications, Commerce will continue to leave the goal at 10% because job opportunities are critical and necessary for low-to-moderate income individuals.

CDBG Goal Summary:

Goal: Public Infrastructure and Facilities - Compliance: CDBG obligated / expended \$2,908,756 on activities. This exceeded the 25% goal of \$1.8 million.

Goal: Public Infrastructure and Facilities - New Construction: CDBG obligated / expended \$3,054,689 on activities. This exceeded the 25% goal of \$1.8 million.

Goal: Public Infrastructure and Facilities - Rehabilitation: CDBG obligated/expended \$3,621,900 on activities. This exceeded the 30% goal of \$2.1 million.

Goal: Economic Development - Job Creation: CDBG obligated/expended \$0 on job creation activities. This did not meet the 10% goal of \$720,000.

Goal: Economic Development - Downtown Revitalization: CDBG obligated/expended \$500,000 on downtown revitalization activities. This did not meet the 10% goal of \$720,000.

HOME and HTF Programs

The HOME Program continued to help acquire, construct, and rehabilitate affordable rental and homebuyer housing throughout Idaho. During the 2017 Program Year, IHFA committed HOME funds to non-profit developers for the acquisition and rehabilitation/new construction of single-family homebuyer and rental housing units. IHFA committed HOME funds to low-income homebuyers for downpayment/closing cost assistance to help with the purchase of a standard condition home. IHFA committed HOME funds to private developers to help them develop multifamily rental housing. IHFA provided special assistance to its certified CHDOs with upfront costs to explore the feasibility of future potential activities with CHDO Predevelopment loans and provided general operating costs through CHDO Operating Assistance Grants.

As of December 1, 2017: Rental Activities- HOME and HTF funds were committed to five multifamily rental projects: Two new construction projects in Boise, one in Post Falls, one in Coeur d' Alene and one in Caldwell. When completed, these projects will create approximately 420 new affordable rental units. HOME and HTF funds were committed to twelve Single-family rental activities in Hailey, Post Falls, Coeur d' Alene, Rathdrum, Meridian, and St. Maries. When these activities are completed, approximately 175 units will target one or more "Priority Housing Needs" Populations as identified in the current Five-Year Consolidated Plan. Current PHN are Elderly, Disabled, and Extremely Low-Income ($\leq 30\%$ AMI) households.

Homebuyer Activities- HOME funds were committed to 11 single-family homebuyer activities located in Kuna, Pocatello, Rathdrum, Caldwell, and the town of Kootenai. HOME funds were provided as downpayment/closing cost assistance to 14 homebuyers with income at or below 80% AMI.

From April 1 through December 1, 2017, \$8,612,905 in HOME and HTF were committed to affordable homebuyer and permanent rental housing activities in communities throughout Idaho.

Housing Trust Fund Certification

The HTF written agreement identifies the requirements an owner, developer, and property management must comply with during the pre-development, development, closeout, and compliance phases of the activity. The HTF written agreement also identifies the corrective actions IHFA could take if needed to bring the assisted project into compliance with the terms of the agreement.

Emergency Solutions Grant (ESG) Program

IHFA administers the Emergency Solutions Grant statewide. During the 2017 Program Year, \$1,555,887 in Emergency Solutions Grant funds were allocated to 30 unique projects throughout the state. Funding helps support shelter operations and services, homelessness prevention, and rapid re-housing activities. In the 2015 program year, IHFA utilized ESG funds to support emergency housing by providing 114,812 - bed nights around the state. This enabled 3,548 persons, consisting of 2,445 adults and 1,100 children, to receive shelter and/or services.

During the 2015 program year, Homeless Prevention and Rapid Re-housing funds were used to help prevent individuals and families from losing their housing, through rental and utility assistance. Each of the state's seven regions received homeless prevention and/or rapid re-housing funds, through either ESG or IHFA. This helped to ensure households in all areas of the state, rural and non-rural, had equal access to homeless prevention and rapid re-housing funds. The Home Partnership Foundation provided an additional \$200,000, supplementing ESG funds, and allowing subrecipients to have

access to prevention and re-housing funding year round. The Foundation allocated private funds to several IHFA branch offices, providing one-time rental and utility assistance to households at risk of becoming homeless.

IHFA will also measure outcomes based on the annual desk risk analysis that considers the compliance of the project, management of expenditures and contract deadline.

Summary of Citizen Participation and Consultation Process

IHFA and the Idaho Department of Commerce follow a Citizen Participation Plan for HUD-CPD Affordable Housing and Community Development Programs. Following the Citizen Participation Plan, one 30-day comment period and one public hearing was held. Legal notices will be published twice in Idaho's major newspaper, the first time prior to the comment period, the second prior to the public hearing. The legal notice included a link to a Spanish version of the legal notice on the IHFA and IDC websites. The Spanish and English version includes directions and contact information regarding how to request a reasonable accommodation, including language assistance and alternative formats. The notices were also sent the IHFA Branch Offices and major libraries around the state to be posted in a public area. A copy of the legal notices and draft action plan are available on the IHFA and IDC websites

Local and regional stakeholders, service providers, developers, owners, developers, and units of local government, and CoC members were invited to participate in the planning process.

The 30-day comment period for the 2018 Annual Action Plan is January 8-February 7, 2018. The 30-day comment period and public hearing for the Revised 2018 Action Plan was May 14, 2018-June 13, 2018. Comments and IHFA/Commerce responses are located in the Action Plan as an attachment titled "Citizen Participation Comments".

Comments/ input- 2

Public hearing Attendees-1

Analysis of Impediments to Affirmatively Furthering Fair Housing

The current 2017 Analysis of Impediments to Affirmatively Furthering Fair Housing (Assessment of Fair Housing) is available on IDC and IHFA websites at www.idahohousing.com and <http://commerce.idaho.gov/communities/community-grants/community-development-block-grant-cdbg/consolidated-planning-documents>

AP-25 Allocation Priorities

CDBG- See AP-20- Goals 2,3,4,5 and 6 goal descriptions.

HOME & Housing Trust Fund

Tenant Preference Populations

Idaho's Five-Year Consolidated Plan identifies three "Priority Housing Needs" populations: Elderly (age 62+), Disabled, and Extremely-Low Income. The owner may choose to provide a preference for one or more of these priority housing

needs populations. The Annual Administrative Plan and the Low-Income Housing Tax Credit program's Qualified Allocation Plan identify these populations as "Special Housing Needs Populations".

HOME/HTF multifamily rental housing applications receive additional points if the owner commits to a tenant preference of two of the three Special Housing Needs Populations.

IHFA Visitability Design Components

HOME and HTF single-family rental units will include at least one wider doorway to one main floor bathroom, other interior doorways, and one means of ingress/egress if feasible as part of a construction or rehabilitation activity.

Eligible Activities

- 1) IHFA will award HOME and HTF funds to eligible recipients (owner, owner-developer) to acquire and construct/rehabilitate permanent single-family and multifamily rental housing.
- 2) IHFA will award HOME funds to qualified nonprofits and units of local government to acquire and construct/rehabilitate single-family homebuyer properties to be sold to HOME-eligible & IHFA qualified low-income homebuyers.
- 3) IHFA may award Operating Assistance Grants to IHFA-certified Community Housing Development Organizations (CHDOs).
- 4) IHFA may award up to 33% of the HTF allocation as operating/reserve assistance to HTF-funded permanent rental housing, if needed.
- 5) IHFA may use up to 10% of each HOME and HTF allocation and eligible program income for HOME/HTF planning and administrative costs.

Allocation Priorities

- HTF- 100% to owners and developers to acquire and/or construct and rehabilitate permanent rental housing activities targeting households with annual incomes $\leq 30\%$ AMI.
- HOME- Approximately 40% to nonprofit developers and units of local government to acquire then rehabilitate or construct single-family structures to be sold to HOME-eligible, IHFA- qualified homebuyers.
- HOME- Approximately 35% to private and nonprofit owners/developers to acquire and/or construct or rehabilitate single-family and multifamily permanent rental housing activities.
- HOME- Approximately 25% to HOME-eligible and IHFA qualified homebuyers for downpayment/closing cost assistance.

Emergency Solution Grant

Prior to the HEARTH Act, Idaho allocated the majority of ESG funds to homeless shelter activities. While IHFA still places on emphasis on the importance of supporting shelter activities, which currently receives sixty percent (60%) of the annual award, this decreased upon HEARTH Act implementation due to limitations imposed. The remaining forty percent (40%) has been reserved for homelessness prevention and rapid re-housing activities, with majority support directed towards rapid re-housing. Due to the changes in program regulations and the need to prioritize resources in a new manner, IHFA felt it appropriate to impose a goal of ensuring that the changes in policy and regulations does not

decrease the number of homeless households served. For that reason, IHFA would like to see at least consistent impact on Idahoans served. If a decrease in households served occurs while no waiting lists exist in emergency shelters, this would indicate a decreased need for emergency shelter beds, which could allow funds to be redirected towards homelessness prevention and rapid re-housing. This could be an appropriate and positive scenario of not meeting the goal set.

AP 30 Method of Distribution CDBG

State Program No. 4- HOME & HTF Rental Housing Production

Describe threshold factors and grant size limits

- Most recent third party prepared financial statements from applicant, owner, and developer. Statement from owner statement not required if a newly formed entity.
- Physical Needs Assessment is required for all acquisition and/or rehabilitation projects. The PNA will determine the scope of rehabilitation. See Chapter 2, Annual Administrative Plan for additional information regarding a PNA <https://www.idahohousing.com/federal-programs/home-program/>
- Capitol Needs Assessment for all projects is required, with sufficient detail to determine the amount of funds needed for replacement reserve and major repairs during the life of the project. See Chapter 2, Annual Administrative Plan to additional information regarding CNA <https://www.idahohousing.com/federal-programs/home-program/>
- Annual operating costs will be described in sufficient detail to compare line items against properties of similar type and size to allow IHFA to determine whether the planned expenditures are sufficient and reasonable. The operating budget should include general management expenses, maintenance and operating costs, any project paid utilities, taxes, insurance premiums, and adequate deposits to replacement reserves. In most cases, evaluation of total operating costs should be summarized in “per unit per year” amounts rather than as a percentage of projected revenue.
- Market study as described in Exhibit M of the 2018 Annual Administrative Plan <https://www.idahohousing.com/federal-programs/home-program/>
- Fair Housing

Application will include:

1. An Affirmatively Furthering Fair Housing Choice (AFFH) Resolution adopted by the proposed project’s unit of local government (City or County). If the local unit of government has not/will not adopt the AFFH resolution, the application/proposal will not meet minimum threshold.
2. One of the following:
 - If the proposed activity is located in a CDBG Non-Entitlement area, submit the local jurisdiction's most recent Fair Housing Assessment Plan reviewed by the State of Idaho's CDBG Program (Idaho Department of Commerce);

Or

- If the proposed activity is located in a CDBG Entitlement Area (Boise, Nampa, Meridian, Lewiston, Coeur d' Alene, Idaho Falls, Caldwell, and Pocatello), submit that city's most recent Analysis of Impediments To Affirmatively Further Fair Housing If the city's Analysis of Impediments or Affirmative Housing Assessment document is available online, then applicant need only provide IHFA with the link to the online document (hard copy would not be required);
Or
 - If the local jurisdiction in which the property will be located has never received State CDBG funds (and hasn't completed a Fair Housing Assessment Plan on their own), or the project will not be located in a CDBG Entitlement area, then applicant must request a Fair Housing Assessment Plan be completed by the local jurisdiction. The plan must contain the same components as the State of Idaho's CDBG Program.
- Evidence applicant and developer have experience and capacity to begin construction within 12 months of the award, and complete the project within the specified timeframe.
 - Evidence of site control that complies with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and Environmental Review Procedure 24 CFR 58.22 (See Chapter 6, 9 and Exhibit O)
 - Owner/Developer/Management Capacity Self-Certification Form (See Exhibit W)
 - Pro forma that incorporates the following assumptions:
 1. 7% vacancy factor
 2. 2% annual increase in income
 3. 3% annual increase in expenses including replacement reserves
 - Release of Information- See Exhibit X- Administrative Plan

State Program No. 5- State of Idaho CDBG

Describe the state program addressed by the Method of Distribution

State of Idaho Department of Commerce distributes CDBG funds on a competitive statewide basis where applications are ranked against each other for funding.

Describe all the criteria that will be used to select applications and the relative importance of these criteria.

There are five variables that define how Idaho prioritizes its projects and activities that will be eligible to receive CDBG funds.

First variable to prioritizing CDBG funds is to ensure the project will meet at least one required national objective.

- Activities benefiting low to moderate-income (LMI) persons.
- Prevention/Elimination of Slums and Blight
- Urgent Needs (Imminent Threat)

Second variable to prioritizing CDBG funds is ensuring the proposed project meets Idaho CDBG threshold factors. Applications must meet the following:

- Submission of an application
- Eligible applicant
- Eligible activities
- Executed citizen participation plan and hold public hearing
- Meet Consolidated Plan goals and objectives
- Applicant has administrative capacity
- Adopted fair housing plan
- Adopted Anti-displacement plan

Third variable to prioritizing CDBG funds is to score, rank, and fund projects that meet the following conditions:

- Have a need for CDBG funds
- A measureable impact and positive impact for lower income households
- Project is well planned and feasible
- Timely use of CDBG funds
- Grantee's ability to properly administer applicable CDBG requirements
- Grantee's or sub-recipients ability to maintain and operate system or facility

Fourth variable: Idaho's Economic Advisory Council review, assessment, and recommendation of the project.

Determining if the project can demonstrate:

- Local ability to finance,
- Local effort and commitment, and
- Local and regional economic impact.
- The Governor of Idaho decides to fund or not to fund.

Fifth variable:

- 70% of Idaho's CDBG funds, aggregated over a two-year period, will fund projects that will principally benefit low to-moderate income persons.
- 100% of annual CDBG awarded will be obligated within 15 months of funding agreement date. These five variables cover public facilities, infrastructure for jobs, downtown revitalization, community centers, public parks, and imminent threat applications.

If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)

Idaho CDBG application handbook with specific scoring criteria is located on website www.commerce.idaho.gov

Describe how resources will be allocated among funding categories.

Idaho Department of Commerce distributes CDBG funds on a competitive statewide basis where applications are ranked against each other for funding. The ICDBG Application "A" handbook that details the application review procedures is available online at www.community.idaho.gov IDC does set-aside the CDBG funds as follows:

- Two percent (2%) plus \$100,000 of the total allocation is reserved for the department's administrative costs;
- One percent (1%) of the total is reserved for technical assistance;
- Five percent (5%) or \$300,000, whichever is less, of the total allocation is set aside for imminent threat grants with a maximum grant amount of \$100,000. Applications are received quarterly.

- Ten percent (10%) or \$900,000, whichever is less, of the total allocation is set aside for senior citizen centers, community centers, and public park grants with a maximum grant amount of \$150,000; Applications are received annually.
- Fifty percent (50%) of the remaining allocation, plus 50% of the program income, recaptured funds, and carryover funds from previous program year is reserved for public facility and housing grants. Maximum grant amount available is \$500,000. Applications are received annually.
- Fifty percent (50%) of the remaining allocation, plus 50% of program income, recaptured funds, and carryover funds from the previous year is reserved for economic development grant for both job creation and downtown revitalization projects. Maximum grant amount available is \$500,000. Job creation applications are received quarterly and downtown revitalization applications are received annually.

Idaho State CDBG program rules allow for flexibility between these funding set-asides based upon public need in the various categories(i.e. if the State receives fewer requests for public facilities, and a larger than normal number of senior center funding requests, we may choose to increase the senior center funding above the projected set-aside). Historically Idaho Department of Commerce has moved more funds due to demand into the Public Facilities set aside.

Describe threshold factors and grant size limits

For CDBG funds, applications must meet the following thresholds:

- Submission of an application (non-entitlement cities and counties)
- Meet a national objective
- Eligible applicant (51% LMI)
- Eligible activities
- Meet Consolidated Plan goal and objectives
- Executed citizen participation plan and hold public hearing
- Applicant has administrative capacity
- Adopted fair housing plan
- Adopted Anti-displacement plan

Idaho Department of Commerce distributes CDBG funds on a competitive statewide basis where applications are ranked against each other for funding. The ICDBG Application "A" handbook that details the application review procedures is available online at www.community.idaho.gov IDC does set-aside the CDBG funds as follows:

- Imminent threat grants with a maximum grant amount of \$100,000. Applications are received quarterly.
- Senior citizen center, community center, and public park grants with a maximum grant amount of \$150,000; Applications are received annually.
- Public facility and housing grants. Maximum grant amount available is \$500,000. Applications are received annually.
- Economic Development job creation and downtown revitalization projects. Maximum grant amount available is \$500,000. Job creation applications are received quarterly and downtown revitalization applications are received annually.
- Idaho State CDBG program rules allow for flexibility between these funding set-asides based upon public need in the various categories(i.e. if the State receives fewer requests for public facilities, and a larger than normal number of senior center funding requests, we may choose to increase the senior center

funding above the projected set-aside).

What are the outcome measures expected as a result of the method of distribution?

Create suitable living environments and Expand Economic Development Opportunities in the following:

Public Facilities Infrastructure-Compliance: Activities that bring public facilities systems (infrastructure, community facilities, public utilities) into compliance with environmental laws, federal and state standards, and best management practices.

Public Facilities Infrastructure- New Construction: Activities that construct new public facilities (infrastructure, community facilities, and public utilities) system or extending a system to a new service area. This includes infrastructure to support affordable housing and related activities.

Public Facilities Infrastructure-Rehabilitation: Activities that include rehabilitation, replacement, or remodeling of a public facility (infrastructure, community facilities, public utilities, and housing) systems.

Economic Development-Job Creation: Activities that construct new public infrastructure to support businesses creating new low to moderate-income jobs.

Economic Development-Downtown Revitalization: Activities that improve public infrastructure and remove slum and blight in redevelopment areas.

AP-50- Geographic Distribution

HOME & HTF

Rental Activities- IHFA does not award HOME or HTF funds based on geographic areas. Because the State of Idaho's federal affordable housing development resources are extremely limited, IHFA awards HOME and HTF funds to housing development activities throughout Idaho, following a published NOFA or RFP (single-family rental). Projects are selected following an application review and scoring process. This process allows IHFA to fund activities that can demonstrate long-term feasibility, owner and management capacity, and market need during the period of affordability.

- Multifamily Rental housing applications must also meet minimum threshold requirements, including market/study analysis of the area, number and type of affordable and market rate housing, age of current housing stock, rental vacancy rates, employment opportunities, percentage of low-income households to overall population, and proximity of the project to essential services (schools, medical, food). The conclusions of the study/analysis must clearly support the proposed project. Other requirements include the owner's alternative site analysis, a proforma that includes the industry standard vacancy rates and an annual increase in expenses and income, evidence of site control that conforms to URA and Voluntary Sales Disclosure and Environmental Review requirements. Owner must also submit evidence the local community in which the project will be located is committed to affirmatively furthering fair housing choice.
 - Additional scoring categories: Geographic diversity (HTF Only), applicant/developer capacity, leverage, tenant preference for a priority housing needs population, IHFA green building design components, and site/unit amenities.

Homebuyer Activities- Low-income homebuyers can apply for HOME DP/CC assistance funds through an IHFA-approved lender. At the time the application is submitted to the HOME Programs Department, the homebuyer has already qualified for a primary mortgage through an IHFA-approved lender/broker.

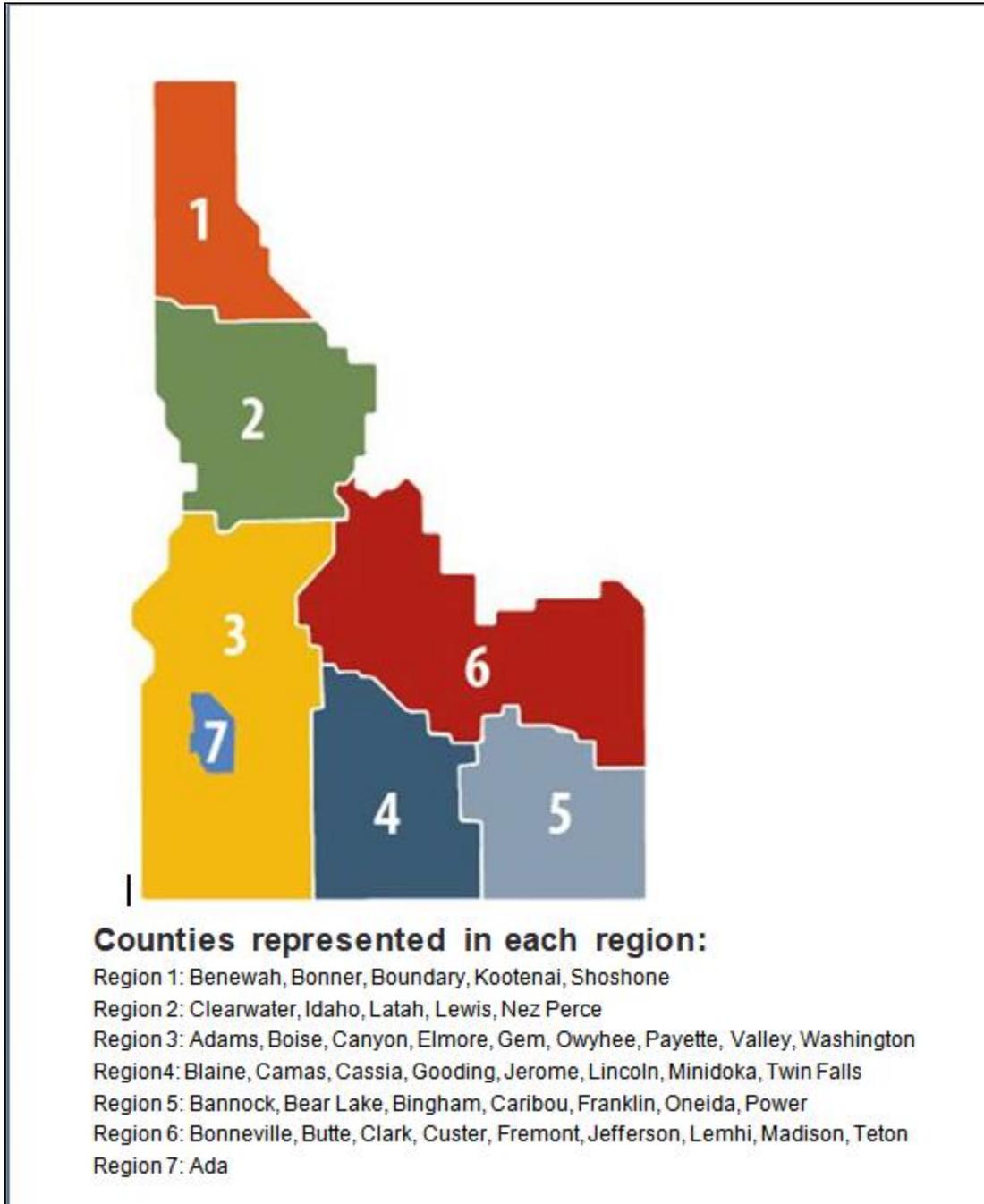
- Following a published Request for Proposals, non-profit owner-developers apply for funding to acquire single-family properties throughout Idaho to be rehabilitated or constructed, then sold to qualified homebuyers. Proposals are submitted following a published RFP. A proposal includes a market needs analysis, evidence of developer experience and capacity, local commitment to fair housing choice, number, type, and scope of the proposed activity, etc.

Housing Trust Fund-Specific Requirement

The Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (The Act) as revised by HERA, provides for the distribution of funds to states based on four (4) Need factors [24 CFR 93.51(a)-(d) and a local construction cost adjustment factor [§93.51(e)]. Need factors include (1) Relative shortage of rental housing available to Extremely low-income individuals and families, (2) Relative shortage of rental housing available to very low-income individuals and families, (3) Relative number of extremely low-income (ELI) renters living in substandard, overcrowded and/or unaffordable housing in Idaho, and (4) Relative number of very low-income renters living in substandard, overcrowded, and/or unaffordable housing.

See AP-90 for a detailed response regarding geographic diversity.

Emergency Solutions Grant



AP-65- Homeless and Other Special Needs Activities

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including:

IHFA is the administrator of the COC, ESG, and HOPWA programs, Idaho's Homeless Management Information System, the BOS COC, the HOME, NSP and the Housing Trust Fund programs, Idaho's Low Income Housing Tax Credit program, and a large portion of Idaho's Section 8 Housing Choice Voucher program. This places IHFA in a unique position to pair resources and form partnerships to create a positive impact for Idaho's homeless, low-income, and special housing needs populations.

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs:

In the absence of appropriate and effective intervention efforts and resources, many families and individuals will become homeless as life changes, such as loss of employment, lack of affordable housing, loss of support networks, exit from an institution or facility, and other severe circumstances present themselves. For those that experience these misfortunes, recovery can be extremely difficult when disability, controlled substance or alcohol dependency, or other extreme conditions exist. In some cases, long-term and ongoing permanent housing is the most appropriate housing solution. However, IHFA, the BOS COC, and regional housing coalitions identify the need for services that focus on reducing shelter stays and diverting individuals and families away from homelessness altogether. The BOS COC recently reallocated program funds to rapid re-housing projects that will contribute to Idaho's effort in reducing the extent of homelessness for many. These COC-funded rapid re-housing projects will begin operation in July 2018, if approved. ESG funds also place an emphasis on the existence of rapid re-housing activities by reserving a higher percentage of ESG funds for rapid re-housing than those reserved for homelessness prevention.

IHFA and the BOS COC acknowledge and support the commitment to preventing and ending homelessness displayed by HUD through *Opening Doors*. Whether a participant receives housing and service support through transitional or permanent housing, each agency strives to provide individualized goal-based service planning to increase the likelihood for long-term success and self-sufficiency; ensure access to more stable housing situations; and establish support networks and habits that reduce the likelihood of recidivism.

Addressing the emergency shelter and transitional housing needs of homeless persons:

IHFA will implement the BOS Coordinated Entry System and assessment tools throughout the balance of state on January 22, 2018. This system will assess the vulnerability, needs, and extent of barriers of those experiencing homelessness. The collection of this data will allow homeless provider networks, such as the BOS COC, understand the homeless population's needs better. Using an objective assessment of each individual or family, will allow IHFA to assess which housing component and service types Idaho needs most. "Right sizing", or re-aligning resources with the population need, can then occur. This process will ensure homeless persons are directed towards the resources that have the highest likelihood of reducing their extent of homelessness, or removing them from homelessness altogether. As this shift in resource priority is made, emergency shelters and transitional housing projects can be utilized as intended to reduce length of homelessness and reintroduce households to stable living environments. The BOS COC has created a committee that is working through Coordinated Entry System development with a HUD-approved technical assistance provider.

Helping homeless persons (especially chronically homeless individuals and families, families with children,

veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again:

In the absence of appropriate and effective intervention efforts and resources, many families and individuals will become homeless as life changes, such as loss of employment, lack of affordable housing, loss of support networks, exit from an institution or facility, and other severe circumstances present themselves. For those that experience these misfortunes, recovery can be extremely difficult when disability, controlled substance or alcohol dependency, or other extreme conditions exist. In some cases, long-term and ongoing permanent housing is the most appropriate housing solution. However, IHFA, the BOS COC, and regional housing coalitions identify the need for services that focus on reducing shelter stays and diverting individuals and families away from homelessness altogether. The BOS COC recently reallocated program funds to rapid re-housing projects that will contribute to Idaho's effort in reducing the extent of homelessness for many. These COC-funded rapid re-housing projects will begin operation in July 2018, if approved. ESG funds also place an emphasis on the existence of rapid re-housing activities by reserving a higher percentage of ESG funds for rapid re-housing than those reserved for homelessness prevention.

IHFA and the BOS COC acknowledge and support the commitment to preventing and ending homelessness displayed by HUD through *Opening Doors*. Whether a participant receives housing and service support through transitional or permanent housing, each agency strives to provide individualized goal-based service planning to increase the likelihood for long-term success and self-sufficiency; ensure access to more stable housing situations; and establish support networks and habits that reduce the likelihood of recidivism.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs:

Of the ESG funding not associated with shelter activities, approximately forty (40%) is used towards homelessness prevention efforts. These funds can be leveraged with services which assist families or individuals in evaluating their primary cause(s) of becoming or being at risk of homelessness. Doing so increases the probability that those receiving assistance will learn to adapt and improve situations in an effort to avoid homelessness or being at risk of homelessness. All agencies operating COC, ESG, HOPWA, and other homeless-targeted programs will be strongly encouraged to offer services that educate and counsel individuals and families on skills that promote self-sufficiency.

The BOS COC is working with a HUD contractor to identify points of entry into homelessness, which may increase the Continuum's understanding of how to redirect individuals and families away from becoming homeless. The effort will include a collaboration of state agencies, homeless network providers, both continuums of care in Idaho, and all others who may meet, treat, serve, or interact with the homeless on a regular basis. The coordination will attempt to bring health, housing, social service, employment, education, and youth service providers together to discuss the important issue of homelessness, and while linking and pairing the services of those involved, develop a plan that addresses the need to prevent and reduce homelessness.

AP-75-Barriers to Affordable Housing

Analysis of Impediments to Affirmatively Furthering Fair Housing- 2018 Program Year

FAIR HOUSING ISSUES and CONTRIBUTING FACTORS ADDRESSED	GOAL	MILESTONES	RESPONSIBLE ENTITY
<p>Higher housing needs of Hispanic, Native American, disabled and elderly households</p>	<p>A. Support residents with disproportionate housing needs living in non-entitlement areas:</p> <ol style="list-style-type: none"> 1. Continue preferences for deeply subsidized rental housing. 2. Support tenant preferences that target priority housing needs populations as identified in the 5-Year Consolidated Plan. 3. Support partner efforts to develop a recurring source of state funding for the Idaho Housing Trust Fund, emphasizing the unique needs of non-entitlement communities. 4. Require affordable rental housing projects to be located in communities that are committed to Affirmatively Furthering Fair Housing Choice. 	<ol style="list-style-type: none"> 1. Complete 10 units of rental housing annually that target priority housing needs populations (disabled, elderly, ≤30% AMI. 2. Retain current preferences in LIHTC QAP for 2017 and 2018; evaluate effectiveness of income targeting during subsequent years based on applications received in 2017 and 2018. 3. Encourage efforts to provide state support for housing trust fund. 4. Three to five completed multifamily housing rental projects per year in communities that support affirmatively furthering fair housing. 	<p>IHFA</p>
<p>Disproportionately lower homeownership rates among Hispanic, Native American and African American households</p>	<p>B. Help qualified renters attain homeownership: Support credit counseling and homeownership readiness through affirmative marketing.</p>	<ol style="list-style-type: none"> 1. Continue Finally Home! Homebuyer Education classes in Moscow, Sandpoint, Coeur d Alene, Idaho Falls, Twin Falls, Nampa, and Boise, and online to reach 5,000 or more potential homebuyers. Continue bilingual outreach, training, and customer service efforts. 	<p>IHFA</p>
<p>Landlord lack of fair housing awareness resulting in fair housing complaints and higher use of publicly subsidized housing by minority residents</p>	<p>C. Increase fair housing knowledge:</p> <ol style="list-style-type: none"> 1. Continue current fair housing capacity building and educational outreach activities, particularly among property owners and persons with disabilities. 2. Continue to provide information about and support expansion of state fair housing protections to include 	<ol style="list-style-type: none"> 1. With Idaho Fair Housing Forum partners, support 2 to 10 fair housing training events annually with landlord groups 2. Support efforts to add familial status to state protections as requested. 	<p>IHFA -1,2,4 Commerce -3</p>

	<p>familial status.</p> <p>3. Upon request from HUD or the State of Idaho, continue to award preferences points to CDBG applicants with fair housing protections that include familial status.</p> <p>4. Require affordable rental housing projects to be located in communities that are committed to Affirmatively Furthering Fair Housing Choice or have adopted a Fair Housing Plan (CDBG non-entitlement areas).</p>	<p>3. During program years 2017-2020, Commerce will continue to award preference points to CDBG applicants that include fair housing protections for familial status.</p> <p>4. HOME and HTF written agreements specify Federal fair housing and nondiscrimination laws, including familial status as a protected class in accordance with Title VIII of the Civil Rights Act of 1968.</p>	
<p>Housing in rural areas developed without handicapped visitable/accessible features due to limited development in rural areas and when housing was developed. Local policies that limit group homes</p>	<p>D. Increase accessible, affordable housing options:</p> <p>1. Continue with HOME, HTF, and LIHTC application preference points for rental housing that benefits elderly, ≤30% AMI households, and persons with disabilities.</p> <p>2. Explore ways to incent Visitable housing.</p> <p>3. Explore peer states' efforts to create assisted living-like community supported environments in rural communities.</p> <p>4. Continue educational efforts to inform local jurisdictions of best practices and legal risks associated with land use and zoning laws, including requiring conditional use permits for group homes.</p> <p>5. Encourage use and completion of Transition Plans and prioritize CDBG to making identified needed accessibility improvements.</p> <p>6. Explore creation of a more coordinated and comprehensive effort to address the access needs of persons with disabilities.</p>	<p>1. Retain current preferences in QAP and Administrative Plan.</p> <p>2. Provide funding preferences for Handicap Visitability in single-family rental housing activities.</p> <p>3. Encourage regional partners to use Avenues for Hope and other private funding options to create accessible home modification in rural communities.</p> <p>4. Coordinate annual training on best practices in land use and zoning, focusing on group homes.</p> <p>5. Five percent of all new multifamily rental housing will be wheelchair accessible; two percent will accommodate persons living with sensory impairments.</p> <p>6 a. Continue to market ADA improvements as eligible activities for CDBG - Complete 15 projects that improve ADA accessibility during 2017-2021 assuming national objectives are being met.</p> <p>b. Ensure all CDBG grantees (cities and counties) have updated their ADA Transition Plans prior to project closeout.</p> <p>c. Increase CDBG application priority ranking points, for projects that focus on the removal of architectural barriers or improve ADA accessibility.</p>	<p>IHFA 1,2,3,4,5</p> <p>Commerce-6</p>

<p>Gaps in educational achievement for students with disabilities; African American, Native American and Hispanic students; LEP students; and students in transition and at-risk and economically disadvantaged students</p>	<p>E. Help address education proficiency gaps:</p> <ol style="list-style-type: none"> 1. Consider Utah's best practice of adding preferences for LIHTC location in areas with high proficiency schools* 2. Engage with state and local institutions and support efforts to narrow gaps. 	<ol style="list-style-type: none"> 1. Explore effectiveness of Utah's LIHTC program in 2019 and 2020 (after it has been utilized for three years) 	<p>IHFA-1</p>
<p>Low wages in economically disadvantaged rural areas due to limited economic growth and growth in low wage industries (e.g., service jobs)</p>	<p>F. Increase employment in economically disadvantaged communities:</p> <ol style="list-style-type: none"> 1. Continue to allocate CDBG to job creation activities in rural communities. 	<ol style="list-style-type: none"> 1. Use CDBG funds to leverage the creation of 30 moderate to high paying jobs created or retained annually, years 2017 through 2020 	<p>Commerce</p>
<p>Inaccessible (pre-ADA) public buildings, commercial establishments, and infrastructure. Lack of funding for—and high cost of—accessibility improvements to streets, sidewalks, and other public infrastructure.</p>	<p>G. Dedicate additional federal support to increase employment and accessibility in non-entitlement areas:</p> <ol style="list-style-type: none"> 1. Support federal efforts to expand infrastructure redevelopment in rural areas and ensure that these include creating environments that are more accessible. 	<ol style="list-style-type: none"> 1. Activities to be determined in future action plans depending upon federal activities to improve infrastructure. 2. Promote community accessibility practices to increase awareness of access and opportunity. 	<p>Commerce-1 IHFA-2</p>
<p>Insufficient transportation services to support independent, integrated community living for seniors and persons with disabilities. Lack of public transportation in rural areas.</p>	<p>H. Dedicate additional federal support to increasing employment and accessibility in non-entitlement areas—contingent on participation of Idaho Transportation Department and Federal Highway Administration):</p> <ol style="list-style-type: none"> 1. Encourage local government grantee's ability to play a role in transportation planning at the state and regional levels. 2. Through AAAs, roundtable discussions, public-private partnerships, explore the demand to expand and create formal rideshare programs in rural communities with need. 	<ol style="list-style-type: none"> 1. Ensure CDBG grantees (cities and counties) located in resort communities or college towns have completed the transportation component of their comprehensive plan (as per Idaho's Local Land Use Planning Act). At a minimum, the transportation component should assess bicycle and pedestrian circulation and the existing (or feasibility of) public transportation - bus or van. Further, the city or county should address the transportation factors that are contributing to limiting opportunities for its residents in their fair housing assessment. 2. Convey the importance of transportation alternatives in integrated community living to the Idaho Transportation Department's Public Transportation Interagency Working Group. 	<p>Commerce-1 IHFA-2</p>

<p>Challenges housing persons with criminal backgrounds who cannot qualify for publicly supported housing and for whom private sector may be reluctant to provide housing.</p>	<p>I. Explore programs to provide housing options for persons with criminal backgrounds, particularly those who are disproportionately represented by certain protected classes:</p> <ol style="list-style-type: none"> 1. Explore best practices (e.g., Sponsors, Inc. in Oregon) to assist men and women in corrections re-integrating into communities. 2. Educate PHAs and other housing partners statewide on appropriate language on criminal backgrounds in rental agreements. 	<p>1. Publish annual updates and information in Cornerstones and Rent Sense newsletters; include best practice information in correspondence to affordable housing providers.</p>	<p>IHFA</p>
	<p>*Utah uses a "high opportunity" areas indicator Note: Goals and Strategies focus on non-entitlement areas, which are covered by this AI.</p>		

AP-85- Other Actions

Actions planned to foster and maintain affordable Housing

- 1) IHFA will conduct rental housing compliance monitoring and on-site inspections as required at §92.504 and §93.404. This will include tenant files and other documentation to help determine the property remains in compliance with specific program rent limits, income limits, and lease requirements. Rental projects will also be monitored for compliance with applicable federal, state, and local laws and regulations, i.e. lead-based paint disclosures, affirmative marketing plans, language access plans, fair housing, and Section 504, and LEP. IHFA will conduct annual financial risk assessment on HOME and HTF-assisted multifamily rental properties with 10 or more HOME and/or HTF assisted units, and additional financial oversight as required by HUD. IHFA will take appropriate action(s) when necessary to bring an assisted project back into compliance as described in the project's written agreement with the owner.
- 2) Twenty percent of the annual per capita tax credit will be set-aside for the rehabilitation of existing federally assisted rent-restricted developments and/or for the new construction of developments financed or guaranteed by USDA Rural Development. For rehabilitation developments the scope of the rehabilitation must meet the per unit hard cost requirements identified in Section 4.17 of the LIHTC QAP. The set-aside will be available on a statewide basis during the August Application Round, if sufficient applications are received. Otherwise, it will be available for all other qualified non-targeted applications.
- 3) HTF project applications will receive additional scoring points if the proposed project currently has project-based rental assistance or other mechanisms in place to help ensure long-term affordability. In addition, HTF project applications receive additional scoring points if the HTF POA matches the LIHTC POA (40 years).
- 4) The Idaho Balance of State Continuum of Care was awarded a planning grant during the 2015 and 2016 program-funding competitions. The non-renewable planning grant is intended to aid COCs in expanding current activities and establish governing structures and systems, which ensure proper oversight and coordination of HUD-funded homeless programs. The activities identified by the BOS COC are coordination activities, project evaluation, participation in the consolidated plan, COC application activities, and developing a COC system. Several of these activities will include efforts that will enhance coordination between public and private housing and service agencies, including IHFA's H2 (Housing and Healthcare) Initiative, currently under development with HUD-funded technical assistance. The COC will make itself more visible in regional planning and advocacy bodies to ensure all agencies and individuals connected to homelessness issues is familiar with resources available. This will promote and foster relationships between housing and service providers. The 2015 grant was used for similar activities during the 2016-17 year, and those activities will continue into the 2017-18 year. ESG and HOPWA providers will be included in the COC's efforts.
- 5) The BOS COC is working with a HUD contractor to identify points of entry, which may increase the Continuum's ability to redirect individuals and families away from becoming homeless. The effort will include a collaboration of state agencies, homeless network providers, both continuums of care in Idaho, and all others who may meet, treat, serve, or interact with the homeless on a regular basis. The coordination will attempt to bring health, housing, social service, employment, education, and youth service providers together to discuss the important issue of homelessness, and, while making linkages between the services represented, develop a plan that addresses the need to prevent and reduce homelessness. IHFA and the BOS COC are

also in the process of implementing Coordinated Entry throughout the COC, which includes partners from other state agencies, funded and non-funded homeless service providers, and private agencies and funders.

AP-90 – Program Specific Requirements

HOME Program

This document will be submitted to HUD-CPD to amend the HOME Program’s 2018 Annual Action Plan. The purpose of the amendment is to add the HOME program’s Resale Provision as an eligible use of HOME funds.

IHFA intends to use the Resale Provision when a nonprofit rehabilitates or constructs a homebuyer unit located on land held in trust for at least 50 years.

Eligible homebuyer activities under IHFA's HOME Program

Home Activity- Single-Family Housing	Regulatory Provision
• Down payment/closing cost assistance	Recapture
• Acquisition and new construction/ rehabilitation	Recapture
• New construction/rehabilitation of single-family housing on land held in trust	Resale

HOME Period of Affordability

IHFA does not exceed the regulatory minimum.

Home Investment Per Unit	Period Of Affordability
Under \$15,000	5 years
\$15,000-\$40,000	10 years
Over \$40,000	15 years

General Homebuyer Requirements

IHFA provides HOME funds to eligible low- income homebuyers as a 0% interest, due-on-sale or default loan. Annually, IHFA reviews market conditions and determines a maximum amount of assistance. IHFA defines Fair Market Value as the negotiated sales price between a willing buyer and willing seller. IHFA does not allow the use of HOME funds to help purchase a unit with a negotiated sales price that exceeds the first lender’s appraised value of the unit.

At the time funds are committed, a household income must be at or below 80% AMI as defined at 24 CFR 5.609.

Prior to approval, each homebuyer is required to acknowledge there will be primary occupancy requirement during the HOME period of affordability. Then at loan closing, the homebuyer will sign a HOME Occupancy Certification, which explains IHFA's annual occupancy monitoring, the primary residence requirement, and potential corrective actions IHFA could take if the homebuyer no longer occupies the unit as their primary residence and refuses to return.

During the period of affordability, IHFA will grant an **exemption to the HOME primary residency requirement for two reasons**. Active military deployment or transfer involving the homebuyer/spouse, and full-time post-secondary education by homebuyer. Both exemptions are temporary and require a written plan to return to the unit by a certain date. A detailed description of how to request an exemption are included in the homebuyer's Note.

An assisted unit must be sold to an income-eligible homebuyer within nine (9) months of completion (construction/ rehabilitation) or the funds must be repaid to IHFA and the activity cancelled in IDIS, or the unit is converted to a permanent rental-housing unit with all HOME requirements.

IHFA follows the HOME program's **Recapture Provisions** when a homeowner will hold title to the land and the unit. Under Recapture, the primary residency requirement is enforced during the period of affordability through a Deed of Trust with the homebuyer. The period of affordability is determined by the amount of direct subsidy provided to the homebuyer. The period of affordability and primary residency requirements do not exceed the HOME Program's regulatory minimum. Under Recapture, the homeowner is allowed to sell the unit to any willing buyer for whatever the market will bear. IHFA may allow a subsequent homebuyer to assume the HOME assistance (subject to IHFA approval). However, no additional HOME assistance is provided to the subsequent homebuyer. When the HOME loan is not assumed by a subsequent low-income homebuyer, IHFA will attempt to recapture the entire HOME loan amount from the Net Proceeds of the sale. Net Proceeds is defined as the sales price minus superior loans and homeowner's closing costs. IHFA will not attempt to capture more than the HOME subsidy amount documented in the Deed of Trust Note only as available from the Net Proceeds of the sale. Any excess Net Proceeds belong to the HOME-assisted homeowner. HOME restrictions terminate when title is transferred.

IHFA follows the HOME program's **Resale Provisions** when a homeowner holds title to the HOME-assisted unit, but the land is held in trust for at least 50 years. The HOME program's primary residency requirements during the period of affordability are enforced through a MORC with the homeowner, as well as a Memorandum of Restrictive Covenants and Deed of Trust with the land trust. The period of affordability is based on the total amount of HOME funds expended on the unit, which includes rehabilitation/construction costs, developer fee, and IHFA's project costs. The HOME period of affordability and the primary residency requirement do not exceed the regulatory minimum. HOME funds are not be used to purchase the land on which the unit sits.

Resale Provisions

The HOME period of affordability is determined by the total amount of HOME funds expended on the activity not to exceed the HOME regulatory minimum.

The Resale Option is used whenever the land on which a HOME-assisted unit is located is held in trust for a minimum of 50 years.

There is no presumption of affordability as defined at 24 CFR 92.254(a)(5)(i)(B).

The HOME program's Resale Provisions are enforced through restrictive covenants and deed restrictions with both the homeowner and the land trust.

IHFA's Note and Deed of Trust with the land trust will require that, during the period of affordability, all homebuyers (household income) must be $\leq 80\%$ AMI at the time the purchase contract is signed, and the sales price include a price reduction equal to the HOME development subsidy and the estimated value of the land. To ensure all homebuyers during the period of affordability are $\leq 80\%$ AMI, IHFA will require the land trust to submit a *income verification and certification form* for review prior to transfer of title.

Land trust will use a long-term ground lease, restrictive covenants and deed restrictions with the homeowners to enforce the HOME income limit, primary occupancy and sales price restrictions; and include the corrective actions the land trust will take if the homeowner violates the restrictions. These legal instruments may include additional restrictions, including the land trust's use of a purchase option, right of first refusal, and other legal means to intervene and preserve the affordability of an assisted unit.

During the period of affordability, the land trust will repay the HOME development subsidy if:

- Unit is rented or leased, or otherwise vacated, and the owner and has not received an IHFA-approved Primary Residency Exemption (click here [Primary Residency Requirement](#)), and refuses to return to the unit and occupy it as a primary residence;
- Title is transferred to a homebuyer who is not low-income ($\leq 80\%$ AMI);
- Foreclosure, transfer in lieu of foreclosure, or assignment of an FHA insured mortgage to HUD

After the period of affordability, the land trust will repay the HOME development subsidy when the land on which the assisted unit is located is taken out of the land trust, and/or title to the land is transferred, and/or the unit is no longer held in an affordable housing trust; and/or the unit is sold as a market rate unit.

Definitions

Capital Improvements

- (a) A major structure or system when (1) the cost of the improvement exceeds \$3000, and (2) is completed within 5 years of the sale, and (3) the unit is sold to a qualified low-income homebuyer.
 - i. Major structure improvement is defined as an addition of a bedroom, bathroom, or additional square footage, as approved by the land trust.

- ii. Major system improvement is defined as a new or replaced system, i.e. roof, shingles, HVAC, electrical, energy efficient windows, doors, and insulation, as approved by the land trust.
- (b) The cost must be directly incurred by a homeowner with no other reimbursement opportunity, such as insurance, gift, etc.
- (c) A receipt or other third-party proof of expenditure is required, i.e. cancelled check, credit card statement. All work must be properly permitted as required, with workmanship provided by a professional contractor experienced in the area of work. Workmanship and materials must be in compliance with current Idaho Residential code. The land trust or its designated representative must approve and inspect the workmanship, materials, and the finished product.
- i. If the homeowner is a professional contractor and has experience directly related to the type of work to be performed (i.e. can document direct experience installing the major system or structure in question), and performs the work him/herself, and all other conditions are satisfied, than the cost of materials can be included in the Capital Improvement calculation.
- (d) General repairs, updates and other improvements are not defined as a capital improvement

Development Subsidy

Up to \$40,000/unit will be provided to the land trust as a development subsidy at the initial sale of the unit to a low-income homebuyer. This subsidy will remain with the unit as long as the unit is owned by a low-income homeowner during the period of affordability. After the period of affordability end, the subsidy will remain with the unit as long as the land remains in the affordable housing land trust.

HOME Subsidy During Period Of Affordability

- No additional HOME subsidy provided to the land trust for the assisted unit
- No direct HOME subsidy provided to any homebuyer for the assisted unit

Deed of Trust and Restrictive Covenants

During the period of affordability, IHFA will enforce the primary residency requirement and the 80% AMI homebuyer requirement through a restrictive covenant with the homeowner and the land trust.

A deed of trust will be used to secure IHFA's right to recover the HOME development subsidy from the land trust in the event the land trust does not utilize a purchase option, right of first refusal, or other means to intervene and preserve the affordability of the unit. The deed of trust will remain in place after the period of affordability.

IHFA will allow the use of other notes and mortgages in addition to, but not in lieu of, the HOME covenants and deed restrictions.

Fair Return on Investment ("FRI")

When the assisted unit is subsequently sold to another low-income (80% AMI) homebuyer during the period of affordability, the seller is entitled to a fair return on their investment if available from the net proceeds of the sale.

Low-Income Seller's Investment Defined:

- 1) Seller's Equity (mortgage pay down amount); **plus**
- 2) 50% of Capital Improvement(s) when the cost of an individual improvement was completed within 5 years of the sale; **plus**
- 3) Up to a maximum of 1.5% CPI inflation rate (as determined by the Consumer Price Index) times (x) Seller's purchase price times (x) the number of years the seller owned the unit.

*Consumer Price Index*¹ Inflation Calculator at https://www.bls.gov/data/inflation_calculator.htm

Foreclosure, Transfer In Lieu Of Foreclosure, Or Assignment of an FHA Mortgage

As described at 92.254(a)(5)(i)(A), the HOME resale restrictions may be extinguished by a senior lender in the event of foreclosure, transfer in lieu of foreclosure, or the assignment of an FHA mortgage in order to clear title. The land trust shall use purchase option, right of first refusal, and other approved means to intervene and preserve the affordability of the unit.

Homebuyer Preference Populations

A homebuyer preference is allowed whenever the population is essential to the local community and does not violate Federal Fair Housing and Equal Opportunity laws, executive orders, or regulations. Examples of an essential population would be education, firefighter, law enforcement, and medical. A homebuyer preference is allowed only when identified in the land trust's HOME written agreement and the memorandum of restrictive covenant.

Initial Investment

Earnest money and down-payment/closing costs paid directly by Seller when they purchased the HOME-assisted unit.

HOME Income Limit

At the time an application is received, homebuyer household income must be at or below 80% AMI as defined at 24 CFR 5.609. IHFA annually publishes an asset limitation, maximum PITI and other requirements, which are reviewed along with the monthly budget prior to approval. Current limits and requirements are available on the IHFA website in the Annual Administrative Plan, found at <https://www.idahohousing.com/federal-programs/home-program/>

¹ A consumer price index (CPI) measures changes in the price level of a market basket of consumer goods and services purchased by households. The CPI is a statistical estimate constructed using the prices of a sample of representative items whose prices are collected periodically.

Reasonable Range Of Low-Income Homebuyers

An assisted unit to remain affordable to a reasonable range of low-income homebuyers during the period of affordability, which is typically defined as 50%-80% AMI. In some cases, IHFA may allow a lower AMI if additional subsidy is by another private or public source, and the homebuyer has good credit and a stable work history.

Maximum PITI (Principal, Interest, Taxes, Insurance)

During the period of affordability, the typical PITI is 35% of household's gross monthly income. However, under certain circumstances, IHFA may allow a higher PITI when the homebuyer has good-exceptional credit/history, a stable work history, approval from an IHFA-approved lender and the land trust.

Net Proceeds

The amount remaining after repayment of all senior lien(s) and seller's closing costs.

Primary Residency Requirement

During the period of affordability, the homeowner/household is required to reside in the assisted unit as a primary residence. IHFA currently allows two temporary exemptions from the HOME primary residence requirement: (1) Active military deployment or transfer (homeowner and/or spouse), and (2) Full-time post-secondary education. The homeowner must submit a plan in writing that includes a date the homeowner intends to return and reside in the unit as a primary residence, and other supporting documentation such as class schedule, or proof of deployment. Without written approval from IHFA and the land trust, the homeowner is out of compliance and must return to the unit or the title must be transferred to the land trust or another HOME-eligible homebuyer.

Sales Price Determination During The HOME Period Of Affordability

The following procedure will be used to determine the maximum sales price during the HOME Period of Affordability:

Initial Sale

Step #1 Determine the estimated value of property (land and unit combined) use one of two approved methods:

- Comparative Market Analysis or Broker's Price Opinion completed by a licensed real estate professional who is familiar with the local neighborhood market conditions
- Appraisal

Step #2 Deduct the following from the estimated value of the property

- Estimated value of the land
- IHFA Development Subsidy

Step #3 The negotiated sales price of the unit between the willing buyer and willing seller is the Fair Market Value.

Subsequent Sale(s)

- Step #1 Determine estimated value of the property (land and unit combined) using the lesser of
- HOME Homeownership Value Limits (maximum sales price limit for an existing unit) in effect at the time of sale (ratified contract);
 - Appraisal

If appraised value of the property is less than the HOME Homeownership Value Limit, then appraised value is the estimated value.

Step #2: Deduct the following from the estimated value of the property

- Estimated value of the land only
- IHFA Development Subsidy

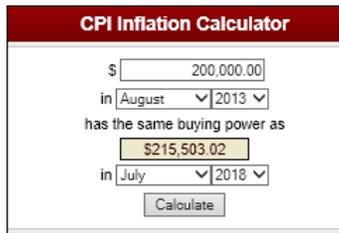
Examples of Resale Calculation- Subsequent Sale(s)

Initial Sale	1 st Qtr 2013
Estimated Value- \$200,000 -Value of Land- \$45,000 -IHFA Subsidy- \$40,000 Initial Sales Price	\$115,000
Subsequent Sale	2 nd Qtr 2018
Seller's Equity (mortgage paid down)	\$15,000
Senior Lien payoff	\$110,000
Capital Improvements (50% within 5 yrs)	\$2,500
Seller's Closing Costs	\$8,000
Maximum 1.5% CPI (x) Initial Sales Price	\$8,625

Subsequent Sales Price Calculation (Examples)							
No.	Appreciating Housing Market 2 nd Qtr 2018			No.	Depreciating Housing Market 2 nd Qtr 2018		
	Estimated Value Of Property- \$225,000				Estimated Value Of Property- \$190,000		
	Less Value of Land- \$45,000				Less Value of Land- \$20,000		
	Less IHFA Subsidy- \$40,000				Less IHFA Subsidy- \$40,000		
	Estimated Value of UNIT	\$140,000			Estimated Value of UNIT	\$130,000	
1	Less Senior Lien Repayment- \$110,000			1	Less Senior Lien Repayment- \$110,000		
	Less Seller's Closing Costs- \$8,000	-\$118,000			Less Seller's Closing Costs- \$8,000	-\$118,000	
	Net Proceeds	\$22,000			Net Proceeds	\$12,000	
	Owner's Investment				Owner's Investment		
2	1 st - Seller's Equity- \$15,000			2	1 st - Seller's Equity- \$15,000		
	2 nd - Capital Improvements- \$2,500				2 nd - Capital Improvements- \$2,500		
	3 rd - CPI 1.5% inflation rate- \$8,625	\$26,125			3 rd - CPI 1.5% inflation rate- \$8,625	\$26,125	
	Owner's Fair return on Investment if available from Net Proceeds	\$22,000			Owner's Fair return on Investment if available from Net Proceeds	\$12,000	
	Maximum Sales Price to next Low-income Buyer (cannot exceed the total of No. 1+2 above)	\$144,125			Maximum Sales Price to new Low-Income Buyer (cannot exceed total of No. 1 + 2 above)	\$144,125	

Consumer Price Index inflation calculator

https://www.bls.gov/data/inflation_calculator.htm



CPI Inflation Calculator

\$

in

has the same buying power as

in

ESG

Idaho Homelessness Coordinating Committee Written Standards

<https://www.idahohousing.com/documents/written-standards-march-2017.pdf>