

**Idaho Housing and Finance Association
HOME Programs Department
2024 Single-Family Homebuyer Activities
Proposal Guidance and Requirements**

PROPOSAL DEADLINE.....	3
RFP SUBMISSION REQUIREMENTS.....	3
OWNER-DEVELOPER QUALIFICATIONS	3
ELIGIBLE ACTIVITIES	3
SPECIFIC 2024 AWARD CONDITIONS & LIMITATIONS	3
ANNUAL ADMINISTRATIVE PLAN OF RECORD	3
HOMEBUYER REQUIREMENTS.....	3
<i>Homebuyer Investment</i>	<i>4</i>
<i>Initial Purchase/Credit Requirements (Homebuyer).....</i>	<i>4</i>
<i>Homebuyer Maximum Liquid Assets</i>	<i>5</i>
<i>Homebuyer Education & Counseling Requirements.....</i>	<i>5</i>
<i>Homebuyer PITI (Housing Expense Ratio)</i>	<i>5</i>
DEVELOPMENT ACTIVITY INFORMATION & REQUIREMENTS.....	6
<input type="checkbox"/> HOW TO DETERMINE ESTIMATED FAIR MARKET VALUE (FEE SIMPLE ONLY)	6
<input type="checkbox"/> HOMEBUYER SALES PRICE LIMIT	7
<input type="checkbox"/> DEVELOPER FEE CALCULATION	7
<input type="checkbox"/> DEVELOPER FEE- TIMING AND DISTRIBUTION	7
<input type="checkbox"/> PRE-78 HOUSING (LEAD-BASED PAINT).....	7
<input type="checkbox"/> IHFA VISITABILITY COMPONENTS (RENTAL AND HOMEBUYER).....	7
<input type="checkbox"/> SECTION 504	8
<input type="checkbox"/> MAXIMUM PER-UNIT SUBSIDY LIMITS	8
SUBMISSION REQUIREMENTS	8
<input type="checkbox"/> NARRATIVE.....	8
<input type="checkbox"/> WRITTEN PROCEDURE TO DETERMINE THE FEASIBILITY OF A SECTION 504 REASONABLE ACCOMMODATION/MODIFICATION REQUEST & VISITABILITY PROCEDURE	8
<input type="checkbox"/> MARKET ANALYSIS	9
<input type="checkbox"/> AFFIRMATIVE MARKETING PLAN.....	9
<input type="checkbox"/> SEE EXHIBIT T OF THE CURRENT ADMINISTRATIVE PLAN AT HOME PROGRAM - HOME PAGE	9
<input type="checkbox"/> ESTIMATED BUDGET & SOURCES AND USES.....	9
<input type="checkbox"/> COPY OF ORGANIZATION’S IRS NON-PROFIT DESIGNATION	9
<input type="checkbox"/> CURRENT IRS STANDING.....	9
<input type="checkbox"/> STATE OF IDAHO BUSINESS ENTITY REGISTRATION AND CURRENT STANDING.....	9
<input type="checkbox"/> RESUMES/STATEMENT OF EXPERIENCE	9
<input type="checkbox"/> AFFIRMATIVELY FURTHERING FAIR HOUSING RESOLUTION	9
<input type="checkbox"/> REHABILITATION STANDARDS	9
<input type="checkbox"/> FINANCIAL STATEMENTS.....	9
<input type="checkbox"/> SECTION 3 DEVELOPER PLAN.....	10
GENERAL ACTIVITY INFORMATION.....	10
1. MATERIALS AND WORKMANSHIP.....	10
2. NEW CONSTRUCTION REQUIREMENTS	10
3. FEDERAL HOUSING QUALITY STANDARDS AT PROJECT COMPLETION	10
4. REHABILITATION REQUIREMENTS.....	10
<i>Inspectable Components.....</i>	<i>10</i>

**Idaho Housing and Finance Association
HOME Programs Department
2024 Single-Family Homebuyer Projects
Proposal Guidance and Requirements**

<i>Major Systems/Components-Homebuyer</i>	<i>10</i>
LOAN/REPAYMENT TERMS (FEE SIMPLE ONLY – SEE CLT SECTION FOR CLT REPAYMENT TERMS)	11
ADDITIONAL REQUIREMENTS- HOMEBUYER	11
<input type="checkbox"/> <i>60-Day Rule (HOME).....</i>	<i>11</i>
REHABILITATION STANDARDS	11
MARKET ANALYSIS CHECKLIST.....	12
SINGLE FAMILY RFP/NOFA CHECKLIST	13

**Idaho Housing and Finance Association
HOME Programs Department
2024 Single-Family Homebuyer Projects
Proposal Guidance and Requirements**

Questions/Assistance Regarding the Request for Proposal (“RFP”) contact HOMESF@IHFA.ORG.

PROPOSAL DEADLINE

Friday February 16, 2024 - *Any application which is incomplete, or which supporting documentation is uploaded after February 16, 2024 will be denied.*

RFP SUBMISSION REQUIREMENTS

- Electronic submission through Procorem SF RFP WorkCenter only, contact HOMESF@IHFA.ORG for a WorkCenter to be opened.

OWNER-DEVELOPER QUALIFICATIONS

- IRS Non-profit designation
- Registered business entity with the State of Idaho
- Good standing with State of Idaho, and all divisions of IHFA (as determined by IHFA)
- Demonstrated development experience of the same scope, size, and complexity of the proposed activity

ELIGIBLE ACTIVITIES

1. Acquisition and/or rehabilitation/new construction of Single-family properties to be sold to income-eligible households (Fee Simple), or approved Community Land Trust Activity (Resale)

SPECIFIC 2024 AWARD CONDITIONS & LIMITATIONS

1. The Award expires on September 30, 2024, and Nonprofits must have all projects identified, have a budget approved by IHFA, and an Executed Loan and Regulatory Agreement by September 30, 2024. At that time all or a portion of the 2023 award may be rescinded by IHFA for use in the 2025 RFP. A 30-60 day extension request may be submitted in writing if a site is identified, all pre-construction processes, including but not limited to, budget preparation, Section 3 outreach, bid collection and selection, etc. are nearing completion, and the project can reasonably close in that timeframe. Requests for extensions may be denied at IHFA’s sole discretion.
2. Geographic Locations
 - HOME funds- Anywhere in Idaho except Boise (exceptions for Boise projects may be approved on a case-by-case basis)

ANNUAL ADMINISTRATIVE PLAN OF RECORD

The 2024 Annual Administrative Plan is the official plan of record for all activities under this RFP. IHFA anticipates formal adoption of the 2024 Administrative Plan in April 2024. Applicants should continue to use the 2023 Annual Administrative Plan until further notice. To prepare a proposal, applicant should refer to this document and the 2023 Annual Administrative Plan online at: [HOME Program - Idaho Housing and Finance Association](#)

HOMEBUYER REQUIREMENTS

Homebuyer Investment

- \$500 minimum contribution – must be verified
- Cash gift(s) allowed if fully documented and verified
- If “sweat equity” is ≥ \$500, no additional cash investment is required – must be verified and shown as a credit on the final CD/HUD-1 at purchase

Maximum Subsidy Limit to Homebuyer

**Idaho Housing and Finance Association
HOME Programs Department
2024 Single-Family Homebuyer Projects
Proposal Guidance and Requirements**

- Assistance is determined by buyers need, and evaluated by calculating back end Debt-to-Income (DTI) and Housing Expense ratio. The amount of assistance provided to a qualified household is based on HOME's determination of need. Assistance is generally limited to 40% of the sales price; however, there may be some cases when HOME will increase or decrease assistance based on the buyers ratios and need. At HOME's sole discretion, a household may be declined if they need more assistance than HOME determines to be feasible. The amount of assistance will serve as the mechanism to ensure buyers are within IHFA's stated limits, to make the buyers mortgage payment affordable for the household, or to provide the assistance required for the first loan to be approvable for the primary lender. Please reference Housing Expense Ratio and Debt-to-Income sections later in this document for details. *HOME is not obligated to provide additional assistance to meet lower ratios preferred by a lender or developer.*
- HOME *may* approve higher DTI or Housing Expense Ratio on a case-by-case basis, and only if buyer has good credit, minimal debt, and stable employment.
- Back-end DTI is all debt (including housing) divided by monthly gross income. *For buyers with student loan debt, IHFA will calculate 1% of loan balances, regardless of being in a deferred status at time of application.*

Initial Purchase/Credit Requirements (Homebuyer)

- HOME must review and income qualify every potential buyer. **This is a separate review from the first loan process. Lender approval does not guarantee approval from HOME.** Questions and submissions should be sent to HOMESF@IHFA.ORG.
- Credit Score meets primary lender guidelines, as well as IHFA minimum requirements – HOME reserves the right to decline if borrower is determined to be high risk by federal standards.
- Borrower(s) must receive First Mortgage approval by IHFA, IHFA-approved Lender/ Broker or USDA-RD.
- No more than one bankruptcy, foreclosure, or short-sale
- No open collections (including medical), judgements or liens, unless a documented agreement with creditor/lien holder is in place for repayment, and applicant can prove adherence to the agreed upon terms
- Repossessions, charge-offs, late payments, and other derogatory credit in the last 12-24 months will be evaluated on a case-by-case basis
- Household must not have owned a home within 3 years (36 months) of an application to purchase a HOME or NSP unit
- Mortgage payment is no more than a 50% increase over household's current housing expense – more than 50% increase requires a Letter of Explanation detailing how the household will manage the large increase in housing expense, responsible spending/financial management, as well as approval from the HOME Department
- Reserves (savings) equal to at least one month of proposed mortgage payments at the time of application

Homebuyer Maximum Liquid Assets

Applies to all household members 18+:

- Includes all bank accounts, cash, retirement accounts, stocks, mutual funds, etc.
- Liquid assets (cash, checking, savings, etc.), not including retirement accounts, are limited to 12 months of the household's recurring expenses, or a maximum of \$25,000 at closing. Households with more than \$25,000 in liquid assets will be required to invest the additional funds into the closing transaction. HOME down payment assistance will be reduced by the amount the household is required to invest, or as otherwise determined by HOME. HOME reserves the right to decline if the need for assistance cannot be established, based on the households available liquid assets.
- Income generated from an asset ("Imputed Asset Income") is recognized as a component of HUD's Annual Gross Income calculation for HOME/NSP program eligibility purposes. Imputed asset

**Idaho Housing and Finance Association
HOME Programs Department
2024 Single-Family Homebuyer Projects
Proposal Guidance and Requirements**

income is generated on all liquid assets including cash, checking, savings, retirement accounts, mutual funds, stocks, and any other type of account which has a positive balance, even when funds cannot be drawn until retirement. Imputed asset income applies to the total household balance of funds from all sources over \$50,000, and is figured using HUD's Passbook Savings Rate of .040% (or \$.40 for every \$100 dollars).

- Assets may not be temporarily withdrawn or moved in an attempt to hide assets or intentionally not disclose. Applicants and beneficiaries are responsible for ensuring submission of accurate and truthful information in connection with any federally funded project or application. Any attempt to defraud the federal government can result in criminal and civil penalties, including confinement for up to 5 years, fines, and civil penalties. (18 U.S.C. §§287, 1001 and 31 U.S.C. §3729)
- Buyers will be required to sign a certification they have disclosed all assets from all sources to IHFA. HOME may decline an application if additional undisclosed assets are discovered during the review process.
- Age 62+ (Elderly) households must be able to qualify for and accept a primary mortgage on the unit.

Homebuyer Education & Counseling Requirements

Prior to loan closing, all persons who will be on the title must:

- Complete an IHFA-approved Homebuyer Education course, i.e. *Finally Home!*[®] ([Finally Home! Homebuyer Education](#)) within 24 months of closing.
- Complete at least one individual (one-on-one) homebuyer counseling session ([Finally Home! Housing Counseling](#)):
 - HOME Program- No minimum number of hours for one-on-one counseling, however each homebuyer-household must complete a 'recurring' monthly expenses budget, which is submitted to HOME program staff as part of the homebuyer application.
 - Must be completed within six (6) months of closing. A new session and certificate of completion will be required if initial session was completed more than six (6) months before closing.

Homebuyer PITI (Housing Expense Ratio)

The HOME program provide assistance to help eligible households acquire **affordable** housing. Affordable is defined as no more than 35% of a household's annual gross income spent on principal, interest, property taxes, homeowner association fees (HOA), and insurance (PITI). *HOME is not obligated to subsidize HOA fees as part of the determination of the household's need for assistance.* In most cases, assistance is denied if the homebuyer's PITI is greater than 35% of a household's annual gross income. On a case-by-case basis, an exception may be made if the homebuyer has a good credit history, minimal other debt, and stable employment.

Maximum DTI (Debt-to-Income)

Maximum back end DTI allowed by the HOME Programs is 45%. The HOME Program is committed to affordability, and in most cases, assistance is denied if the homebuyer's DTI is greater than 45% of the household's annual gross income. On a case-by-case basis, and solely at HOME's discretion, a request for DTI higher than 45% *may* be reviewed if the homebuyer has good credit history, minimal other debt and stable employment. *The HOME program will include 1% of student loan debt, regardless of loans being in a deferred status.* Meeting these minimum requirements is not a guarantee of HOME approval to exceed stated limits.

Income Calculation

- As defined in [24 CFR 5.609](#), HOME will follow Part 5, also known as Section 8 definition of annual (gross) income when determining household income. **ALL** income for all household members 18 years of age and older is required to be included in the household income calculation.
 - A household member who is 18 or older enrolled in full time school (dependents of borrowers - either

Idaho Housing and Finance Association
HOME Programs Department
2024 Single-Family Homebuyer Projects
Proposal Guidance and Requirements

high school or post-secondary) may be eligible to exclude their income from the calculation, except the first \$480. If household member is not in high school, member must be able to prove full time enrollment in post-secondary education to exclude any portion of enrollee's income.

- HOME is required to include all types of income including regular wages, overtime, bonuses, commissions, tips, child support, alimony, and miscellaneous types of income. The HOME income calculation routinely differs from the Primary Lenders' calculations. In most cases, the HOME programs income calculation **does not** conform to industry lending standards. HOME **must** include all incomes, even those not considered or used by the Primary Lender. Questions regarding inclusion/exclusion should be sent to HOMESF@IHFA.ORG.
- HOME **projects income** for the next 12 months by collecting and reviewing the most recent two months of pay stubs and/or any other type of income for the household in most cases.
- HOME *may* collect a 12 full months of income, or use Year-To-Date (YTD) income in cases of widely variable or seasonal income. The HOME department defines "seasonal" as unemployed or hours/pay reduced by at least 50% for three (3) or more months of the year. Seasonal pay reviews require submission of all pay statements for the full 12 months. HOME will determine if reviewing more than two months is necessary, and the most appropriate length of time to review based on the circumstances of the household and type of income.
- For self-employment (including online businesses like Etsy, etc.), HOME will collect the most recent three (3) years of federal tax returns or direct income documentation (as determined by the type of income and HOME), and may require YTD income statements. *Be advised, Part 5 Gross Income does not consider removal of costs, fees, or other deductions from the gross income.*
- Social Security, Supplemental Social Security, Disability, Pensions, etc. require submission of the official letter from the Social Security Administration or source of pension/other income stating the amount the recipient receives on a monthly basis. *This type of income cannot be verified via bank statements.*
- Income generated from an asset ("Imputed Asset Income") is recognized as a component of HUD's Annual Gross Income calculation for HOME/NSP program eligibility purposes. Imputed asset income is generated on all liquid assets including cash, checking, savings, retirement accounts, mutual funds, stocks, and any other type of account which has a positive balance, even when funds cannot be drawn until retirement. Imputed asset income applies to the total household balance of funds from all sources over \$50,000, and is figured using HUD's Passbook Savings Rate of .040% (or \$.40 for every \$100 dollars).

DEVELOPMENT ACTIVITY INFORMATION & REQUIREMENTS

- **How to Determine Estimated Fair Market Value (Fee Simple only)**

HOME defines Fair Market Value ("FMV") as the negotiated final sales price as agreed upon by a willing seller and a willing buyer for recapture (fee simple) activities. There are three methods to establish Estimated Fair Market Value for non-CLT homebuyer activities.

1. Appraisal
2. Property Valuation / Comparative Market Analysis (must be completed by an independent third party licensed realtor familiar with local market conditions)
3. Brokers Price Opinion (must be completed by an independent third party licensed broker familiar with current local market conditions)

See 2024 Annual Administrative Plan, Chapter 2-B for additional information [HOME Program - Administrative Plans](#). (Developers should use the 2023 Administrative Plan until 2024 Administrative Plan is effective.)

- **How to Determine Fair Market Value (Community Land Trust Only)**

1. Appraisal completed by an independent third party licensed appraiser familiar with local market conditions required under resale

**Idaho Housing and Finance Association
HOME Programs Department
2024 Single-Family Homebuyer Projects
Proposal Guidance and Requirements**

Property Valuation/Estimated Market Value/Seller Acknowledgement of Appraised Value Forms – Exhibit O:
[HOME Program - Administrative Plans \(Required for both Fee Simple and CLT\)](#)

- **Homebuyer Sales Price Limit**

HOME (Fee Simple) – Assisted property must be sold at the lesser of Fair Market Value¹, the HOME Maximum Homeownership Sales Price Limit, or the total development cost of the project, whichever is less.

HOME (CLT) - Land Trust Activity must use HUD approved Sales Price Calculation model. Refer to 2024 HOME Administrative Plan Chapter 2C.

- **Developer Fee Calculation**

1. **Minor Rehabilitation** – up to 10% of total project cost (includes hard and soft costs) when rehab costs are ≤10% of the purchase price. To be determined by physical inspection according to HOME rehabilitation standards and approved budget;
2. **Moderate Rehabilitation** – up to 15% of total project costs when total rehab costs (hard and soft costs) do not exceed 75% of the replacement value of the unit. Units requiring 75% or more in rehab costs will not be eligible for funding, and will be denied.

3. **New Construction** – up to 15% of total eligible project costs

**Full developer fee will not be paid if project funding reaches applicable maximum subsidy threshold*

- **Developer Fee- Timing and Distribution**

1. 25%- At Acquisition
2. 25%- At 50% completion (drywall stage of new construction or 50% of total scope of work on rehabs, as determined by IHFA, at its sole discretion)
3. 25%- When Certificate of Occupancy is issued for new construction or completion of rehabilitation work as determined by final clean inspection report from an IHFA approved and contracted third party inspector
4. 25%- When all required closeout documentation has been submitted and approved by IHFA within 45 days of sale

- **Pre-78 housing (Lead-Based Paint)**

Allowed under following conditions

- (a) If LBP is present, Owner-developer **and** general contractor must be an EPA-Certified Renovation Firm at the time the sales (acquisition) contract; and
- (b) Subcontractors/workers **must** be EPA-Certified Renovation Worker(s) working under the EPA-Certified Renovation Firm supervisor.
- (c) Federally-funded hard rehabilitation costs, excluding all LBP hazard reduction activities, i.e. risk assessment, inspection, interim controls, clearance, etc. cannot exceed \$24,999 per unit. Rehabs which do not disturb surfaces that contain LBP (with the exception of tile, as tile is not regulated by EPA or HUD) may be considered, but there are no exceptions to this restriction for any activity which disturbs LBP or requires mitigation or abatement of any kind. This is due to increased requirements and oversight for both the nonprofit, and IHFA.

- **IHFA Visitability Components**

Each unit (new construction and rehabilitation) should include to the maximum extent feasible:

- (a) 32" clear opening to one main floor bathroom;
- (b) One exterior door with at least a 32" clear opening to allow entrance to the unit.

¹ Fair Market Value defined as the negotiated sale price between a willing buyer and a willing seller

**Idaho Housing and Finance Association
HOME Programs Department
2024 Single-Family Homebuyer Projects
Proposal Guidance and Requirements**

- **Section 504**

- To the maximum extent feasible²**

- Owner-developer must comply with requests for reasonable modification/accommodation in a federally-assisted unit; applies to both homebuyer and rental. See Chapter 6 of the 2024 Administrative Plan for additional information <https://www.idahohousing.com/documents/admin-plan-ch6-crosscutting-federal-regulations.pdf>

- **Maximum Per-Unit Subsidy Limits**

- Program Limits in effect at the time funds are committed to the activity. HOME limits are available <https://www.idahohousing.com/federal-programs/home-program>

SUBMISSION REQUIREMENTS

The 2024 proposal must include the following:

Narrative

Describe any current (2023 and earlier) awards or commitments for any activities currently underway or approved but not yet underway. This includes all Single Family, Multi-Family, Tax Credit, or any project funded by IHFA. Please *also* describe other awards, commitments, activities, partnerships, etc. not handled/funded by IHFA which are currently underway/in process, approved but not yet underway, applications that have been submitted but not yet awarded, programs in which the organization participates, or any other activity in which the organization engages. This includes any development projects, special projects, local partnerships, initiatives, or any other ventures currently being handled by the organization or affiliated organizations run by some or all of the same staff as the requesting organization, or that *will* be handled by the organization if/when approved.

A. Describe proposed (2024) activities and include:

- i. Number of units to be developed
- ii. Type of units (single-unit, duplex, triplex, four-plex, condo, townhouse, etc.)
- iii. Primary market area (census tracts, neighborhoods, city, etc.)
- iv. Contiguous or scattered sites
- v. Preference populations (not required, but must be included in loan and regulatory agreement – generally only applicable on Community Land Trust activities)
- vi. If properties identified, currently under contract, currently owned, donated

B. Describe your Sales Plan in detail. At a minimum, it must include the following in detail:

- i. Development timeline (acquisition, rehab/construction, for sale, sold within 9 months of completion)
- ii. Development schedule – at the time funds are committed, organization must provide estimated completion dates for the following milestones: Site Work/Infrastructure, Foundation, Framing, Rough-In's, Drywall, Paint, Flooring/Counter Tops, Finish Work, and Certificate of Occupancy.
- iii. Method and types of advertising, marketing, and outreach to be used
- iv. Section 3, MBE/WBE and Affirmative Marketing Outreach
- v. Proximity to area schools, major employers, essential services, other standard amenities or services

Written Procedure to Determine the Feasibility of a Section 504 reasonable accommodation/modification request & Visitability Procedure

Submit written procedure that describes the steps to be taken when the organization receives a request for reasonable accommodation/modification, and how “maximum extent feasible” will be determined

² Federal funding requires a written procedure that defines the process when a request is received and how it will be approved, denied, or modified, based on feasibility. The process shall include providing other reasonable options if the initial request is deemed infeasible. Retain records for 5 years.

**Idaho Housing and Finance Association
HOME Programs Department
2024 Single-Family Homebuyer Projects
Proposal Guidance and Requirements**

Market Analysis

See Attached Market Analysis Checklist for requirements ³

Affirmative Marketing Plan for projects with five (5) or more units - See Exhibit T of the current Administrative Plan at [HOME Program - Home Page](#)

Estimated Budget & Sources and Uses

- Submit one estimated total budget per unit type to be acquired and/or rehabilitated or constructed under the award (total amount of funds requested), and specify number of units. Current versions will be required at the time budget approval/commitment of funds.
- Submit all sources of funding, i.e. donations, reduced fees, other financing/funds (federal or private), etc. See Exhibit Q-Budget and Sources forms
[HOME Program - Home Page](#)

Copy of Organization's IRS Non-Profit Designation

Current IRS standing - [Tax Exempt Organization Search](#)

State of Idaho Business Entity Registration and Current Standing - [IDSOS Search for Business Entities](#)

Resumes

Full resumes for all staff involved in the project/activities

Conflict of Interest Certifications

Executive Director, and all staff who will help manage and run the proposed project must submit a conflict of interest certification with the application

Affirmatively Furthering Fair Housing Resolution

Resolution adopted by the local unit of government in which the proposed project/ unit(s) will be located. *If there is no locally adopted Fair Housing Resolution, the non-profit developer may adopt and support the use of IHFA's Affirmatively Furthering Fair Housing Plan. The non-profit developer must identify the actionable items it will take to further Fair Housing goals.*

Rehabilitation Standards

If the unit(s) will be rehabilitated, then submit a signed copy of rehabilitation standards. Authorized Signatory acknowledges Owner-Developer is aware of these standards as well as how to develop a scope of work, rehab budget, and meet all the requirements identified in the Standards:

- HOME Program (Exhibit C-1) - [HOME Program - Home Page](#)

Financial Statements and Financial Policies and Procedures

CPA audited statements must be provided, for the most recent fiscal year, and must be for a period no more than 12 months prior to submission. If audit was completed as required, but is over 6 months old, interim financials will be required. Interim financials *may* be company-prepared with IHFA's approval. Any organization receiving \$750,000 or more of federal resources is required to complete a single audit of the federal program within the organization. Organizations whose audits are for a period more than 12 months prior to submission, or who have not completed the required audits in a timely manner will not be considered for award funding.

Should an organization have identified material weaknesses in the financial audit, the HOME department requires an update of the improvements to correct the weaknesses. Certain material weaknesses may result in the organization being denied for funds, as time is the only remedy to resolve issues.

Each organization must have detailed policies and procedures describing how financial obligations, income, payroll, etc. are handled, as well as demonstrating compliance with the federal requirements in 2

³ Owner-developer can complete the market analysis

**Idaho Housing and Finance Association
HOME Programs Department
2024 Single-Family Homebuyer Projects
Proposal Guidance and Requirements**

CFR 200, part D.

Section 3 Developer Plan – please refer to the Administrative Plan

Plans must include (at minimum):

- How organization will attempt to solicit bids from Section 3 business concerns.
- What method(s) of outreach will be utilized
- Minimum length of time organization will post opportunities
- How bids will be selected (outside of HUD required bid procurement and selection, and preferences for Section 3 business concerns and MBE/WBE businesses)
- How developer will ensure ongoing compliance with Section 3 regulations and collect required documentation from contractors, subs, and internally
- How developer will track Section 3 labor hours and other required documentation
- Action to be taken in the event of noncompliance by GC and/or subcontractors
- Complaint Procedure
- Plan must be reviewed and approved by organizations board

The organization's submitted outreach and documentation provided at the time of budget approval/commitment of funds will be compared to their approved plan submitted with the application to evaluate compliance. If deficiencies are present, budget approval and commitment of funds will be delayed until the organization proves compliance with their approved plan.

IHFA will notify the developer if the organization's plan is found to be deficient at the time of application. Awards will be delayed until an acceptable plan has been submitted, and accepted by IHFA.

GENERAL ACTIVITY INFORMATION

1. Materials and Workmanship

- Must enhance quality of life (safe, decent, affordable) of homebuyer
- At completion, the unit must meet the Idaho Residential Code in effect when the unit was constructed and local codes, standards, ordinances, and the funding program's housing quality standard (HQS)
- If rehabilitation, then the scope of work and budget must be based on the IHFA-contracted Home Inspection Report. See IHFA Program Rehabilitation Standards [HOME Program - Idaho Housing and Finance Association](#) @ Administrative Plan- Exhibit C1

2. New Construction Requirements

Applicable state and local laws, current Idaho Residential Code, local codes, zoning, and other requirements relating to construction, and housing safety, quality and habitability standards

3. Federal Housing Quality Standards at Project Completion

- Homebuyer- (Section 8) Housing Quality Standards(HQS) or updated standard as outlined in the Administrative Plan

4. Rehabilitation Requirements

The IHFA-Contracted Home Inspection Report determines scope of rehabilitation work

○ **Inspectable Components**

- a) Site, includes topography, drainage, pavement, curbing, sidewalks, parking, landscaping, amenities, water, storm drainage, gas and electric utilities

**Idaho Housing and Finance Association
HOME Programs Department
2024 Single-Family Homebuyer Projects
Proposal Guidance and Requirements**

- b) Where relevant, assess and document potential impact of natural disasters, (e.g. earthquake, flooding, wildfires) in accordance with State and local codes/ordinance
- c) Estimate the useful remaining life of all Major Systems based on their age and condition.
- d) Major Components: Structural support, roofing, cladding and weatherproofing, plumbing, electrical, heating, and air conditioning.
- o **Major Systems/Components-Homebuyer**
All major components must have a useful remaining life of at least 5 years, as determined by manufacturer's specifications, or a professional in that field for major components without a usable life rating. Component must be replaced if remaining useful life is less than five years (i.e. 30 year roof in year 27, etc.). Definition of Major Components is found in *Exhibit C-1- Annual Administrative Plan*. [HOME Program - Home Page](#)
- o Rehab items identified in the Home Inspection Report or by a professional's follow-up, must be included in the scope of rehabilitation, according to IHFA Rehabilitation Standards
- o HOME (Exhibit C-1) - [HOME Program - Home Page](#) Any cost item not identified in the Home Inspection Report (except IHFA Visitability Components and Lead-Based Paint Hazard inspections, clearance, and interim control costs) may be deemed unnecessary, and therefore ineligible for reimbursement

LOAN/REPAYMENT TERMS

- Funds awarded to Owner-developer as a 0% interest loan.
 - o HOME Fee Simple Homebuyer- Due-On-Sale, 0% interest loan – no reduction of loan
 - o HOME CLT Homebuyer – Due-On-Sale, 0% interest loan – reduces over time after Period of Affordability (See Chapter 2C for details)
- Developer Fee
 - o Included in the total subsidy limit. Developer fee will be reduced if subsidy limit threshold is reached.
- If other private or public funds are used, the distribution of proceeds or loss will be shared on a proportionate basis.
- If land is partially or wholly donated, then the value must be established by appraisal or an independent third-party professional valuation prior to a commitment of funds.

ADDITIONAL REQUIREMENTS- HOMEBUYER

- **60-Day Rule (HOME)**

Any unit not under contract after 60 days on the market requires an updated property valuation and marketing consultation with IHFA

Property Valuation Form (Exhibit O) - [HOME Program - Home Page](#)

Rehabilitation Standards

If the activity includes rehabilitation of the unit, then submit a signed copy of rehabilitation standards. Authorized Signatory acknowledges Owner-Developer is aware of these standards as well as how to develop a scope of work, rehab budget, and meet all the requirements identified in the Standards:

- o HOME Program (Exhibit C1) - HOME Program - Home Page_HTF Program (Exhibit C2) - [HOME Program - Home Page](#)

MARKET ANALYSIS CHECKLIST

Is The Market Area Clearly Defined?	Does the proposal include market area maps, census data, local economy, growth rate, net in-migration, and net out- migration?	
Is There Market Demand?	Does the proposal include socioeconomic conditions, predictions, demographics, of potential buyers, # of income-eligible households in market area? Is there potential competition for the project, i.e. rental market, other affordable housing in the area?	
What Is The Condition Of The Current Housing Stock?	Does the proposal describe the physical condition and age of current housing stock in the proposed market area?	
Is There A Need For The Type And Number Of Housing Units Proposed?	Does the proposal include Sales activity information for the previous 6 months that clearly indicates the comparable housing market grown or contracted?	
What Is The Market Area Absorption Rate?	<p>Does the proposal include the following information?</p> <ul style="list-style-type: none">• What is the overall supply of comparable housing to overall housing in the market and how many months of supply?• What is the average number of listing days of comparable housing?• What is the percentage of low-income households compared to overall population?• What are other homeownership options already available in the area (including your current projects in the pipeline)?• What are the price, location, amenities, and financing of units in the area that is most directly comparable to the proposed housing (Project pricing needs to be competitive, but are there factors that could offset your program advantages)?	

Single Family RFP/NOFA Checklist

- ☐ 1. Narrative
- ☐ 2. Written Procedure to Determine Feasibility of a Section 504 reasonable accommodation/modification request & Visitability Procedure
- ☐ 3. Market Analysis
- ☐ 4. Affirmative Marketing Plan (if applicable)
- ☐ 5. Estimated Budget & Sources and Uses
- ☐ 6. Copy of IRS Non-Profit Designation
- ☐ 7. Current IRS Standing
- ☐ 8. State of Idaho Business Entity Registration and Current Standing
- ☐ 9. Resumes – all staff involved in project/activities
- ☐ 10. Conflict of Interest Certifications
- ☐ 11. Affirmatively Furthering Fair Housing Resolution
- ☐ 12. Signed Rehabilitation Standards (Rehab projects only)
- ☐ 13. Audited Financial Statements (Single Audit for most organizations)
- ☐ 14. Financial Policies and Procedures
- ☐ 15. Section 3 Developer Plan

I certify I have verified all above documents have been submitted, as applicable, and are true and accurate to the best of my knowledge. I understand I will be notified by IHFA if additional information is required to finish review of my application. I agree to provide any additional information requested within the specified timeframe. I understand if my application is not complete, or if requests for additional information are not resolved within the timeframe requested, my application may be denied.

Authorized signature

Date