

Substantial Amendment to the 2016–2020 Consolidated Plan North Carolina National Housing Trust Fund 2016 Allocation Plan

Summary: The 2016–2020 Consolidated Plan is the planning document that guides the North Carolina Consolidated Plan partners in addressing housing and community development needs across the state for the next five years. The 2016 Annual Action Plan summarizes potential accomplishments for the four partner agencies during the 2016 calendar year. Per CFR 91.505, *Amendments to the plan*, the jurisdiction shall amend its approved plan whenever it makes one of the following decisions:

- (1) To make a change in its allocation priorities or a change in the method of distribution of funds;
- (2) To carry out an activity, using funds from any program covered by the consolidated plan (including program income), not previously described in the action plan; or
- (3) To change the purpose, scope, location, or beneficiaries of an activity.

This amendment addresses the appropriation of \$3,280,235 of the national Housing Trust Fund (HTF) from the U.S. Department of Housing and Urban Development (HUD) to the North Carolina Housing Finance Agency (NCHFA). The national HTF funds the development of affordable housing for people earning 30 percent area median income (AMI) or less. More information on the national HTF can be found on HUD’s website www.hudexchange.info/htf.

This amendment also addresses a change in the NCHFA Single Family Rehab Loan Pool Program (SFRLP) which currently rehabilitates homes owned by elderly and/or disabled persons. The amended Plan will now read “SFRLP rehabilitates homes occupied by veterans, elderly, and/or disabled persons.”

HTF Allocation Plan

I. GENERAL INFORMATION

The HTF Interim Rule (24 CFR Part 93) made the consolidated plan regulations at 24 CFR Part 91 applicable to the HTF. As a result, a HTF grantee (i.e., a State) must include HTF in its citizen participation plan (§91.115), strategic plan (§91.315) and annual action plan (§91.320). In addition, the State must submit to HUD for review and approval of a HTF allocation plan with its annual action plan (§91.320(k)(5)). Also, as required in §91.10, the HTF program must be administered by the State on the same program year it established for all grant programs covered by the consolidated plan.

The HTF allocation plan is an annual submission to HUD that describes how the State will distribute the HTF funds, including how it will use the funds to address its priority housing needs. The allocation plan also describes what activities may be undertaken with HTF funds and how recipients and projects will be selected.

The State of North Carolina has selected NCHFA as the State Designated Entity to administer the program, in accordance with 24 CFR 93.100.

Submission Requirements

HUD Notice CPD 12-009 requires a State submitting a consolidated plan on or after November 15, 2012 to use the eCon Planning Suite in IDIS to submit this plan and all subsequent consolidated plans, annual action plans and consolidated annual performance and evaluations reports (CAPERs). However, the eCon Planning Suite does not currently contain all of the required data fields to accommodate the HTF allocation plan. As such, the State has included data field responses from IDIS in this document. To find additional information, please visit the HTF website, www.hudexchange.info/htf for more guidance on the HTF program and HUD Notice CPD 16-07 *Guidance for HTF Grantees on Fiscal Year 2016 Housing Trust Fund (HTF) Allocation Plans*.

Deadline

The State must submit an HTF allocation plan and make any amendments to its consolidated plan by **August 16, 2016**. Please note that some of the HTF allocation plan requirements will be completed in eCon Planning Suite in IDIS and the rest will be submitted as a Word document or PDF file to HUD. For convenience and to allow for public access to IDIS data fields, the State has included all required responses in this document.

Review Period

The 45-day review period begins when (a) HUD receives the Standard Form 424 and certifications or email notification that the consolidated plan has been submitted in IDIS (for new action plans) or (b) HUD receives the Standard Form 424 and certifications or email notification that an amended action plan has been submitted in IDIS.

Approval Process

The HTF allocation plan will be deemed approved 45 days after HUD receives the plan, unless HUD notifies the State that the plan is disapproved before expiration of the review period.

II. GRANTEE INFORMATION

State: NORTH CAROLINA

FY 2016 HTF Allocation Amount: \$3,280,235

Ten percent will be used for administration of the funds (\$328,023) and 90 percent will be used for development of rental units affordable to households earning 30 percent or less of the AMI (\$2,952,212).

III. CONSOLIDATED PLAN REQUIREMENTS

Citizen Participation Plan

The consolidated plan regulation at §91.115 requires the State to include HTF in its citizen participation plan. Essentially, before adopting a consolidated plan, the State is required to adopt a citizen participation plan that describes the process for providing and encouraging citizens to participate in the development of the Consolidated Plan (ConPlan), the amendments to the ConPlan and the performance report (CAPERs). For the purposes of HTF, the State is required to make the following information available to the public:

- The amount of HTF assistance the State expects to receive,
- The range of activities the State may undertake, including the estimated amount that will benefit extremely low-income households,
- And the State's plans to minimize displacement of persons and to assist any persons displaced.

The State will hold an official public hearing on June 29, 2016 from 2:00 p.m. to 3:00 p.m. for the amendment of the 2016–2020 Consolidated Plan and 2016 Annual Action Plan. The public hearing will be held in the Dogwood Room at the Hilton North Raleigh Midtown Hotel, 3415 Wake Forest Road, Raleigh, NC 27609. The State will accept public comment through July 17, 2016.

Consolidated Plan Revisions

➤ **Executive Summary-** §91.320(b)

The Executive Summary includes seven narratives: (1) Introduction; (2) Summary of Objectives and Outcomes; (3) Evaluation of Past Performance; (4) Summary of the Citizen Participation and Consultation Process; (5) Summary of Public Comments; (6) Summary of Comments Not Accepted; (7) Summary.

1. **Introduction:** The North Carolina ConPlan was developed in accordance with the ConPlan regulations set forth in 24 CFR Part 91 and with the requirements set forth by HUD. The ConPlan serves two purposes: First, it is the planning document that guides the North Carolina ConPlan partners in addressing housing and community development needs across the state for the next five years, using the allocated funds received from HUD. Second, this plan serves as a tool to inform a variety of stakeholders—including HUD, state and local officials, nonprofit and advocacy organizations and the residents of North Carolina—of the need for improving the living conditions for our state’s very low, low and moderate income populations.
2. **Summary of objectives and outcomes identified in the ConPlan:** The State realizes it cannot meet all of the housing need, but it can strategically invest its limited resources to alleviate important housing problems for North Carolina’s households.

The State has three (3) basic goals:

- To provide decent and affordable housing
- To provide a suitable living environment
- To expand economic opportunity

The primary means to achieve these goals is the provision of affordable housing. Each ConPlan partnering agency operates programs that help to fulfill these goals while meeting housing and service-related needs statewide. With the addition of the national Housing Trust Fund, the State will expand decent and affordable housing with the development of rental housing affordable to households earning 30 percent or less of the AMI.

3. **Evaluation of past performance:** There is no past performance for the HTF. HTF performance will be evaluated similarly with HOME performance measures.
4. **Summary of Citizen Participation process:** As required, the ConPlan partners consistently involve the public through the public participation process as outlined in the approved Citizen Participation Plan. Comments received as a result of the ConPlan, Analysis to Impediments to Fair Housing Choice and the HTF Allocation Plan will be maintained as required with North Carolina Public Records Law as outlined in North Carolina General Statutes. When comments are made about specific agency programs, that agency provides a written response. For HTF, NCHFA will respond to comments received.

As an effort to gain public input on the HTF Allocation Plan, NCHFA published a public hearing notice in major newspapers across the state: Raleigh News & Observer, Charlotte Observer, Asheville Citizen-Times and Greensboro News & Record. NCHFA also published public notices in Spanish via the Que Pasa Media Network in Greensboro, Raleigh and Charlotte.

➤ **Citizen Participation-** §91.115 and §91.300(c)

The State of North Carolina encourages citizens to participate in the planning, implementation and assessment of the ConPlan for HUD Community Planning and Development programs. This plan describes how this participation will be encouraged.

During the development of the plan, the development of any substantial amendments and prior to submission of the annual performance report to HUD, the State solicits the views and proposals of citizens and interested groups and agencies at meetings and public hearings.

Notices for meetings and public hearing shall include:

- 1) The subject of the meeting;
- 2) Amount of funds anticipated to be available and range of eligible activities;
- 3) Estimated benefit to low and moderate income persons;
- 4) Information needed by citizens to make informed comments, or in cases where extensive information will be the subject of comment, where the information is available for inspection;
- 5) Time and location of the meeting;
- 6) The address and telephone number where special populations (persons with disabilities or non-English speaking persons) may request auxiliary aids or assistance;
- 7) The address where written comments may be submitted, and the time frame of the comment period for the subject of the meeting;
- 8) The telephone number where persons may request additional information;
- 9) A telephone number for constituents to call in to the public meeting if they are unable to travel.

Summary of Response/Attendance

The State will hold an official public hearing on June 29, 2016 from 2:00 p.m. to 3:00 p.m. for the amendment of the 2016–2020 Consolidated Plan and 2016 Annual Action Plan. The public hearing will be held in the Dogwood Room at the Hilton North Raleigh Midtown Hotel, 3415 Wake Forest Road, Raleigh, NC 27609. The State will accept public comment until July 17, 2016. A summary of response/attendance will be summarized here.

Summary of Comments Received

HTF Allocation Plan comments will be summarized here once they are received.

IV. STRATEGIC PLAN REQUIREMENTS

The State must amend the affordable housing section of the Strategic Plan to include specific objectives that describe proposed accomplishments the State hopes to achieve and must specify the number of extremely low-income families to which the State will provide affordable housing to (homeownership- §93.302; rental- §93.304) over a specific period of time.

Strategic Plan Overview:

The Strategic Plan outlines major strategies to be used by the ConPlan Partners to target the priority need groups identified over the next five years. The Strategic Plan is developed using the Housing and Market Analysis and Needs Assessment to create goals and objectives as well as strategies to achieve those goals. Based on the severity of need, the ConPlan partners assigned priorities to populations differentiated by income, tenure and homeless/special need status. Priorities are addressed as High and Low. The funding partners will deploy its allocations based on priority needs and each agency's target market. This cycle's five-year strategy, called the ConPlan, lays out the priority needs for the state, which are based on housing and population information captured from census data special tabulations that yield the incidence of certain housing problems (overcrowding, inadequate plumbing facilities, cost burden, etc.) among the population. The five-year plan also sets the framework from which each year's Annual Action Plan can be drawn. The Annual Action Plan further details how the State will accomplish its five-year goals during annual program cycles.

High priorities identified in the ConPlan that will be addressed by HTF are housing for households earning 30 percent or less of the AMI as well as non-homeless households with special needs. HTF will be made available to eligible applicants in high-income counties in North Carolina as defined in the State's Qualified Allocation Plan (QAP). Doing so will allow the units to be made affordable to people earning 30 percent or less of the AMI. Many of North Carolina's high-income counties are also counties that have the highest demand for people transitioning out of adult care homes to achieve community integration pursuant to North Carolina's *Olmstead* settlement agreement with the U.S. Department of Justice.

This will increase the number of rental units affordable at 30 percent or below AMI constructed as reported in the ConPlan by 80 units.

Strategic Plan

➤ **Geographic Priorities-** §91.315(a)(1)

Currently in the ConPlan, the geographic priority is statewide. For the HTF, an additional affordability factor was considered. HTF funds will be made available to eligible applicants in high-income counties in North Carolina as defined in the QAP. Doing so will allow the units to be made affordable to people earning 30 percent or less of the AMI. Many of North Carolina's high-income counties are also counties that have the highest demand for people transitioning out of adult care homes to achieve community integration pursuant to NC's *Olmstead* settlement agreement with the U.S. Department of Justice.

➤ **Priority Needs-** §91.315(a)(2)

High priorities identified in the ConPlan that HTF funded properties will address are housing for households earning 30 percent or less of the AMI as well as non-homeless households with special needs.

➤ **Anticipated Resources-** §91.315(a)(4); §91.320(c)(1) and (2)

Source of Funds	Source	Uses of Funds	Expected Amount Available Year 1	Expected Amount Available Remainder of Con Plan	Narrative Description
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	Annual Allocation: \$ 43700000 Program Income: \$ Prior Year Resources: \$ Total: \$ 43700000	\$ 174800000	
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	Annual Allocation: \$ 12392845 Program Income: \$ 10000000 Prior Year Resources: \$ 0 Total: \$ 22392845	\$ 40000000	
HOPWA	public - federal	Permanent housing in facilities Permanent housing placement STRMU Short term or transitional housing facilities Supportive services TBRA	Annual Allocation: \$ 2143296 Program Income: \$ 0 Prior Year Resources: \$ 1700000 Total: \$ 3843296	\$ 10700000	
ESG	public - federal	Conversion and rehab for transitional housing Financial Assistance Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services Transitional housing	Annual Allocation: \$ 5033564 Program Income: \$ 0 Prior Year Resources: \$ 4606504 Total: \$ 9640068	\$ 20134256	ESG funding supports housing stabilization and emergency shelter activities
Housing Trust Fund	public - federal	Multifamily rental new construction	\$ 3280235	\$ 2592212	The Housing Trust Fund will fund the development of rental units affordable to

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied: HOME and HTF will help finance loans through NCHFA's Rental Production Program used in conjunction with Low Income Housing Tax Credits (LIHTC), state-appropriated funds, and other private and local funding.

- **Goals-** §91.315(a)(4) and §91.315 (b)(2)- NCHFA Multifamily Units

HTF will be used to increase the number of rental units developed that are affordable to households earning 30 percent or less of the AMI. This will increase the number of rental units affordable at 30 percent or below AMI constructed as reported in the ConPlan by 80 units.

V. ANNUAL ACTION PLAN REQUIREMENTS

The State must include HTF in its annual action plan or amend the plan to include HTF information as required in §93.320(k)(5). The action plan must include a HTF allocation plan that describes the distribution of HTF funds, and establishes the application requirements and selection criteria of applications submitted by eligible recipients that meet the state's priority housing needs.

Annual Action Plan Revisions

- **Expected Resources-** §91.320(c)(1) and (2)

The State expects to receive \$3,280,235 in additional federal resources from the HTF. Ten percent will be used for administration of the funds (\$328,023) and 90 percent will be used for development of rental units affordable to households earning 30 percent or less of the AMI (\$2,592,212).

- **Annual Goals and Objectives-** §91.320(c)(3) and (e)

HTF will be used to increase the number of rental units developed that are affordable to households earning 30 percent or less of the AMI. This will increase the number of rental units affordable at 30 percent or below AMI constructed as reported in the ConPlan by 80 units.

- **Allocation Priorities-** §91.320(d)

High priorities identified in the ConPlan that HTF will address are housing for households earning 30 percent or less of the AMI as well as non-homeless households with special needs. HTF funds will be made available to eligible applicants in high-income counties in North Carolina as defined in the QAP. Doing so will allow the units to be made affordable to people earning 30 percent or less of the AMI. Many of North Carolina's high-income counties are also counties that have the highest demand for people transitioning out of adult care homes to achieve community integration pursuant to North Carolina's *Olmstead* settlement agreement with the U.S. Department of Justice.

- **Method of Distribution-** §91.320(d) and (k5)

NCHFA will utilize the application process and eligibility requirements described in North Carolina's QAP in awarding funds. The QAP will describe in detail applicant eligibility, eligible activities, what an application is to include, when and where applications are to be submitted, the criteria by which applications will be evaluated, who will review the applications and when awards are to be made. The QAP will indicate what the State has determined to be the priority housing need(s) it intends to address based on the outcome of its HTF citizen participation process and priority needs indicated in its current ConPlan. The State's QAP will require that at least 25 percent of the qualified low-income units in a proposed tax credit project will be affordable to and occupied by households with incomes at or below 30 percent of county median income in order to be eligible to receive HTF funds.

The State will distribute HTF funds by selecting applications submitted by eligible recipients according to the process described in the State's QAP. The applications will be judged according to the following criteria:

- a. Priority based upon geographic diversity: HTF will be made available to eligible applicants in high-income counties in North Carolina as defined in the QAP. Doing so will allow the units to be made affordable to people earning 30 percent or less of the AMI. Many of North Carolina's high-income counties are also counties that have the highest demand for people transitioning out of adult care homes to achieve community integration pursuant to North Carolina's *Olmstead* settlement agreement with the U.S. Department of Justice.
- b. Applicant's ability to obligate HTF: Grantees must "commit" their HTF within two years, and expend within five years.
- c. Applicant's ability to undertake eligible activities in a timely manner: For new construction or rehabilitation of rental housing, to start construction within 12 months of date of contract between the recipient and State.
- d. For rental housing, the extent to which the project has Federal, State or local project-based rental assistance so rents are affordable to extremely low-income families: Affordable to extremely low-income families is defined as families not paying more than 30 percent of their household income for housing costs, including utilities. Project-based rental assistance includes, but is not limited to, unit-based rental assistance, operating subsidies and cross-subsidization of rents within the project. All LIHTC-funded properties are eligible to receive operating assistance under the Key Program which is a State funded program for persons with disabilities, making the rents affordable to individuals on Social Security Income/Social Security Disability Insurance incomes.
- e. For rental housing, the duration of the units' affordability period: Minimum affordability period is 30 years.
- f. The merits of the application in meeting the State's priority housing needs: The State's ConPlan defines households earning 30 percent or less of the AMI to be a high-priority population.
- g. The extent to which application makes use of non-federal funding sources: By linking HTF to the LIHTC program, the State will maximize leveraging from both public and private sources.

➤ **Geographic Distribution-** §91.320(f)

HTF will be made available to eligible applicants in high-income counties in North Carolina as defined in the QAP. Doing so will allow the units to be made affordable to people earning 30 percent or less of the AMI. Many of North Carolina's high-income counties are also counties that have the highest demand for people transitioning out of adult care homes to achieve community integration pursuant to North Carolina's *Olmstead* settlement agreement with the U.S. Department of Justice.

➤ **Affordable Housing-** §91.320(g)

HTF will be used to increase the number of rental units developed that are affordable to households earning 30 percent or less of the AMI. This will increase the number of rental units affordable at 30 percent or below AMI constructed as reported in the ConPlan by 80 units.

➤ **Homeless and Other Special Needs Activities-** §91.320(h)

High priorities identified in the ConPlan that will be addressed with HTF are housing for households earning 30 percent or less of the AMI as well as non-homeless households with special needs. HTF funds will be made available to eligible applicants in high-income counties in North Carolina as defined in the QAP. Doing so will allow the units to be made affordable to households earning 30 percent or less of the AMI. Many of North Carolina's high-income counties are also counties that have the highest demand for people transitioning out of adult care homes to achieve community integration pursuant to North Carolina's *Olmstead* settlement agreement with the U.S. Department of Justice.

➤ **Barriers to Affordable Housing-** §91.320(i)

HTF will create more decent and affordable housing units affordable to households earning 30 percent or less of the AMI.

➤ **Other Actions-** §91.320(j)

The HTF will help with two strategies the State has identified in its ConPlan: providing decent, affordable housing to households earning 30 percent or less of the AMI as well as non-homeless households with special needs. The funds will be distributed through NCHFA's Rental Production Program and will develop 80 units affordable to households earning 30 percent or less AMI. NCHFA will comply with all lead-based paint regulations. HTF funded units will also incorporate partnerships created under the Key Program and the Transitions to Community Living Initiative (TCLI).

HTF Funding Priorities-§91.320(k)(5)(i)

The State is responsible for distributing HTF throughout the State according to its housing priority needs. The State must respond to the following questions:

1. Will the State distribute HTF funds through grants to subgrantees? If yes, describe the method for distributing HTF funds through grants to subgrantees and how the State will make those funds available to units of general local governments. If no, state N/A.

N/A

2. Will the State distribute HTF funds by selecting applications submitted by eligible recipients? If yes, describe the eligibility requirements for applicants as defined in §93.2- definition of recipient. If no, state N/A.

Yes.

NCHFA will utilize the application process and eligibility requirements described in North Carolina's QAP in awarding funds. The QAP will describe in detail applicant eligibility, eligible activities, what an application is to include, when and where applications are to be submitted, the criteria by which applications will be evaluated, who will review the applications and when awards are to be made. The QAP will indicate what the State has determined to be the priority housing need(s) it intends to address based on the outcome of its HTF citizen participation process and priority needs indicated in its current ConPlan. The State's QAP will require that at least 25 percent of the qualified low-income units in a proposed tax credit project will be affordable to and occupied by households with incomes at or below 30 percent of county median income in order to be eligible to receive HTF funds.

The recipient is an organization, agency or other entity (including a public housing agency, or a for-profit entity or a nonprofit entity) that receives HTF assistance from a grantee as an owner or developer to carry out an HTF-assisted project. A recipient must:

- (1) Make acceptable assurances to the grantee that it will comply with the requirements of the HTF program during the entire period that begins upon selection of the recipient to receive HTF funds, and ending upon the conclusion of all HTF-funded activities;
- (2) Demonstrate the ability and financial capacity to undertake, comply and manage the eligible activity;
- (3) Demonstrate familiarity with the requirements of other federal, state, or local housing programs that may be used in conjunction with HTF to ensure compliance with all applicable requirements and regulations of such programs; and
- (4) Have demonstrated experience and capacity to conduct an eligible HTF activity as evidenced by its ability to:
 - (i) Own, construct or rehabilitate, and manage and operate an affordable multifamily rental housing development; or
 - (ii) Design, construct or rehabilitate, and market affordable housing for homeownership.
 - (iii) Provide forms of assistance, such as down payments, closing costs or interest rate buy downs for purchasers.

3. Will the State distribute HTF by selecting applications submitted by eligible recipients? If yes, describe all the criteria that will be used to select applications and the relative importance of these criteria. Selection criteria is specified in §91.320(k)(5)(i).

Yes.

The State will distribute HTF by selecting applications submitted by eligible recipients according to the process described in the State's QAP. The applications will be judged according to the following criteria:

- a. Priority based upon geographic diversity: HTF will be made available to eligible applicants in high-income counties in North Carolina as defined in the QAP. Doing so will allow the units to be made affordable to households earning 30 percent or less of the AMI. Many of North Carolina's high-income counties are also counties that have the highest demand for people transitioning out of adult care homes to achieve community integration pursuant to North Carolina's *Olmstead* settlement agreement with the U.S. Department of Justice.
- b. Applicant's ability to obligate HTF funds: Grantees must "commit" their HTF funds within two years, and expend within five years.
- c. Applicant's ability to undertake eligible activities in a timely manner: For new construction or rehabilitation of rental housing, to start construction within 12 months of date of contract between the recipient and State.
- d. For rental housing, the extent to which the project has federal, state or local project-based rental assistance so rents are affordable to extremely low-income families: Affordable to extremely low-income families is defined as families not paying more than 30 percent of their household income for housing costs, including utilities. Project-based rental assistance includes, but is not limited to, unit-based rental assistance, operating subsidies and cross-subsidization of rents within the project. All LIHTC funded properties are eligible to receive operating assistance under the Key Program which is a State funded program for persons with disabilities, making the rents affordable to individuals on SSI/SSDI incomes.
- e. For rental housing, the duration of the units' affordability period: Minimum affordability period is 30 years.
- f. The merits of the application in meeting the State's priority housing needs: The State's ConPlan defines households earning 30 percent or less of the AMI to be a high priority population.

- g. The extent to which application makes use of non-federal funding sources: By linking HTF to the LIHTC program, the State will maximize leveraging from both public and private sources.

Recipient Application Requirements- §91.320(k)(5)(ii)

1. Will the State require that all recipient applications contain a description of the eligible activities to be conducted with HTF funds as required in §93.200- Eligible activities?

Yes.

2. Will the State require that each eligible recipient certify that housing assisted with HTF funds will comply with HTF requirements?

Yes.

Performance Goals and Benchmarks- §91.320(k)(5)(iii)

The plan must include performance goals and benchmarks against which the State will measure its progress, consistent with the State's goals established at §91.315(b)(2).

HTF will be used to increase the number of rental units developed that are affordable to households earning 30 percent or less of the AMI. This will increase the number of rental units affordable at 30 percent or less AMI constructed as reported in the ConPlan by 80 units.

VI. OTHER REQUIREMENTS

Maximum Per-unit Development Subsidy Amount- §91.320(k)(5) and §93.300(a)

The State must establish its own maximum limitations on the total amount of HTF funds that can be invested per-unit for development of non-luxury housing. The limits must be reasonable, based on actual costs and adjusted for the number of bedrooms and geographic location of the project.

The State will use HOME maximum per unit development subsidy limits:

<https://www.hudexchange.info/resources/documents/Notice-CPD-15-003-Interim-Policy-on-Maximum-Per-Unit-Subsidy-Limits-for-the-Home-Program.pdf>

Rehabilitation Standards - §91.320(k)(5)(iv) and §93.301(b)

If the State intends to use HTF for housing being rehabilitated, it must establish rehabilitation standards that all HTF-assisted housing undergoing rehabilitation must meet at the time of project completion in accordance with § 93.301(b).

The State does not intend to use HTF for rehabilitation of housing.

Resale and/or Recapture Provisions- §91.320(k)(5)(v) and §93.304(f)

If the State intends to use HTF to assist first-time homebuyers, it must set forth the guidelines for resale or recapture and obtain HUD specific, written approval as required in §93.304(f).

The State does not intend use HTF to assist first-time homebuyers.

HTF Affordable Homeownership Limits- §91.320(k)(5)(vi) and §93.305

HTF funds may only be invested for the provision of modest housing for home ownership. This means the housing has a purchase price for the type of single-family housing that does not exceed 95 percent of the median purchase price for the area for newly constructed or standard housing.

The State will not use HTF funds for home ownership housing.

State Limited Beneficiaries or Preferences- §91.320(k)(5)(vii)

The State may limit the beneficiaries or give preferences to a particular segment of the extremely low-income population only if described in the action plan. Any limitation or preference must not violate non-discrimination requirements at §93.350 and the State must not limit or give preferences to students. The State may also allow 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.

The State will not limit beneficiaries and/or give preferences to any segments of the extremely low-income population.

Refinancing of Existing Debt- §91.320(k)(5)(viii) and §93.201(b)

If the State will use HTF funds for refinancing of existing debt, it must establish refinancing guidelines and include them in its consolidated plan. The State's refinancing guidelines must describe the conditions under which it will refinance existing debt.

The State will not permit the refinancing of existing debt.

VII. GRANTEE CERTIFICATIONS

In addition to submitting an HTF allocation plan, the State must submit all the required certifications identified at §91.225 (as this is a new action plan).

Consistency with plan- The jurisdiction will submit a certification that the housing activities to be undertaken with CDBG, HOME, ESG, and HOPWA funds are consistent with the Strategic Plan. HTF will be included in this certification.

VIII. REQUIRED FORMS

In addition to submitting an HTF allocation plan, the State will submit and/or complete the following standard forms for its HTF program.

– Standard form- 424: Application for Federal Assistance (§91.320(a))

– Standard form- 1199 A: Direct Deposit Sign up Form