

2025 TN HOUSING TRUST FUND

COMPETITIVE GRANTS GRANTEE WORKSHOP

Community Housing Division

May 22, 2025

2025 THTF COMPETITIVE GRANTS

- 13 Applications
- 6 Grants Awarded
- \$7.1 Million Requested
- \$3.5 Million Awarded

2025 THTF COMPETITIVE GRANTS

- Awards will produce 44 housing units, benefitting 50 households.
- Populations served: Low, very low, & extremely low income households, individuals with a history of severe mental illness with co-occurring substance use disorders, and persons with intellectual and developmental disabilities.

RESERVATION OF FUNDS & CONTRACTS

Reservation of funds will conditionally reserve grant award amount with a term of three years.

Grant term: July 1, 2025 – June 30, 2028.

RESERVATION OF FUNDS & CONTRACTS

Reservation is conditional pending submittal of:

- Final development budget with documentation of all committed development sources.
- Program or occupancy agreement if being used in lieu of standard lease with special needs or specialized populations.
- Note – Bank commitment letters submitted as documentation of development sources must be dated within 6 months of submission.
- Requirements must be satisfied within 9 months of effective date of letter.

THDA will issue a Reservation of Funds letter that is to be returned within 30 days of the effective date of the letter.

RESERVATION OF FUNDS & CONTRACTS

- Grant funds must be committed within 24 months of effective date of reservation letter, or the funds may be considered forfeited.
- Grant term is 3 years. Contract term will begin when the contract is executed.
- Grant funds will be committed by THDA, and contract will be executed after receipt and approval of the required documents.

THTF GRANT CONTRACTS

Attachment A

- The activities described in the approved grant application.

Attachment B

- THTF Budget showing line item funding including matching funds.

THTF GRANT CONTRACTS

Contract Requirements – Review Contracts Carefully:

- Executed contracts and start up forms must be returned within 30 days of issue.
- Grant Records must be maintained for period of 5 years from final payment.
- Progress Reports due by June 30th and December 31st of each year until project completion.

(Progress Report Forms are on Competitive Grants page of the THDA Website)

THTF GRANT CONTRACTS

Contract Requirements – Review Contracts Carefully:

- Clearly display public accountability sign in passageway through which the public enters.
- Grantees must provide a Zoning Letter or other official documentation demonstrating that the property is properly zoned for the intended use.
- Upon project completion provide a copy of a Recorded Notice of Completion.

COMPETITIVE GRANTS MANUAL

Competitive Grants Program Manual is available on the Competitive Grants Administrators page of the [THDA website](#).

From [thda.org](#), Click on:

- Government & Nonprofit Partners
- Tennessee Housing Trust Fund
- Competitive Grant Administrators (right hand side of page)

MARKETING

It is a goal of the THTF to raise the profile of affordable housing across the State

- It is expected that successful applicants will work with the **Communications Division** of THDA to publicize the success of their THTF projects and to coordinate groundbreaking, ribbon cutting, and open house events.
- Grantees may be required to submit data and beneficiary stories to THDA.

The Fair Housing Act

Prohibits discrimination in the purchase, sale, rental & financing of dwellings; in housing-related transactions (public & private) because of **race, color, national origin, sex, disability, religion & familial status**.

- Sex protections include **sexual orientation & gender identity** by Executive Order.
- Sexual harassment in housing is a form of sex discrimination.
- Familial status covers households with children under the age of 18, pregnant persons & those in the process of securing legal custody.
- **Covers most housing*** (not just housing built/funded with Federal sources)

**Grantees are encouraged to seek guidance on FHA exemptions from an attorney or legal professional.*

For more information:

https://www.hud.gov/program_offices/fair_housing_equal_opp/fair_housing_act_overview

The Fair Housing Act

... also requires “covered multi-family buildings” designed and constructed for first occupancy after March 13, 1991 be accessible to and usable by people with disabilities (24 CFR 100.205(c)).

- Applies to “covered housing,” whether or not Federal assistance is involved
- Housing built with federal funding may have additional accessibility requirements (e.g. Section 504, ADA)

Covered multifamily dwellings are all dwelling units in buildings containing four or more units with one or more elevators, and all ground floor units in buildings containing four or more units, without an elevator. Multi-story townhouses are not covered unless the building has an elevator.

Fair Housing Obligations



- ✓ Ensure employees & the public are made aware that assistance, services & use of facilities are available to all persons on a non-discriminatory basis
 - Post a non-discrimination statement or assurance in visible locations, including websites (HUD grantees must use HUD's Equal Housing Opportunity Poster)
 - Ensure effective communication and equal access to persons with disabilities and persons with limited English proficiency
- ✓ Provide information on rights and remedies available under applicable federal, state, and local fair housing and civil rights laws
 - Ensure clients know the process to file a discrimination complaint or grievance (may include the process in the non-discrimination statement or assurance)
- ✓ Advertise in compliance with Fair Housing
- ✓ Carry out an affirmative marketing program to attract applicants or participants to housing programs, regardless of protected class, particularly those least likely to apply

Affirmative Marketing



1. **Develop written procedures** describing how you will affirmatively market to eligible persons, with particular consideration of those who are least likely to apply in the absence of special outreach, & ensure efforts do not intentionally or unintentionally exclude protected classes.

"Least likely to apply" means that there is an identifiable presence of a specific demographic group (i.e., race, color, national origin, religion, sex, disability, or familial status) in the service area, but members of that group are not likely to apply for the housing in the absence of special outreach efforts.

2. **Document-** maintain records of all marketing & outreach efforts & actions taken to affirmatively market the program, including copies of materials & advertisements.
 - HOME & THTF grantees with 5 or more units (for rent or for sale) must develop an Affirmative Fair Housing Marketing Plan.
3. **Documentation** - of written procedures and maintenance of records of all marketing & outreach efforts & actions taken to affirmatively market the rental housing program is very important. THDA will request to review these records.

Affirmative Marketing/ Outreach

Effective outreach **strategies** include:

- Developing partnerships or referral relationships with diverse community based organizations or non-profits (including faith-based & minority serving orgs.) to ensure all persons, regardless of protected class membership, receive information about available housing, shelter, services, etc.
 - Share information with organizations for their websites, social media pages, newsletters, worship service bulletins or other communications sent from the organizations to the community;
 - Post flyers, applications, or other visual materials in organization or service provider waiting rooms, community boards
- Using minority media sources where available
- Translating notices or advertisements in service areas with eligible LEP populations
- Advertising HOME & THTF vacant units on www.TNhousingsearch.org

*Advertising on TNHousing Search is required but should not be your only marketing or outreach strategy.

Affirmative Advertising

Conveys an easily understood message that all persons, particularly underserved populations, are welcome in a proposed or existing property or program.

Is placed in both traditional and minority media (where available)

Advertise in other languages (where there is a significant LEP population).

Includes the Equal Housing Opportunity logo or statement



HUD Guidance:

<https://www.hud.gov/sites/dfiles/FHEO/documents/BBE%20Part%20109%20Fair%20Housing%20Advertising.pdf>

CONFLICT OF INTEREST

- 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 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

- 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.

POLICIES AND PROCEDURES

Grantees must develop written policies and procedures to guide the day-to-day operation of the housing program.

Policies and Procedures must minimally include:

- Description of the goals of the program and program activities.
- Explanation of tenant eligibility requirements and selection procedures.

POLICIES AND PROCEDURES

- Explanation of the terms and conditions of THTF assistance.
- Explanation of rehabilitation or construction standards.
- Explanation of the procurement process.
- Procedures for resolving tenant grievances or complaints.

POLICIES AND PROCEDURES

- Sample policies and procedures are included in the Competitive Grants Manual.

Note: *Copy of Policies and Procedures must be submitted to THDA prior to drawing down grant funds*

PROJECT SOFT COSTS

- Project soft costs are limited to 10 % of the total grant amount.
- Eligible soft costs include but are not limited to costs associated with:
 - Work write ups
 - Inspections
 - Lead based paint inspections, assessments, clearance testing
 - Architectural & engineering fees

ELIGIBLE POPULATIONS

TN Housing Trust Funds must be used for rental housing activities serving:

- **Low Income** – Households with gross annual income **at or below 80%** of the area median.
- **Very Low Income** – Households with gross annual income **at or below 50%** of the area median.
- **Extremely Low Income** – Households with gross annual income **at or below 30%** of the area median.

ELIGIBLE POPULATIONS

As long as all program requirements are met, TN Housing Trust Funds may also serve special needs or specialized populations including but not limited to:

- Elderly
- Disabled
- Youth Transitioning Out of Foster Care
- Formerly Incarcerated
- Veterans and/or Homeless Veterans

INCOME ELIGIBILITY

- Program beneficiaries must complete a written application for assistance and submit proof of income to determine eligibility.
- Income Limits are available on the [Competitive Grants Administrators](#) page of the THDA website.

INCOME DETERMINATION

- THTF uses the Section 8 Rental Assistance Program definition of annual income.
- Annual income is the **anticipated GROSS** income to be received by all household members during the next 12 months.
- Income includes assets.
- See THTF Manual [Income Determination Section](#) for information on how to determine income.

TENANT INCOME REQUIREMENTS

Recertification

- Tenant income must be recertified on an annual basis throughout the compliance period.
- Tenants who no longer qualify as low income must pay 30% of the household's adjusted gross income as rent.

RENT LIMITS

THTF **maximum** rents are the High HOME rents as published annually by HUD

- Rent Limits are available online at www.thda.org. Click:

Government & Nonprofit Partners > TN Housing Trust Fund > Competitive Grants Administrators.
- Rents are controlled for the length of the compliance period.
- Utilities paid by tenants must be subtracted from the published HOME rents to determine the max allowable rent.
- The tenant portion of rent may not exceed 30 % of the tenant's gross monthly income.

RENT LIMITS – GROUP HOMES

The Rent limit for Group Homes is the HUD Fair Market Rent (FMR) limit for the total number of bedrooms in the group home.

- Bedrooms of live-in supportive service staff are not included in the calculation of total number of bedrooms.
- Each tenant pays a pro-rata share of the total rent.
- If tenants are paying utilities, the utility allowance must be subtracted from the FMR limit to determine the max combined rent that may be charged to all tenants.
- Rents may not include food or supportive services costs.

RENT LIMITS – GROUP HOMES

Services and fees for persons with disabilities must adhere to the following:

- Disability related services must be non-mandatory.
- Persons with disabilities must have the option to choose service providers.
- Leases must state whether fee-based services are optional or mandatory.
- Leases must identify the amount of additional fees separately from the basic rent for each tenant.

RENT LIMITS – GROUP HOMES

Group Home Rent Calculation Example:

The pro-rata share is calculated by dividing the FMR by the number of persons in the group home.

- Number of persons residing in the group home: 3
- Number of bedrooms: 4 (1 bedroom is occupied by a live-in service provider)
- Number of bedrooms used to establish rent: 3
- Fair Market Rent: \$990, Utility Allowance: \$90, Max Total Rent: \$900
 $\$900/3$ persons = \$300 (Max rent per person)
 $\$300/\$900 = .33$ or 33 % (each person's pro-rata share)

RENT LIMITS – SRO UNITS

Rents for Single Room Occupancy units are based on the HUD Fair Market Rents or the HUD High HOME rent depending on the type of unit as described below:

IF THE SRO HOUSING IS....	THEN...
A unit with neither food preparation nor sanitary facilities, or with one (food preparation or sanitary facilities)	The THTF rent may not exceed 75% of the HUD-published FMR limit for a 0-bedroom (efficiency) unit.
A unit with both food preparation and sanitary facilities	The THTF rent cannot exceed the HUD published High HOME rent limit for a 0-bedroom unit.
A unit that receives state or federal project-based rental assistance and is occupied by a very low income tenant	The THTF rent can be the applicable state or federal project-based rent, as long as the unit is occupied by a very low income tenant who does not pay more than 30% of the family's monthly adjusted income for rent.

RENT LIMITS – SRO UNITS

- If tenants are paying utilities, the utility allowance must be subtracted from the FMR or High HOME limit to determine the max allowable rent that may be charged.

Depending on unit configuration - max rent must be calculated as follows:

- 75 % of FMR for 0 Bed Unit (minus) Utility Allowance = Max Rent
- or -
- High HOME Rent for 0 Bed Unit (minus) Utility Allowance = Max Rent

LEASES

- Leases should be for one year, unless by mutual consent, the tenant and owner agree to a lesser term.
- Owner cannot refuse to renew the lease except for serious or repeated violations of the lease.
- Termination of a lease or refusal to renew a lease must be preceded by a 30-day written notice specifying the grounds for termination or refusal to renew.

LEVEL OF SUBSIDY

THE INVESTMENT OF COMPETITIVE GRANTS FUNDS MUST CONFORM TO THE FOLLOWING MINIMUM AND MAXIMUM STANDARDS PER UNIT:

- MINIMUM COMPETITIVE GRANTS FUNDS: \$1,000 PER UNIT
- MAXIMUM COMPETITIVE GRANTS FUNDS PER UNIT:
 - \$136,316 0-BEDROOM (EFFICIENCY) LIMIT
 - \$156,036 1-BEDROOM LIMIT
 - \$189,745 2-BEDROOM LIMIT
 - \$245,470 3-BEDROOM LIMIT
 - \$269,447 4-BEDROOM LIMIT

COMPLIANCE PERIOD

All grants will have a compliance period that begins on either:

- The date the units are first available for occupancy as determined by the date on the **certificate of occupancy** for the final building placed in service.
- The date of recordation of a **notice of completion**.
- The grant is forgiven at the end of the term if full compliance was achieved during the term.
- Compliance period is secured by a Grant Note, Deed of Trust and Restrictive Covenants.

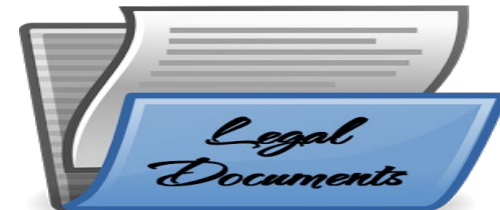
COMPLIANCE PERIOD

The length of the compliance period is based on the amount of Competitive Grants funds invested per unit as follows:

Average Per Unit Competitive Grants Investment	Compliance Period
< \$15,000	5 Years
\$15,000 - \$40,000	10 Years
>\$40,000	15 Years

LEGAL DOCUMENTS

- The Competitive Grants legal documents must be in place before grant funds may be drawn down.
- Legal documents include a Grant Note, Deed of Trust, and Restrictive Covenants. ***The Restrictive Covenants must be recorded BEFORE the Deed of Trust***
- THDA will draw up legal documents upon receipt of the **Legal Documents Request Form.**



LEGAL DOCUMENTS

- Submit Legal Documents Request Form Early in the Grant Term!!
- *THTF funds will not be disbursed until the legal documents have been executed and recorded.*



PROCUREMENT – Materials, Supplies, Non-Professional Services

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

For purchase or contract amounts over \$400:

- Price or rate quotations must be obtained from at least 3 qualified sources.
- Quotations may be obtained over the telephone as long as a written record is kept with the person contacted, the date contacted, and the price quoted.
- Purchase should be made from the lowest qualified responsive bidder.
- For sole source procurement, maintain written quote from sole source vendor, written justification from chief executive officer, and any other appropriate documentation in the grantee's file.

PROCUREMENT – Professional Services

Every effort must be made to obtain a minimum of 3 bids using formal advertising or requests for proposals for procurement of professional services.

- Price or rate quotations must be obtained from at least 3 qualified sources. Price or rate quotations must be maintained in the grant file.
- Purchase should be made from the lowest responsive bidder. Price or rate quotations must be maintained in the grant file.
- If the lowest bid is not selected, an explanation acceptable to THDA must be provided.

PROCUREMENT – Professional Services

- If 3 bids cannot be obtained, appropriate file documentation must be maintained in the grant file.
- For any sole source procurement, maintain written quote from sole source vendor, written justification from chief executive, and any other appropriate documentation in the grantee's file.

REHABILITATION STANDARDS

- Housing that is rehabilitated must meet THDA Design Standards for rehabilitation and must meet all applicable local codes, rehabilitation standards, and zoning ordinances at the time of project completion.
- THDA Design Standards may be found on the [Competitive Grants Administrators](#) page of the THDA website.
- In the absence of local codes, rehabilitation of existing units must meet the current State adopted edition of the International Existing Building Code.

CONSTRUCTION STANDARDS

- Construction of rental units must meet THDA Design Standards for New Construction and all applicable local codes, rehabilitation standards, and zoning ordinances at project completion.
- THDA Design Standards may be found on the [Competitive Grants Administrators](#) page of the THDA website.

CONSTRUCTION STANDARDS

In the absence of local codes:

- New construction of multi-family apartment units must meet the current State adopted edition of the International Building Code.
- New construction of single-family units, duplexes, or townhomes must meet the current State adopted edition of the International Residential Code for One- and Two-Family Dwellings.
- New construction must also meet the State adopted edition of the International Energy Conservation Code.

BUILDING PERMITS

- Building Permits must be pulled on all **New Construction** projects as required by the State or the Local Jurisdiction.
- Permits must be pulled on **Rehabilitation** projects as required by the State or the Local Jurisdiction.
- Depending on the type of work performed, **Rehabilitation** projects may require building, mechanical, plumbing, and/or electrical permits.

INSPECTIONS – New Construction

- All new construction work performed as part of a TN Housing Trust Fund 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.

INSPECTIONS – Multi-family

Multifamily :

- Multi-family **New Construction** - 5 or more units, inspections by State Fire Marshal's Office or the local jurisdiction as applicable.
- Multi-family **Rehabilitation** with building permit - inspections by either the State Fire Marshal's Office or the local jurisdiction as applicable.
- If the work is exempted by the state or local code and a permit is not required, then a qualified inspector may be used.
- Inspections for Non-exempt or Opt Out jurisdictions must be conducted by the State Fire Marshal's Office.
- If a permit is not required, documentation confirming the exemption from the state or local codes office must be provided.

INSPECTIONS – Single Family

Single Family:

- Single Family **New Construction** - 1-4 units, inspections by the State Fire Marshal's Office or the local jurisdiction as applicable.
- Single Family **Rehabilitation** with building permit for 1 – 4 units, inspections by either the State Fire Marshal's Office or the local jurisdiction as applicable.
- If the work is exempted by the state or local code and a permit is not required, then a qualified inspector may be used.
- Inspections for Non-exempt or Opt Out jurisdictions must be conducted by the State Fire Marshal's Office.
- If a permit is not required, documentation confirming the exemption from the state or local codes office must be provided.

QUALIFIED INSPECTORS

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

- 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

- 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.

PROPERTY STANDARDS

Following project completion, all THTF Competitive Grants assisted rental units are required to meet National Standards for the Physical Inspection of Real Estate (NSPIRE) on an annual basis throughout the compliance period.

LEAD BASED PAINT

Competitive Grants assisted rehabilitation projects built prior to 1978, must comply with TN Department of Environment and Conservation (TDEC) lead based paint abatement rules found in Rule Chapter 1200 – 1 – 18 Lead Based Paint Abatement here:

<https://www.tn.gov/environment/toxic-substances-program/regulations.html>

FLOOD PLAINS

- Competitive Grants funds may not be used to acquire or construct housing in a FEMA special flood hazard area.
- Rehabilitation of units located in special flood hazard areas is discouraged.

RENTAL PROGRAM RECORDS

All Rental Program Records Must Include:

- Policies and Procedures for the operation of the rental program.
- Documentation to demonstrate that the tenant selection process followed the adopted Policies and Procedures.
- Current waiting list with application date, eligibility, and date accepted or rejected for the unit.

RENTAL PROGRAM RECORDS

- Documentation that all units are maintained in accordance NSPIRE property standards.
- For developments with 5 or more units, documentation of efforts to affirmatively market the units.
- Documentation that rents are within program guidelines.

RENTAL PROGRAM RECORDS

- Documentation showing units set aside for 30 % and 50 % AMI households (if applicable).
- Documentation showing units set aside for special needs or specialized populations (if applicable).
- Documentation showing the provision of services for special needs or specialized populations (if applicable).

TENANT RECORDS

All Tenant Records Must Include:

- Tenant's application for a rental unit.
- Initial verification of tenant's income, assets and eligibility.
- A signed & dated lease for the unit.
- Annual tenant income certifications including asset verification.

PROGRAM FORMS

START UP FORMS

All Start Up Forms must be returned within 30 days. Due Date: 06/23/2025.

- **FORM 1** Authorized Signatures For Request For Payment
- **FORM 2** Authorization for Automatic Deposit (ACH), with voided check
- **FORM 3** Certification for Reuse of Funds
- **FORM 4** Policy of Non-Discrimination

PROGRAM FORMS

START UP FORMS

- W-9 Form
- Rental Program Policies and Procedures
- Recorded Warranty Deed (if grantee already owns the property)
- Legal Document Request Form

***NOTE – All Program Forms are available on the Competitive Grants Administrators page of the THDA website**

PROGRAM FORMS

REQUEST FOR PAYMENT FORMS

- **FORM 5** Request for Payment
- **FORM 6** Interim Draw Certification
- **FORM 7** Certification of Completion and Final Inspection
- **FORM 8** Cost Certification for Materials and Labor

DOCUMENTATION FOR PAY REQUESTS

- All Start-up forms and the following must be submitted **before** THTF funds may be drawn down:
 - Fully executed TN Housing Trust Fund Contract.
 - Original Grant Note, recorded Restrictive Covenants, and recorded Deed of Trust securing the compliance period.
 - Rental Program Policies and Procedures.
 - Insurance Certificate – See Working Agreement – Attachment A

SUBMISSION OF PAY REQUESTS

- 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.
- Grantees must log in every 30 days or system lock out will occur and the password will need to be reset.

ACQUISITION

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

- Grant amount going into each property.
- Preliminary settlement statement for purchase (*amount of THTF grant going into the property must be indicated on settlement statement*).
- Form 5 Request for Payment form **with two signatures.**
- **Source and amount of match noted on each Form 5.**

ACQUISITION

- Documentation confirming the sources of matching funds, if the sources of match have changed since submission of Reservation of Funds documentation.
- Sales contract for acquisition.
- Appraisal to support acquisition cost.
- Name and contact information for the Closing Agent.

ACQUISITION

- Wiring Instructions for the Closing Agent.
- **Post Closing** - Copy of final fully executed settlement statement, original Grant Note, recorded Restrictive Covenants, recorded Deed of Trust, and Insurance Certificate for the property.
- Close Out Form to be submitted upon project completion.

REHABILITATION OR NEW CONSTRUCTION

First draw for rehabilitation or new construction projects must include:

- Updated Budget & Proforma Worksheet. Submit if project budget has changed.
- If any of the funding sources change during the rehab or construction process, submit documentation confirming the newly committed sources.
- Updated Budget & Proforma Worksheet and documentation of committed sources must be submitted at any point during the rehab or construction process if budget changes occur.

REHABILITATION OR NEW CONSTRUCTION

- Zoning Letter or other documentation showing proper zoning for the intended use of the property.
- Building Permit.
- Architectural Plans or Work Write-up. If not already approved by THDA Construction Advisor, submit site plan, floor plan, front, back, side elevations, & rendering (if available) of finished units. If project does not have plans, submit work write-up.
- Bid Tabulations showing at least 3 bids were obtained or if 3 bids were not obtained submit letter or memo explaining reason.
- Fully executed construction or rehabilitation contract or memo if grantee is acting as its own contractor.

REHABILITATION OR NEW CONSTRUCTION

- Form 5 Request for Payment *with two signatures.*
- Source and amount of match noted on each Form 5.
- Documentation confirming the sources of matching funds if sources of match have changed since the time of approval of the Reservation of Funds.
- AIA Payment Application Form - or - Form 6 Interim Draw Form.

REHABILITATION OR NEW CONSTRUCTION

- Contract Change Orders – if applicable.
- Invoices are not required if using AIA Payment Application Form.
- Back-up Documentation (invoices &/or receipts) are required with Interim Draw Form.

REHABILITATION OR NEW CONSTRUCTION

- Cost Certification for Materials & Labor (Form 8) – List of invoices/receipts serving as back-up documentation for amount requested on Interim Draw Form.
- Form 8 is also used to request reimbursement for purchase of materials when grantee is acting as its own contractor or when volunteer and some contract labor is used.

REHABILITATION OR NEW CONSTRUCTION

- Projects must be reviewed by the THDA Construction Advisor at 50 % and 100 % completion.
- The final 10% of the grant is paid after final inspection by Construction Advisor and submission of:
 - Certificate of Completion and Final Inspection
 - Certificate of Occupancy or other inspection reports (as applicable)
 - Recorded Notice of Completion
 - Close Out Form

REHABILITATION OR NEW CONSTRUCTION

- Certificate of Occupancy and Certification of Completion and Final Inspection 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 assisted activities.

DEVELOPER FEES

Grantees may request a developer fee of up to 7 % of the THTF development costs, net of the development fee, prorated acquisition costs and any prorated permanent financing costs may be charged as a project soft cost.

- Developer fees may be requested in proportion to Competitive Grants project funds until 75 % of the grant has been expended.

DEVELOPER FEES

- Final 25 % of the developer fee may be requested & paid upon project completion, inspection by THDA Construction Advisor, submission of Recorded Notice of Completion, all applicable Certificates of Occupancy or inspection reports and the Close Out Form

COMPLIANCE

The Lifecycle of a THTF project consists of three phases:

- 1. Development Phase.** This includes acquisition, rehabilitation, and/or construction. Properties are acquired and rehabilitated or constructed according to activities described in the proposal and grant contract.
- 2. Development Close Out Phase.** After project completion and submission of close out form, there will be a review of development activities to ensure that the grant is administratively compliant with program requirements.
- 3. Long Term Compliance Phase.** After development close out, the grant is transferred from the Community Housing Division to the Compliance and Asset Management Division for long term compliance monitoring.

COMPLIANCE

Long term compliance monitoring will consist of a review of program and tenant records as indicated under slide numbers 56 -59 to ensure compliance throughout the length of the compliance period.

In addition to a review of program records, there will also be a physical inspection of the property by a THDA property inspector.

Upon completion of the Development Closeout Review, the Community Housing Division will notify the Compliance and Asset Management Division (with a copy to the grantee) that the grant is ready for transfer to long term monitoring.

COMPLIANCE

At least two weeks prior to a long term compliance monitoring review, the grantee will receive a letter with information regarding the review along with a list of documentation required for the review.

For Compliance related questions please contact:

Tanya Jackson

Assistant Director, Compliance & Asset Management

TJackson@thda.org

615-815-2039

RESOURCES

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

- Start –up Forms Checklist
- Legal Documents Request Form
- Rental Acquisition Checklist
- Rehabilitation – New Construction Checklist
- Cost Certification Form
- Pay Request Workshop PowerPoint Presentation

RESOURCES

All resources are provided on the Competitive Grants Administrators page of THDA website.

Link to Competitive Grants Administrators page is [HERE](#)

Direct path from home page of THDA's website:

www.thda.org > Government & Nonprofit Partners > Tennessee Housing Trust Fund > Competitive Grants Administrators (located on right hand side of page)

GRANTEE ASSIGNMENTS

Kenyell Chalmers:

Waverly Housing Authority

Franklin Housing Authority

The Housing Foundation of West Tennessee

Nekishia Potter:

Volunteer Behavioral Health Care System

Springboard Landings

Maryville Housing Development Corporation

CONTACT INFORMATION:

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QUESTIONS

