



2022 HOME Rental Development Round

Community Programs Division
Tennessee Housing Development Agency

January 5, 2023

Disclaimer

THIS WORKSHOP DOES NOT TAKE THE PLACE OF READING THE ACTUAL 2022 HOME RENTAL PROGRAM DESCRIPTION.

IT IS THE RESPONSIBILITY OF EVERY APPLICANT TO REVIEW ALL PROGRAM MATERIALS PRIOR TO APPLYING.



Equal Opportunity & Fair Housing

➤ No individual can be excluded from participation in the HOME Program on the basis of:

- Race
- Color
- Religion
- Sex
- Familial Status
- National Origin
- Disability



Non-Discrimination in Services Self Survey

- NON-DISCRIMINATION IN SERVICES SELF SURVEY FORM DUE TO THDA BY JUNE 30.
- THE NON-DISCRIMINATION ACTIVITIES REPORTED ARE NOT NEW; THE FORM IS A NEW METHOD OF COLLECTING INFORMATION ON YOUR ACTIVITIES.
- TO ACCESS FORM, GO TO THDA WEBSITE: “ABOUT THDA” FROM TOP THREAD; “FAIR HOUSING-KNOW YOUR RIGHTS” FROM SIDEBAR; “TITLE VI OF THE CIVIL RIGHTS ACT OF 1964” FROM SIDEBAR; ON TITLE VI PAGE, PAGE DOWN TO “RESOURCES.”

Questions

CALL OR EMAIL LAURA SWANSON, THDA CIVIL RIGHTS
ADVISOR:

615-815-2127 OR LSWANSON@THDA.ORG

2022 HOME Rental Application Grant Round

- APPLICATIONS WILL OPEN JANUARY 9, 2023
- APPLICATIONS FOR THE HOME RENTAL DEVELOPMENT PROGRAM MUST BE RECEIVED BY THDA ON OR BEFORE 4:00 PM CDT ON FRIDAY, FEBRUARY 24, 2023
- THDA ANTICIPATES NOTIFYING SUCCESSFUL APPLICANTS BY MARCH 31, 2023
- HOME GRANT AGREEMENTS WILL BEGIN ON MAY 1, 2023 AND WILL END ON APRIL 31, 2026.

Grant Funding

MINIMUM GRANT: \$300,000 | MAXIMUM GRANT: \$1,500,000

- GRANTS AWARDED THROUGH COMPETITIVE APPLICATION PROCESS
- HIGHEST RANKING QUALIFIED APPLICATION AWARDED
- THDA RESERVES THE RIGHT TO LIMIT AWARDS TO ONE PER COUNTY

Highlights

- \$6,000,000 COMMITTED TO ACQUISITION, NEW CONSTRUCTION OR REHABILITATION OF AFFORDABLE RENTAL HOUSING
- A TOTAL NUMBER OF 11 UNITS OR LESS
- DEVELOPERS FEE OF UP TO 15% OF HOME DEVELOPMENT COSTS
- MUST BE ORGANIZED OR LICENSED TO OPERATE IN TENNESSEE
- **CANNOT** BE COMBINED WITH LOW-INCOME HOUSING CREDITS

Submission Instructions

THDA WILL EVALUATE EACH APPLICATION TO DETERMINE IF THE PROPOSAL MEETS THRESHOLD CRITERIA.

- SUBMISSION OF AN ELIGIBLE APPLICATION AND DOCUMENTATION INTO THDA'S EFT SYSTEM
- SUBMISSION OF REQUIRED NON-PROFIT DOCUMENTS INTO THDA'S PIMS SYSTEM
- PROPOSAL OF AN ELIGIBLE ACTIVITY

Submission Instructions cont...

THDA WILL EVALUATE EACH APPLICATION TO DETERMINE IF THE PROPOSAL MEETS THRESHOLD CRITERIA.

- SUBMISSION OF A 5-20 YEAR PROFORMA DEMONSTRATING FINANCIAL FEASIBILITY FOR THE ENTIRE AFFORDABILITY PERIOD. THIS PROFORMA IS INCLUDED AND WILL BE BUILT OUT FROM YOUR OPERATING BUDGET IN THE APPLICATION.
- PROPOSALS THAT WILL SET-ASIDE MORE THAN 20% OF THE UNITS FOR INDIVIDUALS WITH DISABILITIES MUST DEMONSTRATE THAT THE PROJECT WILL MEET THE QUALITIES OF SETTINGS THAT ARE ELIGIBLE FOR REIMBURSEMENT UNDER THE MEDICAID HOME AND COMMUNITY-BASED SERVICES

General Requirements

- INCOME RESTRICTED AT 80% < OF AMI OR FEDERAL POVERTY GUIDELINE
- RENTS RESTRICTED TO BE AFFORDABLE AT 30% OF AMI (HUD)
- 5-20 YEAR AFFORDABILITY PERIOD
- ONGOING MONITORING FOR PROPERTY CONDITION AND COMPLIANCE
- REQUIRED 25% MATCH TOWARDS PROPOSED PROJECT

General Requirements Cont...

- ENVIRONMENTAL REVIEW: PART 58
- MAXIMUM PER-UNIT SUBSIDY WILL FOLLOW HOME PROGRAM LIMITS
- UNDERWRITING REQUIRED TO DETERMINE APPROPRIATE LEVEL OF SUBSIDY
- NEW CONSTRUCTION: MUST BE BUILT TO CODE AND DESIGN STANDARD
- ENERGY EFFICIENCY: MUST MEET MINIMUM EFFICIENCY STANDARDS

General Requirements Cont...

- ACCESSIBILITY AND VISITABILITY PER PROGRAM DESCRIPTION
- LEAD BASED PAINT HAZARD REQUIREMENTS – FOR REHAB BUILT PRIOR TO 1978 MUST COMPLY WITH 24 CFR.35
- TENANT PROTECTIONS: LEASE REQUIRED, PROHIBITED LEASE TERMS, TERMINATION ONLY FOR CAUSE

Eligible Applicants

CHDOS, NON-PROFIT DEVELOPERS AND PUBLIC HOUSING AUTHORITIES

- THE APPLICANT MUST BE THE SOLE GENERAL PARTNER OR THE SOLE MANAGING MEMBER OF THE OWNERSHIP ENTITY OR OWN 100% OF THE STOCK OF A CORPORATE OWNERSHIP ENTITY.
- THE APPLICANT MUST MATERIALLY PARTICIPATE (REGULAR, CONTINUOUS, AND SUBSTANTIAL ON-SITE INVOLVEMENT) IN THE DEVELOPMENT AND OPERATION OF THE DEVELOPMENT THROUGHOUT THE COMPLIANCE PERIOD.

Eligible Applicants cont..

CHDOS, NON-PROFIT DEVELOPERS AND PUBLIC HOUSING AUTHORITIES

- DEMONSTRATE FINANCIAL CAPACITY FOR THE PROJECT
- MINIMUM 2 YEARS EXPERIENCE WITH AFFORDABLE RENTAL HOUSING DEVELOPMENT
- DEMONSTRATE FINANCIAL VIABILITY THROUGHOUT THE 5-20 YEAR AFFORDABILITY PERIOD
- CAPACITY TO DEVELOP AND MANAGE RENTAL HOUSING IN COMPLIANCE WITH PROGRAM REQUIREMENTS

Eligible CHDO Applicants

- 501(C)(3) NON-PROFIT ORGANIZATIONS
- 501(C)(4) NON-PROFIT ORGANIZATIONS
 - 501(C) DESIGNATIONS MUST DEMONSTRATE PROOF FROM THE IRS OF THE STATUS OR DESIGNATION
- ALL APPLICANTS MUST MEET **ALL** CHDO REQUIREMENTS AS PUBLISHED AT THE TIME OF APPLICATION.

Eligible CHDO Applicants Must:

- MEET ALL OF THE REQUIREMENTS FOR A NON-PROFIT ORGANIZATION
AND:
 - BE INDEPENDENT
 - NOT BE A GOVERNMENTAL ENTITY
 - HAVE A DEFINED SERVICE AREA THAT DOES NOT INCLUDE ALL OF TENNESSEE
 - **MAINTAIN ACCOUNTABILITY TO LOW INCOME COMMUNITY RESIDENTS**
 - **HAVE PAID STAFF WITH HOUSING DEVELOPMENT EXPERIENCE**
 - **HAVE A HISTORY OF SERVING THE COMMUNITY IN WHICH THE HOME PROJECT IS TO BE LOCATED**

Non-Profit Checklist/CHDO Designation

- CERTIFICATE OF EXISTENCE DATED WITHIN 30 DAYS OF APPLICATION
- COPY OF 501(C)(3) OR (C)(4) LETTER FROM IRS
- COPY OF CHARTER AND BY-LAWS
- RESOLUTION AUTHORIZING SUBMISSION OF HOME APPLICATION
- **CHDO BOARD COMPOSITION**
 - **CHDOS MUST INDICATE AND DOCUMENT THE LOW-INCOME BOARD MEMBERS**
- COPY OF MOST RECENT BOARD MINUTES
- ONE PAGE EXPLANATION OF HOW BOARD IS INVOLVED IN THE OPERATION OF THE NON-PROFIT

CHDO Checklist & Designation

- **CHDO ORGANIZATIONAL REQUIREMENTS**
 - CHDO LEGAL STRUCTURE
 - CHDO INDEPENDENCE
 - CHDO ACCOUNTABILITY TO ITS LOW INCOME COMMUNITY
 - CHDO CAPACITY
 - CHDO ROLE AS DEVELOPER OF HOME BUYER PROJECTS
 - CHDO OPERATING EXPENSES
 - CHDO CERTIFICATION
 - SIGNED BY CHDO'S EXECUTIVE DIRECTOR

Financial Analysis of Non-profits

- THE ASSET AND LIABILITY INFORMATION IN THE AUDITS WILL BE USED TO EVALUATE THE FINANCIAL CAPACITY OF THE NON-PROFIT ORGANIZATION BY REVIEWING FINANCIAL RATIOS, INCLUDING:
 - CURRENT RATIOS
 - WORKING CAPITAL
 - CASH TO WORKING CAPITAL
 - CURRENT TO NON-CURRENT LIABILITIES
 - DEBT RATIOS

CHDO Commitment

- CHDO COMMITMENTS MUST MEET THE 24-MONTH DEADLINE *BY PROGRAM YEAR* AND NOT ON A CUMULATIVE BASIS
 - 50% OF THE FUNDS BY APRIL 31, 2024;
 - 75% OF THE FUNDS BY OCTOBER 30, 2024;
 - 100% OF THE FUNDS BY APRIL 31, 2025.
 - **HUD MAY RECAPTURE ANY CHDO FUNDS NOT COMMITTED TO SPECIFIC CHDO ACTIVITIES BY THE DEADLINES. FUNDS WILL BE LOST TO TENNESSEE!**

Eligible Activities

PRODUCE OR PRESERVE AFFORDABLE, PERMANENT RENTAL HOUSING TO ADDRESS THE NEEDS LOW-INCOME HOUSEHOLDS

- NEW CONSTRUCTION OF RENTAL HOUSING UNITS.
- ACQUISITION AND/OR REHABILITATION OF EXISTING RENTAL HOUSING UNITS.
- 11 TOTAL UNITS OR LESS
- FOR FAMILIES WHOSE ANNUAL INCOMES DO NOT EXCEED 80% OF AMI
- NO FUNDING OF AN OPERATING COST ASSISTANCE ASSOCIATED WITH THE NEW CONSTRUCTION OR ACQUISITION AND REHABILITATION OF HOUSING ASSISTED WITH HOME FUNDS

Eligible Costs

FUNDS FROM THE HOME AWARD MAY ONLY BE EXPENDED FOR ELIGIBLE COSTS SPECIFIC TO OR PRORATED TO COMMITTED UNITS.

- ACQUISITION OF EXISTING HOUSING
- DEVELOPMENT HARD COSTS
- RELATED SOFT COSTS - 24CFR 92.206(D)
- RELOCATION COST - 24CFR 92.206(F), 24 CFR 92.353

Ineligible Activities

- PROVIDING HOME ASSISTANCE TO RENTAL UNITS THAT REQUIRE RECONSTRUCTION
- USING HOME FUNDS TO REFINANCE EXISTING DEBT
- USING HOME FUNDS FOR HOUSING FOR SALE TO HOMEBUYERS
- PROVIDING NON-FEDERAL MATCHING CONTRIBUTIONS REQUIRED UNDER ANY OTHER FEDERAL PROGRAM
- PROVIDING ASSISTANCE AUTHORIZED UNDER SECTION 9 OF THE 1937 ACT (ANNUAL CONTRIBUTIONS FOR OPERATION OF PUBLIC HOUSING)

Ineligible Activities **Cont;**

- PROVIDING ASSISTANCE TO A PROJECT PREVIOUSLY ASSISTED WITH HOME FUNDS DURING THE PERIOD OF AFFORDABILITY
- CARRYING OUT ACTIVITIES UNDER 24 CFR PART 968 (PUBLIC HOUSING MODERNIZATION)
- USING HOME FUNDS FOR POLITICAL ACTIVITIES; ADVOCACY; LOBBYING, WHETHER DIRECTLY OR THROUGH OTHER PARTIES; COUNSELING SERVICES; TRAVEL EXPENSES; AND PREPARING OR PROVIDING ADVICE ON TAX RETURNS.
- PAYING FOR ANY COST THAT IS NOT ELIGIBLE UNDER 24 CFR 92.730 THROUGH 93.200
- OTHER USES PROHIBITED BY THDA'S PROGRAM DESCRIPTION

Affordability

UNITS ASSISTED WITH HOME FUNDS MUST REMAIN COMPLIANT/AFFORDABLE FOR 5-20 YEARS AFTER COMPLETION

- REQUIRES CAREFUL EVALUATION OF THE PROJECT'S FINANCIAL VIABILITY
- WILL INCLUDE ANNUAL REPORTING AND REGULAR, PERIODIC INSPECTIONS AND FILE REVIEW (MONITORING)
- REQUIRES SKILLED MANAGEMENT TO SUCCEED
 - CAREFUL TENANT SELECTION
 - STRONG MANAGEMENT TEAM
 - BUDGETING FOR THE LONG HAUL (COMPLETION OF 5-20 YEAR PROFORMA)

Affordability

UNITS ASSISTED WITH HOME FUNDS MUST REMAIN COMPLIANT/AFFORDABLE FOR 5-20 YEARS AFTER COMPLETION

Activity	HOME Funds Per Unit	Affordability Period
Acq./Rehab of Existing Housing	Under \$15,000	5 Years
Acq./Rehab of Existing Housing	\$15,000 - \$40,000	10 Years
Acq./Rehab of Existing Housing	Over \$40,000	15 Years
New or Acquisition of Newly Constructed Housing	Regardless of Cost	20 Years

Level of Subsidy

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

- MINIMUM HOME FUNDS: \$1,000 PER UNIT
- MAXIMUM HOME FUNDS PER UNIT:
 - \$119,815 0-BEDROOM (EFFICIENCY) LIMIT
 - \$137,349 1-BEDROOM LIMIT
 - \$167,020 2-BEDROOM LIMIT
 - \$216,250 3-BEDROOM LIMIT
 - \$237,177 4-BEDROOM LIMIT

Layering

LAYERING IS THE COMBINATION OF GOVERNMENT RESOURCES ON A HOME ASSISTED PROJECT.

- THDA WILL EVALUATE THE PROJECT PROPOSED IN THE APPLICATION TO DETERMINE THAT THE PROPOSED AMOUNT OF HOME FUNDS NEEDED TO COMPLETE THE PROJECT IS NECESSARY TO PROVIDE QUALITY AFFORDABLE HOUSING.
- THDA WILL REQUIRE COMPLETION AND SUBMISSION OF A DEVELOPMENT BUDGET, OPERATING BUDGETS, AND A 5-20 YEAR OPERATING PROFORMA (INCLUDED WITH APPLICATION) DEPENDING ON THE PROJECT TYPE OF AFFORDABILITY PERIOD
- TOTAL HOME RESOURCES ALLOCATED TO ANY PROJECT CANNOT EXCEED THE CURRENT MAXIMUM PER UNIT SUBSIDY LIMIT

Managing Risk

BIGGEST RISK: 5-20 YEAR AFFORDABILITY PERIOD FOR LOW INCOME

FAILURE TO MANAGE RISK MAY RESULT IN POTENTIAL FOR REPAYMENT OF FUNDS

- CANNOT INVEST MORE HOME \$\$ AFTER COMPLETION
- AVOIDING AND MANAGING THE RISK
- STRONG DEVELOPMENT TEAM WITH EXPERIENCE
- LAYERING OTHER FINANCING TO REDUCE EXPOSURE
- MIX OF INCOME/RENT RESTRICTIONS
- CAREFUL, ACCURATE ASSESSMENT OF MARKET

Design Standards

ALL RENTAL HOUSING CONSTRUCTED OR REHABILITATED WITH HOME FUNDS MUST MEET ALL;

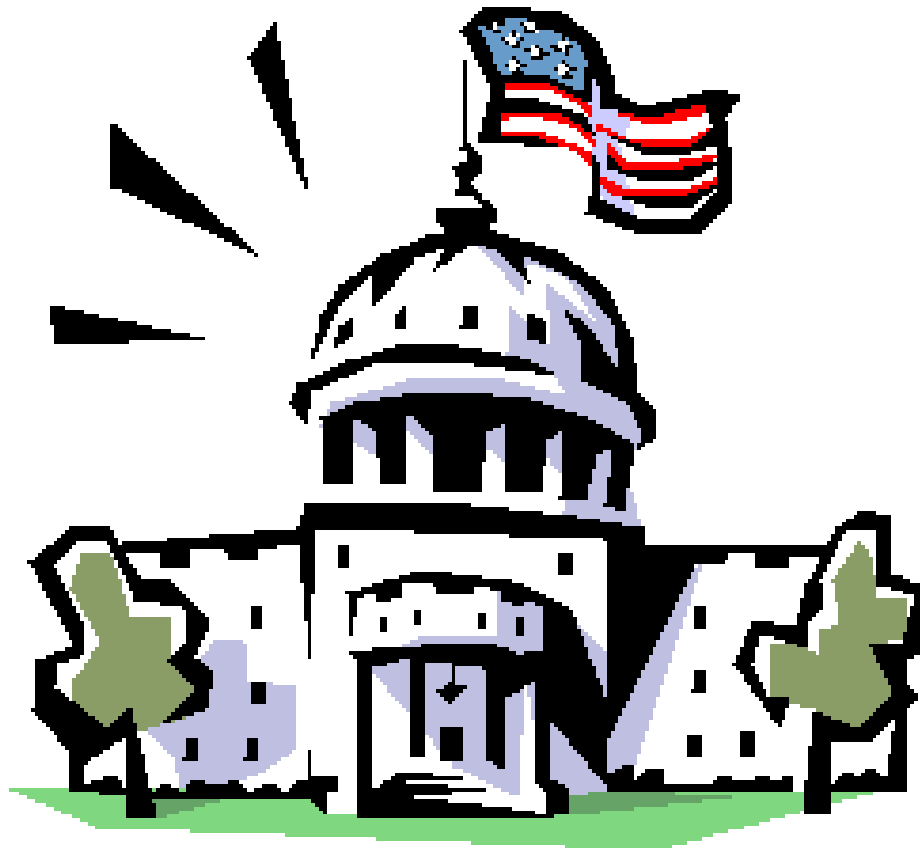
- THDA DESIGN STANDARDS
- APPLICABLE LOCAL, COUNTY AND STATE CODES
- REHABILITATION STANDARDS
- UNIFORM PROPERTY CONDITION STANDARDS (UPCS)
- ALL ZONING ORDINANCES

Environmental Review

- HOME FUNDS CANNOT BE COMMITTED TO A PROJECT **PRIOR TO THE COMPLETION OF THE ENVIRONMENTAL REVIEW**
- THE APPLICABILITY OF THE ENVIRONMENTAL REVIEW IS **BASED ON THE PROJECT AS A WHOLE** AND NOT THE TYPE OF COSTS PAID WITH HOME FUNDS
 - **NO COMMITMENT OF NON-FEDERAL FUNDS IN THE PROJECT BEFORE COMPLETION OF THE ENVIRONMENTAL REVIEW**



Federal Construction Requirements



Section 3 Final Rule Quick Reference

Overview

- SECTION 3 APPLIES TO ALL HUD/FEDERAL FUNDED PROJECTS AT/OR ABOVE \$200,000 EFFECTIVE NOVEMBER 30, 2020.
 - (THE PROJECT IS DEFINED AS THE SITE OR SITES TOGETHER WITH ANY BUILDING(S) AND IMPROVEMENTS LOCATED ON THE SITE(S) THAT ARE UNDER COMMON OWNERSHIP, MANAGEMENT, AND FINANCING. [24 CFR § 75.3\(A\)](#))

- JULY 1, 2021 COMPLIANCE ON THE NEW REGULATION BEGAN.

- SECTION 3 APPLIES TO CONSTRUCTION, DEMOLITION, RECONSTRUCTION, CONVERSION, OR REHABILITATION PROJECTS. IT ALSO APPLIES TO THE GENERAL CONTRACTOR, AND ALL SUBCONTRACTORS.

Section 3 Preference

SECTION 3 PREFERENCE SHOULD BE GIVEN IN TRAINING AND EMPLOYMENT OPPORTUNITIES TO:

- A LOW OR VERY LOW-INCOME RESIDENT
- AN EMPLOYEE AND/OR BUSINESS THAT MEET THE DEFINITION OF A SECTION 3 BUSINESS CONCERN
- PARTICIPANT IN A YOUTHBUILD PROGRAM.
- A RESIDENT LIVING WITHIN A 1 MILE RADIUS OF THE SERVICE AREA OR THE NEIGHBORHOOD OF THE PROJECT. IF FEWER THAN 5,000 PEOPLE LIVE WITHIN THAT ONE-MILE RADIUS, THE CIRCLE MAY BE EXPANDED OUTWARD UNTIL THAT POPULATION IS REACHED.
- A RESIDENT OF OTHER PUBLIC HOUSING PROJECTS OR SECTION 8-ASSISTED HOUSING

Section 3 Reporting

THDA REQUIRES GRANTEES TO SUBMIT DOCUMENTATION OF SECTION 3 COMPLIANCE THROUGHOUT THE VARIOUS STAGES OF A CONSTRUCTION PROJECT.

PRE-CONSTRUCTION

CONTRACTORS WHO ARE SELECTED/AWARDED BID(S) WILL SUBMIT ESTIMATED LABOR HOURS FOR THE AWARDED CONTRACT. ESTIMATED LABOR HOURS WILL BE BROKEN DOWN BY SECTION 3 WORKERS, TARGETED SECTION 3 WORKERS, AND NON-SECTION 3 WORKERS.

THE ESTIMATED LABOR HOURS FOR THE ENTIRE PROJECT WILL BE COMPILED AND SUBMITTED TO THDA WITH THE AWARDED BIDS AND PROJECT BUDGET PRIOR TO LOAN CLOSING.

Section 3 Reporting cont...

CONSTRUCTION

DURING CONSTRUCTION CONTRACTORS WILL COLLECT LABOR HOUR CERTIFICATION FORMS FROM ALL SECTION 3 COVERED CONTRACTS; ALONG WITH EACH INVOICE AND LIEN WAIVER FOR THE BILLING PERIOD. THESE FORMS WILL BE SUBMITTED TO THDA REGARDLESS OF THE REIMBURSEMENT SOURCE.

*SECTION 3 COVERED CONTRACTS DO NOT INCLUDE CONTRACTS FOR THE PURCHASE OF SUPPLIES AND MATERIALS. HOWEVER, WHEN A CONTRACT FOR MATERIALS INCLUDES THE INSTALLATION OF THE MATERIALS, THE CONTRACT CONSTITUTES A SECTION 3 COVERED CONTRACT.

POST-CONSTRUCTION

ONCE A PROJECT IS COMPLETED, CONTRACTORS MUST SUBMIT A FINAL SECTION 3 CUMULATIVE LABOR HOUR REPORT FOR THE PROJECT. THDA WILL CONDUCT A FINAL REVIEW OF THE PROJECT'S OVERALL PERFORMANCE AND COMPLIANCE.

Davis-Bacon

DAVIS-BACON ACT AND RELATED ACT CONTRACTORS AND SUBCONTRACTORS MUST PAY THEIR LABORERS AND MECHANICS EMPLOYED UNDER THE CONTRACT NO LESS THAN THE LOCALLY PREVAILING WAGES AND FRINGE BENEFITS FOR CORRESPONDING WORK ON SIMILAR PROJECTS IN THE AREA.



Other Requirements

IN ADDITION TO THE GENERAL REQUIREMENTS ALL PROJECTS MUST ALSO MEET OTHER FEDERAL REQUIREMENTS

- URA (UNIFORM RELOCATION ACT)
- 2 CFR 200 (UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPALS, AND AUDIT REQUIREMENTS FOR FEDERAL AWARDS)
- AFFIRMATIVE FAIR HOUSING MARKETING
- CONFLICT OF INTEREST
- MBE/WBE REPORTING
- OTHERS AS IDENTIFIED

Application

APPLICATIONS CAN BE FOUND ON THE THDA WEBSITE

- APPLICATIONS WILL BE AVAILABLE AT:
[HTTPS://THDA.ORG/GOVERNMENT-NONPROFIT-PARTNERS/HOME-PROGRAM/HOME-PROGRAM-APPLICATIONS-AND-INFORMATION/HOME-PROGRAM](https://thda.org/government-nonprofit-partners/home-program/home-program-applications-and-information/home-program)
- ONE ORIGINAL APPLICATION AND ALL REQUIRED SUPPORTING DOCUMENTS MUST BE RECEIVED IN OUR EFT SYSTEM NO LATER THAN 4:00PM CDT FEBRUARY 24, 2023. APPLICATIONS RECEIVED LATE WILL NOT BE CONSIDERED
- FAXED OR EMAILED APPLICATIONS WILL NOT BE ACCEPTED
- NO COVER PAGES OR BINDERS

Submission Instructions

THDA WILL EVALUATE EACH APPLICATION TO DETERMINE IF THE PROPOSAL MEETS THRESHOLD CRITERIA.

- SUBMISSION OF AN ELIGIBLE APPLICATION AND DOCUMENTATION INTO THDA'S EFT SYSTEM
- SUBMISSION OF REQUIRED NON-PROFIT DOCUMENTS INTO THDA'S PIMS SYSTEM
- PROPOSAL OF AN ELIGIBLE ACTIVITY

Submission Instructions cont...

THDA WILL EVALUATE EACH APPLICATION TO DETERMINE IF THE PROPOSAL MEETS THRESHOLD CRITERIA.

- SUBMISSION OF A 5-20 YEAR PROFORMA DEMONSTRATING FINANCIAL FEASIBILITY FOR THE ENTIRE AFFORDABILITY PERIOD. THIS PROFORMA IS INCLUDED AND WILL BE BUILT OUT FROM YOUR OPERATING BUDGET IN THE APPLICATION.
- PROPOSALS THAT WILL SET-ASIDE MORE THAN 20% OF THE UNITS FOR INDIVIDUALS WITH DISABILITIES MUST DEMONSTRATE THAT THE PROJECT WILL MEET THE QUALITIES OF SETTINGS THAT ARE ELIGIBLE FOR REIMBURSEMENT UNDER THE MEDICAID HOME AND COMMUNITY-BASED SERVICES

PIMS

- ALL NONPROFIT APPLICANTS WILL BE REQUIRED TO UPLOAD CERTAIN SUPPORTING DOCUMENTATION TO THDA'S PARTICIPANT INFORMATION MANAGEMENT SYSTEM (PIMS)
- [HTTPS://RESOURCES.THDA.ORG/PIMS/](https://resources.thda.org/pims/)



Application Scoring

HOME RENTAL HOUSING SCORING MATRIX UP TO 100 POINTS + 5 BONUS POINTS

- PROJECT DESIGN - UP TO 30 POINTS
- APPLICANT'S CAPACITY AND EXPERIENCE - UP TO 30 POINTS
- NEED – UP TO 10 POINTS
- AREAS OF OPPORTUNITY SCORE - UP TO 10 POINTS
- CHDO DESIGNATION – UP TO 5 POINTS
- RURAL DESIGNATION – UP TO 10 POINTS
- PROJECTS LOCATED OUTSIDE OF A LOCAL PJ – 5 POINTS
- DESIGNATED DISTRESSED COUNTIES –UP TO 5 BONUS POINTS

Project Design

UP TO 30 POINTS AVAILABLE

- DEMONSTRATES EXCEPTIONAL PLANNING, READINESS AND CAPABILITY – APPLICANT HAS SITE CONTROL
- FIRM FINANCIAL COMMITMENTS FOR NON-HOME RESOURCES
- PROJECTS WITH EXISTING OR COMMITTED PBA PREFERRED
- DEMONSTRATES SUFFICIENT CASH FLOW WITHOUT USING HOME OPERATING RESERVES
- PROJECT MEETS NEEDS OF TARGETED POPULATION
- PROJECT INTEGRATES HOME ASSISTED HOUSEHOLDS WITH HIGHER INCOME HOUSEHOLDS
- UNIVERSAL DESIGN; VISITABILITY; ENERGY EFFICIENCY

Capacity and Experience

UP TO 30 POINTS AVAILABLE

- MINIMUM 2 YEARS EXPERIENCE DEVELOPING, MANAGING AND OWNING AFFORDABLE RENTAL UNITS/PROJECTS
- CAPACITY OF THE MANAGEMENT AND DEVELOPMENT TEAM
- PAST EXPERIENCE WITH COMPLIANCE OF FEDERAL, STATE AND LOCAL PROGRAM, REQUIREMENTS
- PAST EXPERIENCE IN DEVELOPING AND MANAGING THDA RENTAL PROJECTS
- PAST EXPERIENCE COMPLYING WITH THDA FUNDING REQUIREMENTS AND PROCESSES
- FINANCIAL STATEMENTS AND ANNUAL AUDIT INDICATE SOUND FINANCIAL HEALTH AND DIVERSE FUNDING SOURCES

Need

Up to 10 Points Available

THDA has determined rental housing need factors for households who are extremely low-income. Extremely low-income households are defined as households whose income does not exceed 30 percent AMI, adjusted for household size. The county need factors are the percentage of extremely low income tenant households that are cost burdened; projected 10-year population growth rate; county's projected 10-year population growth as a percent of the state's overall growth; prior allocation amount per extremely low income household; prior allocation; rental market (LIHTC) vacancy rate, and the pipeline of rental housing financed under the LIHC Program under construction and in lease-up.

Opportunity Score

UP TO 10 POINTS AVAILABLE

THDA HAS DETERMINED FACTORS WHICH INDICATE CENSUS TRACTS OF HIGH OPPORTUNITY.

- AREAS OF HIGH MEDIAN GROSS RENT
- HIGH COST BURDEN
- PROXIMITY TO EMPLOYMENT
- PRIOR ALLOCATION
- HIGH WORKFORCE PARTICIPATION
- LOW LEVELS OF ABANDONED HOUSING
- RENTAL MARKET (LIHTC) VACANCY RATE
- PIPELINE OF RENTAL HOUSING FINANCED UNDER THE LOW INCOME HOUSING TAX CREDIT PROGRAM UNDER CONSTRUCTION AND IN LEASE-UP

CHDO Designation

UP TO 5 POINTS AVAILABLE

THDA SHALL AWARD UP TO 5 POINTS TO APPLICATIONS WHERE THE APPLICANT MEETS THE REQUIREMENTS OF A CHDO UNDER THE HOME PROGRAM.

- CHDO LEGAL STRUCTURE
- CHDO INDEPENDENCE
- CHDO ACCOUNTABILITY TO ITS LOW INCOME COMMUNITY
- CHDO CAPACITY
- CHDO ROLE AS DEVELOPER OF HOME BUYER PROJECTS
- CHDO OPERATING EXPENSES
- CHDO CERTIFICATION
- SIGNED BY CHDO'S EXECUTIVE DIRECTOR

Rural Designation

UP TO 10 POINTS AVAILABLE

THDA WILL AWARD 10 POINTS FOR APPLICATIONS WITH PROJECTS LOCATED IN DESIGNATED RURAL AREAS OF TENNESSEE. FOR THIS PROGRAM DESCRIPTION, “RURAL” IS DEFINED AS ALL TENNESSEE COUNTIES EXCEPT THE FOLLOWING: ANDERSON, BLOUNT, BRADLEY, CARTER, COFFEE, DAVIDSON, DYER, GIBSON, HAMILTON, HAMBLLEN, HAYWOOD, KNOX, LOUDON, MADISON, MAURY, MONTGOMERY, PUTNAM, ROANE, RUTHERFORD, SHELBY, SUMNER, UNICOI, WILLIAMSON AND WILSON. ALL OTHER COUNTIES ARE CONSIDERED RURAL.

THDA WILL AWARD AN ADDITIONAL 5 POINTS IF THE APPLICANT IS A TENNESSEE PUBLIC HOUSING AUTHORITY IN ONE OF THE ABOVE IDENTIFIED RURAL COUNTIES.

Projects Located Outside of a Local PJ

5 POINTS AVAILABLE

HUD HAS AWARDED HOME FUNDS DIRECTLY TO LOCAL PJs. PROJECTS THAT ARE LOCATED OUTSIDE JURISDICTIONAL LIMITS OF THE FOLLOWING LOCAL PJs WILL RECEIVE POINTS UNDER THIS CRITERIA.

- CLARKSVILLE, CHATTANOOGA, JACKSON, KNOXVILLE, MEMPHIS, NASHVILLE/DAVIDSON COUNTY, KNOX COUNTY, SHELBY COUNTY, AND NORTHEAST TENNESSEE/VIRGINIA CONSORTIUM (THE CITIES OF BRISTOL, KINGSFORT, JOHNSON CITY, BLUFF CITY, SULLIVAN COUNTY, AND WASHINGTON COUNTY, EXCLUDING THE TOWN OF JONESBOROUGH)

Designated Distressed Counties

5 POINTS (BONUS)

THDA WILL AWARD (5) POINTS TO APPLICATIONS LOCATED IN DESIGNATED DISTRESSED COUNTIES OF TENNESSEE.

- DISTRESSED COUNTIES REFERS TO THOSE 10 COUNTIES DEFINED IN GOVERNOR BILL LEE'S EXECUTIVE ORDER.
- TENNESSEE GOVERNOR BILL LEE ISSUED AN EXECUTIVE ORDER DESIGNATING TEN TENNESSEE COUNTIES AS DISTRESSED, INCLUDING: LAKE, HARDEMAN, PERRY, CLAY, GRUNDY, BLEDSOE, MORGAN, SCOTT, HANCOCK AND COCKE.

Application Deadline

FEBRUARY 24, 2023

4:00 PM CDT

**LATE APPLICATIONS WILL NOT BE
EVALUATED**



Contact THDA

➤ COMMUNITY PROGRAMS STAFF CAN ANSWER YOUR QUESTIONS ABOUT THE HOME APPLICATION UNTIL THE FEBRUARY 24, 2023 SUBMISSION DEADLINE.

- **AARON TORAN: 615-815-2037**
- **ALLISON MOORE: 615-815-2040**
- **MIA BILLINGSLEY: 615-815-2033**
- **CRAIG STEVENS: 615-815-2035**

CALL US OR SCHEDULE A MEETING!



Questions

