

# 2025 TN HOUSING TRUST FUND

## CAPACITY BUILDING PROGRAM GRANTEE WORKSHOP

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NOVEMBER 13, 2024

## 2025 CAPACITY BUILDING PROGRAM

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- 27 Applications Received
- 9 Grants Awarded
- \$7.2 Million Requested
- \$1.5 Million Awarded

**Grant Purpose** – Assist non-profit affordable housing development organizations in increasing or improving program delivery or program management space and/or agency capacity in terms of strategic or succession management planning in order to undertake more housing development and other directly related activities.

# 2025 CAPACITY BUILDING PROGRAM

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## **2025 Grant Round Activities:**

- Rehabilitation and acquisition of office space
- IT System Expansion
- Development of strategic & succession management plans

# WORKSHOP OVERVIEW

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- Grant Contracts
- Non-discrimination & Conflict of Interest
- Procurement
- Construction Standards & Inspections
- Program Forms
- Submission of Draw Requests

# GRANT CONTRACTS

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## **Facility and Management Capacity Contracts:**

### **Main Body of Contract**

- Grant term, grant amount, terms and conditions

### **Attachment A**

- The activities described in the approved grant application

### **Attachment B**

- Project Budget showing line-item funding from all sources

# CONTRACT TERMS

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**Facility Capacity:** December 1, 2024 to November 30, 2026

**Management Capacity:** December 1, 2024 to May 31, 2026

# CBP GRANT CONTRACTS

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## Contract Requirements

- Executed contracts must be returned within 30 days of issue.
- Start-up Forms must be returned within 30 days. Due Date: 12/13/2024.
- Six Month Progress Reports due by June 30<sup>th</sup> and December 31<sup>st</sup> of each year until project completion.
- Final Close Out Report due upon project completion.

# CBP GRANT CONTRACTS

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## Contract Requirements

- Clearly display public accountability sign in passageway through which the public enters.
- Upon project completion for new construction or rehabilitation projects provide:
  - Copy of a Recorded Notice of Completion
  - Certification that no liens have been placed against the property
  - Use and Occupancy Letter or Certificate



# NON-DISCRIMINATION

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- No person can be excluded from participation in, be denied benefits of or be subjected to discrimination in the performance of the grant contract or in Grantee employment practices on the basis of disability, age, race, color, religion, sex, national origin, familial status.

# CONFLICT OF INTEREST

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- An employee or official of the State of Tennessee and no Covered Person identified below may obtain a financial interest or benefit from a TN Housing Trust Fund CBP assisted activity.
- Covered Persons include immediate family members of any employee or board member of the Grantee.
- Immediate family members include the spouse, parent (step-parent), child (step-child), grandparent, grandchild, sister or brother (step-sister or step-brother), and in-laws of any Covered Person.

# CONFLICT OF INTEREST

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- Grantees must make every effort to avoid the appearance of favoritism in the eligibility determination process.
- If the appearance of a conflict of interest or the appearance of favoritism exists, the Grantee must contact THDA.
- Conflict of interest provisions also apply to any employee, agent, consultant, officer, elected official, or appointed official of THDA.

# PROCUREMENT

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**The contract with THDA requires that Grantees procure for goods, materials, services and equipment through a competitive process**

- Grantees must follow their own procurement policies.
- Minimally, there needs to be an established contractor selection procedure.
- There must be a written rationale for the selection of the successful bid or proposal.
- Every effort must be made to obtain at least 3 bids, with purchase from most qualified responsive bidder presenting the lowest cost.

# ELIGIBLE ACTIVITIES

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## **Facility Capacity**

- New construction, acquisition, rehab of office or program delivery space
- IT improvement or expansion

## **Management Capacity**

- Development of Strategic or Succession Management Plan

# CONSTRUCTION STANDARDS

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- All completed work must meet local codes.
- Upon completion, Certificate of Occupancy from local codes office is required.
- If no Certificate of Occupancy is issued, final inspection documentation from a 3<sup>rd</sup> party qualified inspector is required.

# INSPECTIONS

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- All new construction and rehabilitation work performed as part of a TN Housing Trust Fund CBP project must be inspected by a state certified inspector, as applicable.
- State certified inspectors are licensed by the State Fire Marshal's Office of the TN Dept. of Commerce and Insurance in the field of expertise to be inspected – i.e. – building, plumbing, mechanical, electrical.
- THDA may conduct final construction reviews upon project completion.

# QUALIFIED INSPECTORS

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**Qualified inspectors** include individuals with credentials appropriate for the type of work being performed.

Inspectors **must** have credentials to support expertise in the type of work being inspected.

Qualified Inspectors may include:

- Inspectors licensed by the State of Tennessee as Building Inspectors or Home Inspectors.
- Individuals certified by a national organization such as the International Code Council, the National Fire Protection Association, or the Standard Building Code Congress as a Housing Inspector.



# QUALIFIED INSPECTORS

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- Other qualifications may be accepted on a case by case basis and require THDA approval before the inspector may begin conducting inspections.

# INSPECTIONS – Third Party

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- If the Grantee obtains a third party inspector, the cost of the inspection is an eligible soft cost for the project.
- The grant will pay up to \$350 as a soft cost per inspection if a third party inspector is needed.

# PROGRAM FORMS – Start Up Forms

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All Start Up Forms must be returned within 30 days. Due Date: 12/13/24.

- **FORM 1** - Authorized Signature Form
- **FORM 2** - Authorization for Automatic Deposit (ACH), with Voided Check
- **W-9 FORM**
- **Contract** (due date within 30 days of issue)
- **Recorded Warranty Deed** (as applicable)
- **Insurance Certificate** ( as applicable, see Attachment A of contract for insurance requirements)

# PROGRAM FORMS – Draw Request Forms

Form Name	Description
Form 5 – Request For Payment	Indicates activity being reimbursed & grant amount requested.
Form 6 – Interim Draw Form	Use when multiple interim draws are requested & AIA Payment Application Forms from the contractor are not used.
Form 8 – Cost Certification for Materials and Labor	Used to list invoices, receipts, or other back-up documents submitted in support of a draw request. Use w Form 6. Do not use w AIA Forms.
Draw Request Progress Report Form	Indicates grant amount expended & requested, grant balance, % of completion, anticipated completion date.
Six Month Progress Report Form	Describes grant progress every 6 months.
Close Out Form	Summary of grant activity completed.

# SUBMISSION OF PAY REQUESTS

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- All Start-up forms must be submitted **before** Capacity Building Program funds may be drawn down.
- All Requests for payment must be submitted through the **Web Transfer Client System** also known as the **EDT System**.
- Requests for payment **should not** be sent via email.
- All grantees will be set-up with user names and passwords for EDT submissions.
- Contact assigned THDA Grant Coordinator for set-up and access to the EDT System.

# SUBMISSION OF PAY REQUESTS

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- Grantees must log in every 30 days or system lock out will occur and the password will need to be reset.
- Notify Grant Coordinator via email when a draw request has been uploaded to EDT.
- Grantees are encouraged to submit draw requests as construction or rehab progresses.
- Grantees are encouraged to **not** wait until construction completion to submit draw requests.

# ACQUISITION

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Draw requests for THTF funds to be used toward acquisition of property must include:

- Preliminary settlement statement for purchase.
- Form 5 Request for Payment form **with two signatures.**
- Sales contract for acquisition.
- Appraisal to support acquisition cost.
- Recorded Warranty Deed if closing has already occurred.

# ACQUISITION

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- Name and contact information for the Closing Agent.
- Closing Date & Wiring Instructions for the Closing Agent.
- **Post Closing** - Copy of final fully executed settlement statement, recorded warranty deed, and Insurance Certificate for the property.
- Close Out Form upon project completion.



# REHABILITATION OR NEW CONSTRUCTION

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## **Prior to first draw for rehabilitation or new construction projects submit:**

- Procurement Policy
- Contractor Bid Tabulations

## **Along with first draw submit:**

- Construction or Rehabilitation Contract or memo if Grantee is serving as its own General Contractor.
- Project Budget showing sources & uses of funds. Submit updates if changes occur.

# REHABILITATION OR NEW CONSTRUCTION

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- Project Timeline. (submit w first draw and submit updates if changes occur).
- Form 5 Request for Payment Form *with two signatures*
- AIA Payment Application Form - **or** - Form 6 Interim Draw Form
- If not using AIA Forms, submit Form 6 Interim Draw Form along with contractor invoices/receipts that include dates and description of work completed.

# REHABILITATION OR NEW CONSTRUCTION

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- Contractor invoices are not required if using AIA Payment Application Forms.
- Contractor invoices/receipts **are** required if using Interim Draw Form.
- Form 8, Cost Certification Form and invoices/receipts are required if grantee is serving as its own general contractor.
- Brief Progress Report Forms due with each draw request.

# REHABILITATION OR NEW CONSTRUCTION

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- Upon grant completion submit:
  - Certificate of Occupancy or other inspection reports/documentation (as applicable)
  - Recorded Notice of Completion
  - Close Out Form

# REHABILITATION OR NEW CONSTRUCTION

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- Certificate of Occupancy must be submitted with final draw.
- Recorded Notice of Completion – (*recorded by County Register of Deeds*) must be filed at **least 30 days prior** to final draw.
- Close Out Form. Submit with final draw upon completion of all THTF CBP assisted activities.

# IT SYSTEM EXPANSION/IMPROVEMENT

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- Form 5 Request for Payment Form *with two signatures.*
- Project Timeline. (submit w first draw and submit updates if changes occur).
- Contracts or work agreements for goods and services to be delivered (submit with first draw request).
- Invoices, receipts, copy of form of payment.
- Form 8, Cost Certification Form to document invoices/receipts being submitted.
- Brief Progress Report Forms due with each draw request.
- Close Out Form upon project completion.

# STRATEGIC/SUCCESSION MANAGEMENT PLAN

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- Form 5 Request for Payment Form *with two signatures.*
- Project Timeline. Submit updates if changes occur.
- Contract or work agreement with management consultant for services to be delivered.
- Final invoice from management consultant.
- Copy of final strategic/succession management plan.
- Copy of board resolution adopting final strategic/succession management plan.
- Close Out Form upon project completion.

# CHECKLISTS

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**Refer to the following checklists to assist with the submission of documents needed for grant reimbursement**

- Start –up Forms
- Acquisition
- Rehabilitation – New Construction
- IT Expansion/Improvement
- Strategic/Succession Management Plan



# GRANTEE ASSIGNMENTS

<b>Kenyell Chalmers</b>	<b>Nekishia Potter</b>
Knox Housing Partnership, dba HomeSource east tn	Community Housing Partnership
Waypoint Housing Insights, Inc.	United Housing
Crossbridge, Inc.	Keystone Development, Inc.
The Housing Foundation of West Tennessee, dba Intunity	The Restoration House of East TN
Greater Kingsport Alliance For Development	

# CONTACT INFORMATION:

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# QUESTIONS

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