



HOUSING APPLICATION

INSTRUCTIONS

The following sections provide basic instructions to complete the application. Before completing an application it is recommended that you review the Waukesha County FRAMEWORK and Consolidated Plan to determine whether your project is eligible and meets an identified need. A table at the end of these instructions provides a summary of the project scoring, so that you may determine how competitive your application will be when reviewed by staff and committee members.

In completing all sections of the application, do not exceed the amount of space provided for each answer.

1. APPLICANT INFORMATION

Provide requested information for applicant organization.

DEBARRMENT: Any organization receiving funds must have a DUNS number and must be registered in the SAM system. Provide documentation that your organization is registered and not debarred.

CHDO: Current HOME rules require that a CHDO be certified for each project it undertakes. If you are applying for CHDO funding, you must submit updated certification information (see Attachment 1) related to CHDO certification). If you are applying for CHDO operating funds, you must provide the information requested in Attachment 2.

PROJECT SUMMARY: Provide a brief description of the project and indicate the total cost of the project and the amount you are requesting from the HOME Consortium.

2. PROJECT SCOPE (20 points)

10 points are awarded related to the project type, 5 points will be awarded based on the perceived market for the project you are proposing, and 5 points for the population to be served.

This section will be used to gain an understanding of the type of project you are proposing and the characteristics of households to be served. Please be specific and brief in your description of your project and clarify *who you will serve and how you will serve them*.

Rental projects: There are additional questions if you are proposing a rental project. You must provide specific information on the incomes of households that will be served and the rents that will be charged. You must also provide information about how tenants will be selected and whether you will provide services to households living in the unit. If you will be providing services, specify how those services will be provided.

Market Study: The market study that you provide should be consistent with the type and complexity of the project you are proposing. For example:

- If you are requesting funds for a Section 42 project, you should submit the market study completed by a WHEDA-approved analyst.

- If you are requesting funds for development of a small rental project, you should present information about vacancy rates and rents for comparable projects close to your project location. You should also provide information on these comparable projects, rents charged, and amenities available.
- If you are completing a homeowner development project, you should identify housing prices and inventories in the area.

The market study provided must demonstrate that the project you are proposing is needed in the market and can be expected to be rented or sold within a reasonable period of time.

Attach the market study as Appendix 1.

3. PROJECT SITING AND DESIGN (15 points)

This section will evaluate the location and design of your project. We will consider whether the project you are proposing is well designed and is consistent with nearby buildings/homes. We will also consider whether it is located in an area of high opportunity and close to required and desirable amenities, such as grocery stores, schools, transit, etc.

Information related to project design should be submitted as part of the proposal and included in Appendix 2. You should submit site plans, elevations, floor plans or pictures depending on the project you are proposing.

4. AFFORDABILITY (10 points)

HOME funds are intended to provide housing opportunities to low income households. As a result, we will award points based upon the ability of the project to serve the lowest income households for the longest period of time. In this section you should specify the incomes of households you will serve and note if you are proposing a longer period of affordability.

5. FINANCIAL FEASIBILITY (25 points)

The information provided in this section should demonstrate that the project is financially feasible. All sources and uses of funds should be identified in tables included in this section. You should also identify whether these sources are already committed to the project.

Sources of Funds—the table included is an Excel spreadsheet which should be used to list the sources of funds, the amount of funds.

Uses of Funds—Include information on all costs associated with the project including acquisition, construction and soft costs. Please note that we will not fund projects where soft costs of the project are more than 15 percent of the total project cost or if the developer fee exceeds 15 percent of the project budget.

Using the information provided in this table, we will determine whether HOME funds are required at the level requested (subsidy layering). Points will be awarded based on the feasibility of the project, cost per unit and reasonableness of the project budget.

Attach funding commitment letters as Appendix 3.

6. DEVELOPER CAPACITY (30 points)

In this section you should describe the experience of your organization in completing similar projects in the past, identify the development team and their specific experience, and demonstrate that your organization has the financial capacity to undertake the proposed project. You must verify that you have the financial resources to fund the project, since these funds can be paid out only after work has been completed; no advances will be made. Resumes for staff included on the Development Team should be attached to the proposal in Appendix 4. Your most recent audit or audited financial statements should also be included in Appendix 5.

PROPOSAL SCORING SUMMARY

Project Scope	Does the project meet an identified need (from CP)?	Maximum 20 points
	Development of NEW housing units for sale OR	7
	Development of NEW rental units OR	5
	Single family rehabilitation for sale OR	3
	Rental housing rehabilitation	2
	ALSO Income Levels to be served	5
	ALSO Con Plan Priorities	5
	ALSO Market Study	3
Project Design	Does the project fit in to the area where it is to be sited?	Maximum 15 points
	Project location	5
	Project Design (design features, amenities)	5
	Readiness to proceed	5
Affordability	Who and for how long	Maximum 10 points
	Income levels served	5
	Development Type	2
	Period of Affordability	3
Financial Feasibility	Does the organization have the financial resources to successfully complete this project?	Maximum 25 points
	Cost per unit	5
	Review of Financials	8
	Cost per Unit	5
	Leverage	2
	Program Income generated	2
	Match	3
Developer Capacity	Does the developer have experience with project similar to the one proposed in the application?	Maximum 30 points
	Proposal Clarity	5
	Organizational Experience	15
	Readiness to Proceed	5
	CHDO	5
TOTAL		100 Points
Threshold	Staff scoring must result in at least 45 points for further review.	45

APPLICATION CHECKLIST:

- COMPLETED APPLICATION FORM
- APPENDIX 1: Market Study
- APPENDIX 2: Project Design and Location Information
- APPENDIX 3: Funding Commitments
- APPENDIX 4: Resumes for Development Team
- APPENDIX 5: Audited Financial Statements

For CHDO project only:

- ATTACHMENT 1: CHDO Certification Documents
- ATTACHMENT 2: CHDO Operating Expenses



**ATTACHMENT 1:
Community Housing Development Organization
(CHDO) Certification Application**

APPLICANT INFORMATION:

Name of Organization		
Address		
City	State	Zip Code
Contact Person	Position with Organization	
Telephone Number	Email Address	
Fax Number	Federal Tax I.D. Number	
DUNS Number		

I hereby certify that all statements provided in this application and in the attachments herein are true; that I am authorized to sign this application, and to make these statements, on behalf of the applicant organization; and that the organization understands that misrepresentation of any facts which lead to the improper allocation and expenditure of public funds may result in legal action against the organization for retrieval of any such funds and appropriate penalties.

Signature, Printed Name and Title	Date

I hereby certify that _____ conforms to the financial accountability standards of **2 CFR Part 200, "Uniform administrative requirements, cost principles, and audit requirements for Federal awards"**.

Signature of Chief Financial Officer, Printed Name	Date

NOTE: As part of the application process, Waukesha County will do all necessary due diligence to verify that the operations of an organization are being conducted in accordance with the representations made in this CHDO application.

I. REQUIRED ELEMENTS FOR CERTIFICATION

A. BOARD COMPOSITION: To be certified as a CHDO, at least one-third of the organization's Board of Directors must consist of low-income representatives that reside in the applicant's service area and no more than one-third of the Board can be from the public sector. When calculating the one-third requirements, we consider the total number of Board Members regardless of their permanent residence. Board members cannot receive salary for their service as board member.

1. An applicant organization must ensure that at least one-third of its governing board consists of representatives of low-income communities within its service area. There are three ways to meet this requirement: (1) individuals can be residents of a low-income neighborhood in the organization's service area but they do not necessarily have to earn a low income themselves, (2) they can be low-income residents of the community; that is, their household income is 80% or less than the Area Median Family Income for the service area as published by the U. S. Department of Housing and Urban Development, or (3) they may be elected representatives of low-income neighborhood organizations.
2. No more than one-third of the organization's Board of Directors may be from the public sector. Representatives of the public sector include: (1) *elected officials*, such as council members, (2) *appointed public officials*, such as planning or zoning commission, regulatory or advisory boards, (3) *public employees*, which include employees of public agencies or departments of the City such as fire and police, and (4) any individual who is not necessarily a public official, but has been *appointed by a public official* to serve on the organization's Board of Directors.

To verify that your current Board meets both the low-income requirement and the limits on public sector representation above, **please provide a full listing of the current board for the organization. On the listing, you must provide the following information for each member: full name, date and length of appointment, employer, and which community he or she represents (low-income, public sector, other).** Documentation supporting those designations must be maintained in the organization's files.

B. LOW-INCOME INPUT: To be certified a CHDO, an organization must have a specific formal (written) process for low-income program beneficiaries to advise the organization in its decisions regarding the design, location of sites, development and management of affordable housing projects. Specifically, the organization must have a detailed written plan for ensuring that input from low-income program residents of the service area will be solicited and integrated into the decision-making and project development processes of the organization. **Please provide a copy of the written procedure for gathering low-income input, and some examples of past outreach efforts.**

C. FINANCIAL ACCOUNTABILITY: The organization must have financial accountability standards that conform to 2CFR Part 200. The organization must certify that its financial management systems comply with this specific standard. Please provide the following information:

- A copy of the most recent bank statement.
- The most recent certified financial statements that have been audited or prepared by an accountant

If your organization does not have audited financial statements because it has been operating for less than one year, you must submit the audited financial statements of the parent or sponsor organization.

A non-profit organization cannot be certified as a CHDO if the organization's most recent financial statements and/or audit reflect an outstanding finding, material weakness or other unresolved matter that would affect the capacity of that organization to successfully develop a CHDO project.

D. EXPERIENCE: To be certified as a CHDO as a **developer**, the organization must be able to demonstrate that it has at least one year of experience **directly related to the development of housing**. As a developer, the CHDO arranges financing and is in sole charge of construction or rehabilitation. For rental projects, the CHDO owns the property during development and throughout the period of affordability and performs all development activities. For homebuyer projects, the CHDO owns, rehabilitates or constructs a property, then sells the property. The CHDO must own the property in fee simple title. Newly created organizations that do not have this experience may meet the requirement with a multifamily rental development consultant or if they have a nonprofit parent or sponsor organization that can demonstrate at least one year of experience in the development of housing. Please provide the following:

- A narrative statement, signed by the Executive Director or Board President, documenting that the organization has at least one year of experience directly related to the development of housing prior to seeking CHDO certification; or
- A statement signed by the Executive Director or Board President that documents that its parent or sponsoring organization has at least one year of experience related to the development of housing; and
- A signed agreement or letter of understanding between your organization and the nonprofit parent or sponsor organization that documents the relationship between the two organizations.

To be certified as a CHDO as an **owner**, the organization must be able to demonstrate that it has at least one year of experience **directly related to the ownership and management of housing**. As an owner, the CHDO would act as an owner of rental housing that it does not develop and the CHDO would hire a project manager or contract with a developer to perform rehabilitation or construction. The CHDO must own the property in fee simple title. Please provide the following:

- A narrative statement, signed by the Executive Director or Board President, documenting that the organization has at least one year of experience directly related to the ownership and management of housing prior to seeking CHDO certification; or
- A statement signed by the Executive Director or Board President that documents that its parent or sponsoring organization has at least one year of experience related to the development of housing; and
- A signed agreement or letter of understanding between your organization and the nonprofit parent or sponsor organization that documents the relationship between the two organizations; and
- A signed agreement or letter of understanding with a developer or contractor who has at least one year of experience directly related to the development of housing, and who will assist in the oversight of the development process.

- E. STAFF AND CAPACITY:** The organization must have experienced paid staff responsible for the day-to-day operations. The organization must demonstrate the capacity of its key staff to carry out the activities it is planning to undertake.

Officers or employees of a parent organization (including governmental or public parent organizations) are prohibited from serving as officers or employees of the CHDO (except for the permitted 1/3 of CHDO board members).

Please provide the following:

- Resumes of key paid staff members who have successfully completed a project(s) similar to those to be assisted with HOME funds, (include project descriptions of relevant completed projects).
- Listing of relevant current and previous HOME funded projects undertaken by this Agency within the past 10 years. Indicate if the projects were completed/are progressing in accordance with the appropriate CHDO Agreement. If any current projects are stalled or not progressing in accordance with the appropriate CHDO Agreement, indicate measures that are being taken to advance the project(s).

II. ORGANIZATIONAL STRUCTURE

- A. ORGANIZATION:** To receive certification, your organization must be organized under state and local laws and must provide evidence of legal status. Please provide:

- Charter, or
- Articles of Incorporation.

- B. PURPOSE OF ORGANIZATION:** An organization must have among its purposes the provision of decent housing that is affordable to low and moderate-income persons. Please provide the following:

- By-laws of the organization,
- Articles of Incorporation,
- Charter, or
- Resolution.

- C. NO INDIVIDUAL BENEFIT OR DISTRIBUTIONS:** No part of your organization's net earnings can inure to the benefit of any member, founder, contributor or individual. All net income must be reinvested in the projects developed by the organization or in subsequent affordable housing projects. Please provide the following:

- By-laws of the organization,
- Articles of Incorporation, or
- Charter.

- D. TAX EXEMPT RULING:** Provide evidence that it has a tax-exempt ruling from the Internal Revenue Service (IRS), under section 501 (c) of the Internal Revenue Code of 1986.

- A 501 (c) (3) Certificate Letter from the IRS
- A 501 (c) (4) Certificate Letter from the IRS

E. **SERVICE AREA:** To receive certification an organization must have a clearly defined geographic service area.

Our organization works statewide, with low-income representation from communities throughout the state. We have completed development work in the past in Dane County, including in the City of Madison and in Sun Prairie.

F. **RELIGIOUS ORGANIZATION SPONSORSHIP:** Is your nonprofit organization sponsored or created by a religious organization?

- Yes
- No

If the answer above is “Yes,” please note that a religious organization may be a CHDO, however, housing units developed by the CHDO organization must be made available to all persons, regardless of religious affiliation or belief.

G. **FOR-PROFIT ORGANIZATION SPONSORSHIP:** Is your nonprofit organization sponsored or created by a for-profit entity?

- Yes
- No

If the answer above is “Yes,” a for-profit entity cannot qualify as a CHDO, but a for-profit entity may sponsor the creation of a nonprofit. However, the for-profit entity may not be an entity whose primary purpose is the development or management of housing, such as a builder, contractor, developer, or real estate management firm. The for-profit entity may not appoint more than one-third of the membership of the organization’s governing body. Board members appointed by the for-profit entity may not appoint the remaining two-thirds of the Board members and the CHDO organization must be free to contract for goods and services from vendors of its own choosing.

III. COUNTY USE ONLY

Reviewed and approved by: _____ . Date: _____ .

Reviewed and denied by: _____ . Date: _____ .

Comments:



**ATTACHMENT 2:
Community Housing Development Organization
(CHDO) Operating Funds**

On the table below, break down the administrative/operational expenses you will incur in the course of initiating, operating, managing and monitoring proposed activities. For each item marked with an asterisk provide more detail on additional pages.

Category	HOME	OTHER SOURCES	TOTAL
Personnel			
Travel			
Equipment			
Office Rent			
Utilities			
Supplies			
Training*			
Audit (required)			
Contractual*			
Other*			
Totals			