



## HOUSING DEVELOPMENT FUND (HDF)

### 2017 Annual HDF Funding Round

### Guidelines for HDF Loans (Non-LIHTC)

#### PROGRAM PURPOSE

The purpose of the Housing Development Fund (HDF) Loan is for applicants to provide affordable, decent, safe and sanitary housing to low- and moderate-income households.

#### ELIGIBLE APPLICANTS

- 501(c)(3) nonprofit organizations
- For-profit organizations

#### APPLICATION SUBMISSION DEADLINES AND IMPORTANT DATES

- Timeline and deadlines for the Annual HDF Funding Cycle are as follows:
  - **Mid-June** 2017 HDF funding round opens
  - **June/July** DSHA staff is available for Technical Assistance meetings\*
  - **August 30** Applications due to DSHA by **4:00** p.m.

\* All applicants are invited to meet with DSHA staff to discuss their project. Applicants with **no** previous DSHA grant experience are **required** to schedule a meeting. All others are **strongly encouraged** to schedule a meeting.

- DSHA will **only** review and consider applications received by the application close date and time deadline.

#### AVAILABLE FUNDING AND ELIGIBLE ACTIVITIES

DSHA has **set-aside \$1,500,000** (subject to availability) in funding for the following eligible activities:

- For-profit and nonprofit organizations interested in providing affordable multi-family rental housing and/or Special Populations housing.  
*Targeted Special Populations are defined as: Homeless; Persons with mental illness; Persons with HIV/AIDS; Migrant seasonal workers; Youth aging out of foster care; Persons with physical disabilities; Persons with intellectual /developmental disabilities; Veterans, and Offenders Re-Entry.*

#### LOAN TERMS

- Maximum Loan Amount:
  - Multifamily rental developments consisting of fully independent apartment units: \$50,000 per unit, up to appraised value.
  - Developments primarily housing special populations in configurations other than fully independent apartment units may be considered for a loan up to appraised value, when the per unit limit is insufficient for project needs.
- Minimum Debt Service Coverage: 1.15
- Interest rate: Flexible, Current rate as defined by DSHA
- Loan term: Minimum 5-year term, maximum 30-year term

- Flexible Repayment Terms: Monthly Principal and Interest, Interest Only, or Deferred
- Fees:
  - **Application Fee:**  
\$1,250 (Non-Refundable); Waiver requests may be considered for applications for Special Populations.
  - **Commitment Fee:**  
1% of the greater approved loan amount if development has different construction and permanent amounts (payable in full at loan closing). Such fee shall be deemed as earned by Delaware State Housing Authority (DSHA) upon loan approval by the Council on Housing. This fee may also be financed as part of the development costs.
  - **Other closing costs:**  
Appraisal, Environmental, Title, Survey, and Legal (refer to Part II - cash flow proforma).  
Financial viability of the project/development and the applicant's ability to repay must be demonstrated in the applicant's proforma and the application documents.

## FUNDING RESTRICTIONS AND CONDITIONS

Funding restrictions and conditions other than those listed below may apply if and when funding is awarded and will be outlined in the Loan Agreement.

### **GENERAL**

- Projects must be financially feasible. No negative cash flow within first 20 years of loan will be accepted.
- Applicants must be in good standing with DSHA and will be considered ineligible to apply if they have failed to satisfactorily fulfill obligations as required under previously funded DSHA projects.
- DSHA may determine that loan funds may be used to re-finance, acquire, or rehabilitate existing DSHA financed or Low Income Housing Tax Credit projects. Properties owned by non-profit sponsors will have priority.
- HDF loans may be used for new construction, acquisition, and/or rehabilitation; **the amount of HDF funds is limited to the appraised value.**
- HDF loans are not available for establishing direct lending and/or grants to applicant-sponsored programs.
- **Minimum Income Targeting** - At least 75% of units must be populated by persons at or below 60 % Area Median Income (AMI) with a maximum of 80% AMI.
- Each application submitted must represent a **separate and distinct** project.
- All projects/developments must be located in **Level 1, Level 2, or Level 3 Investment Areas** as defined by State Strategies for Policies and Spending to be eligible to apply for funding.
- Applications must be complete and include all required and applicable exhibits at time of submission. *DSHA reserves the right to eliminate from consideration any application deemed incomplete at time of submission.*
- Applications must include a completed self-score sheet demonstrating a **score of 55 points or more.** The final score will be determined during DSHA's application review process.
- In accordance with Title 31, Chapter 40, Subchapter III, DSHA will notify the local government's Chief Executive Officer, State Senator and State Representative upon receipt of the application.

- New construction applications containing four or less units may be subject to House Bill No. 227, adopted on April 24, 2012, which amended Titles 9, 22 and 31 of the Delaware Code by defining Universal Design Standards. House Bill 227 requires application processes for public financing of affordable housing to include Universal Design Standards. DSHA has established a category to provide points for including, at a minimum a no-step entry and accessible routes for the bathroom, bedroom, and kitchen areas, and points for additional Universal Design criteria.
- Per the Delaware Council on Housing Resolution 398, adopted on December 9, 2009, all HDF recipients are encouraged to partner with minority-, veteran- and women-owned businesses by coordinating with the State of Delaware's Office of Supplier Diversity to maximize the number of minority-, veteran- and women-owned businesses participating in projects or programs funded by the HDF, when applicable.
- Applicants agree to list units other than those developed by self-builders who have identified the homebuyer prior to construction on [www.DelawareHousingSearch.org](http://www.DelawareHousingSearch.org).
- Applicants agree to affirmatively further fair housing and comply with the provisions of all applicable federal, state and local law prohibiting discrimination including, but not limited to, Title VI of the Civil Rights Act of 1964 as amended.
- Applicant and management staff must provide Fair Housing training for staff every 2 years. Verification of such training will be reviewed by DSHA staff as part of our periodic site review.

## **PROJECT**

- All projects should adhere to DSHA's Minimum Construction and Rehabilitation Standards. The criteria is available on DSHA's website at the following link:  
[http://www.destatehousing.com/Developers/developermedia/hdf\\_min\\_construction.pdf](http://www.destatehousing.com/Developers/developermedia/hdf_min_construction.pdf)
- Market studies are required, with the exception for Special Population applicants. The criteria is available on DSHA's website at the following link:  
[http://www.destatehousing.com/Developers/developermedia/hdf\\_market\\_study.pdf](http://www.destatehousing.com/Developers/developermedia/hdf_market_study.pdf)
- DSHA Underwriting Criteria must be utilized. The criteria is available on DSHA's website at the following link:  
[http://www.destatehousing.com/Developers/developermedia/hdf\\_underwrite.pdf](http://www.destatehousing.com/Developers/developermedia/hdf_underwrite.pdf)
- In order to promote balanced housing investments and encourage the creation of affordable housing opportunities within the State of Delaware in areas that contain little or no affordable housing, but which may offer economic opportunity, proximity to the workplace, high performing schools, or supportive infrastructure, DSHA has defined areas of the State as follows:
  - Distressed – 'Racially/Ethnically Concentrated Areas of Poverty'\*1, G and H Markets\*2, Downtown Development Districts, and isolated Rural Communities. These areas are where sustainable long-term homeownership opportunities should be supported. These are the same areas where development that furthers highly concentrated areas of minorities or poverty should be limited.
  - Stable – D, E, and F Markets\*2. These areas are where a balance of market rate with subsidized housing should be supported.
  - Areas of Opportunity – A, B, and C Markets\*2 and/or areas where students are attending schools achieving a proficiency level\*3 of 90% or higher. These are strong, high value markets where new affordable housing opportunities should be supported.

\*1 - As defined by U.S. Department of Housing and Urban Development

\*2 - As identified in *Delaware Housing Needs Assessment, 2015 – 2020*

\*3 – School Attendance Boundary Information System (SABINS), 2012. Values are percentile ranked and range from 0 to 100. The higher the score, the higher the quality of the school system.

DSHA maps that include all defined areas are available under Balance Housing Opportunities Maps at the following link: <http://destatehousing.com/Developers/dv/lihtc.php>.

- Management firms must be approved by DSHA.
- Summary Appraisal Reports may not be more than **twelve (12) months** old.
- Environmental Phase 1 Audits or Phase I Environmental Site Assessment (ASTM E1527-05).

### TECHNICAL ASSISTANCE MEETINGS AVAILABLE TO ALL APPLICANTS

- The purpose of conducting Technical Assistance (TA) meetings is to provide applicants with the opportunity to discuss their program in detail with DSHA and to answer applicant questions pertaining to the HDF program and the application process.
- Applicants that are **new** to the HDF loan program are **required** to schedule and attend a TA meeting in order to be eligible for funding consideration.
- Participation in the TA process is strongly encouraged for all applicants.
- Applicants may attend an in-person TA Meeting or attend by teleconference..

### APPLICATION PROCESS

- The application is comprised of a fillable-PDF application (Part I) and a Cash Flow Pro Forma (Part II) and requires additional documented exhibits. Exhibit requirements may be found at the end of this document.
- Program guidelines, application Part I and Part II, applicant self-score sheet and exhibit checklist may be accessed online at <http://destatehousing.com/Developers/dv/hdf.php>.
- Please refer to the Application Exhibit Checklist, found at the end of this document, for exhibit information and requirements.
- Applications must include a completed self-score sheet demonstrating a score of **55** points or more. The final score will be determined during DSHA's application review process. **If the final score is less than 55 points, the application will be considered ineligible for funding.**
- Please make sure all applicable questions are completed and that all responses are clear, organized and relevant. **Incomplete applications will be considered ineligible for funding.**
- **Both a paper copy and an electronic copy** of the application (Part I and II) and all applicable exhibits must be submitted to DSHA by **4:00 p.m.** of the posted application close date.
  - **Instructions for Paper Copy Submission**

Paper submission must be bound in a three-ring binder that includes a table of contents, appropriately labeled tabbed dividers and includes the following documentation:

    1. A copy of the completed and signed application (Part I)
    2. A copy of the completed application (Part II)
    3. A copy of each exhibit with a labeled cover sheet. Exhibits must be indexed (tabbed dividers) and in numerical order. If an exhibit is not applicable, please label the exhibit cover sheet "not applicable". A fillable form for cover sheets may be found at <http://destatehousing.com/Developers/dv/hdf.php>.

▪ **Instructions for Electronic Submission**

Electronic submission must be on a CD or USB flash drive **and** must accompany the paper copy submission.

1. A PDF copy of the completed and signed application Part I labeled “App Part I-Project Name”
2. An Excel and PDF copy of the completed application, Part II, labeled “Pro forma-Project Name”
3. Individual PDF copies of all applicable exhibits. Create a separate file for each exhibit and label it with the exhibit number and exhibit name. (i.e. Exhibit 3-Applicant Experience).

▪ **Submission Locations**

Proposals may be submitted in person to DSHA’s Dover or Wilmington offices.

**Dover Location**

18 The Green  
Dover, DE 19901

**Wilmington Location**

Carvel State Office Bldg.  
820 N. French St., 10<sup>th</sup> Floor  
Wilmington, DE 19801

- DSHA will review and evaluate all completed applications for conformity to DSHA’s guidelines and underwriting procedures. Applications that meet threshold will be scored and reviewed by DSHA’s Ranking Committee. ***Applications that do not meet minimum threshold requirements will not be scored.***
- All scored applications will be presented to the Council on Housing (COH) Loan Review Committee for recommendation of consideration. The COH Loan Review Committee will then present their recommendations to the full COH for recommendation to approve or disapprove grant request.
- Assuming complete applications are received; applications are expected to be presented to the Delaware Council on Housing within approximately 120 days from receipt of application.
- Applicants are encouraged to attend the COH meetings when their applications are brought before the Council.
- DSHA’s Director will take the COH’s recommendation under advisement and approve or disapprove the grant request, at which time a Grant Agreement will be executed.
- Applicants with funding requests involving construction activities should submit plans/specifications to DSHA for review prior to loan approval from the COH.
- Assuming funding is approved, DSHA will provide the necessary loan documents to the funding recipient within 60 days, depending upon the complexity of the financial structure of the funding.
- Assuming funding is approved, applicant may draw HDF funds for construction purposes utilizing DSHA’s Mortgagor’s Draw Requisition and Cost Certification process available at the following link or as otherwise approved by DSHA:  
[http://www.destatehousing.com/Developers/developermedia/cost\\_cert\\_guide.pdf](http://www.destatehousing.com/Developers/developermedia/cost_cert_guide.pdf)
- To improve the overall viability of a project or program, DSHA may suggest that a nonprofit sponsor joint venture the project/program with another acceptable entity. This request will be made if the project/program has merit but the sponsoring nonprofit entity lacks experience in one or more of the areas needed to maintain the long-term viability of the project/program.

**APPLICATION NOTIFICATIONS**

- All applications will be subject to threshold requirements, scoring, and financial feasibility. Submission acceptance of the application by DSHA does not constitute approval for funding.

- All funding amounts and set-aside amounts are established at DSHA's sole discretion.
- DSHA reserves the right to increase or decrease set-aside amounts depending on the applications received in a given round. DSHA may reject any application should information become available that conflicts with information submitted with the application or if DSHA becomes aware of an organization's financial instability. Funding conditions will be established at DSHA's sole discretion.
- DSHA reserves the right to increase or decrease an applicant's funding request.
- DSHA may substitute Federal HOME funds for HDF funds at DSHA's discretion.
- Applicants with the highest scores will be awarded funding, subject to set-aside limits. In the event more than one application scores the same number of points, DSHA may reduce requested funding so that applicants with a tie score are assisted. If less than one-half of the lower ranked applicant's request is available in the set-aside, DSHA will determine, at its sole discretion, the most effective way to fund the lower ranked request.
- Applicants receiving DSHA funding will be subject to monitoring and/or site visits which may include an on-site audit to determine if HDF loan funds were used in accordance with the executed loan agreement.

## RANKING PROCESS

All applications will be scored and ranked based on the criteria detailed below. The top ranked application will be funded and DSHA will continue to allocate HDF funds to projects in a descending order until all available HDF funds have been fully utilized. DSHA will notify applicants as soon as possible of their final ranking scores.

### 1. **Collaboration of Resources:** Total possible points = 20 (Exhibit #4)

Provide evidence of project's financial commitments or obligations with government entities or private sources.

- Priority 1

Applicant has federal sources obligated or committed for project development or federal rental subsidies. Evidence of collaboration is to be documented by letter, contracts or MOU's. The documentation must be dated within the last 9 months, be project specific, and provide details regarding the amount and terms of funds committed and/or received (20 points).

- Priority 2

Applicant has state, local municipal, private, or other funds obligated or committed for project development. Evidence of collaboration is to be documented by letter, contracts or MOU's. The collaboration must be at least 20% of the HDF loan request and the documentation must be dated within the last 9 months, be project specific, and provide details regarding the amount and terms of funds committed and/or received (10 points).

- Priority 3

Applicant has financial commitments of less than 20% of the HDF loan request. The documentation must be dated within the last 9 months, be project specific, and provide details regarding the amount and terms of funds committed and/or received (5 points).

### 2. **Income Targeting:** Total possible points = 20 (Exhibit #6)

Preference will be given to projects that serve the lowest income populations. At least 75% of the total units must fit the definition listed in the priority to be considered for the point allocation.

- Priority 1 will be given to projects that serve those at or below 30% AMI (20 points).

- Priority 2 will be given to projects that serve 31%-50% AMI (18 points).

- Priority 3 will be given to projects that serve 51%-60% AMI (16 points).

or

- Priority 4 will be given to projects if at least 75% of the units are at 60% AMI and balance may serve 61%-80% AMI (8 points).

3. **Promoting Balanced Housing Opportunities:** Total possible points = 15 (Exhibit #11)

In order to promote balanced housing investments and encourage the creation of affordable housing opportunities within the State of Delaware in areas that contain little or no affordable housing, but which may offer economic opportunity, proximity to the workplace, high performing schools, or supportive infrastructure, ten (10) points will be awarded to developments that are in Areas of Opportunity.

DSHA has defined areas of the State as follows:

- Distressed – ‘Racially/Ethnically Concentrated Areas of Poverty’<sup>\*1</sup>, G and H Markets<sup>\*2</sup>, Downtown Development Districts, and isolated Rural Communities. These areas are where sustainable long-term homeownership opportunities should be supported. These are the same areas where development that furthers highly concentrated areas of minorities or poverty should be limited.
- Stable – D, E, and F Markets<sup>\*2</sup>. These areas are where a balance of market rate with subsidized housing should be supported.
- Areas of Opportunity – A, B, and C Markets<sup>\*2</sup> and/or areas where students are attending schools achieving a proficiency level<sup>\*3</sup> of 90% or higher. These are strong, high value markets where new affordable housing opportunities should be supported.

\*1 - As defined by U.S. Department of Housing and Urban Development

\*2 - As identified in *Delaware Housing Needs Assessment, 2015 – 2020*

\*3 – School Attendance Boundary Information System (SABINS), 2012. Values are percentile ranked and range from 0 to 100. The higher the score, the higher the quality of the school system in a neighborhood.

DSHA maps that include all defined areas are available under Balance Housing Opportunities Maps at the following link: [http://destatehousing.com/Developers/dv\\_lihtc.php](http://destatehousing.com/Developers/dv_lihtc.php).

4. **Accessibility:** Total possible points = 15 (Exhibit #10)

**For applications with 5 units or more,** the minimum construction standards describe the requirements regarding accessibility standards. Priority will be given to applications that exceed Delaware and Federal standards:

- Priority 1 – Projects that include fully accessible units of 20% or more (15 points).
- Priority 2 – Projects that include fully accessible units of 10% or more (10 points).

**For applications with 4 units or less, points will be awarded based on the newly designated Universal Design Standards (Please complete the Universal Design Score Sheet and attach as Exhibit #10):**

- Priority 1 – Applicants providing for a no-step entry AND an accessible route through the interior of the dwelling unit AND a combination of Universal Design points equal to 25 or greater points (15 points).
- Priority 2 – Applicants providing for a no-step entry AND an accessible route through the interior of the dwelling unit AND a combination of Universal Design points totaling between 17 and 24 points (10 points).
- Priority 3 – Applicants providing for a no-step entry AND an accessible route through the interior of the dwelling unit OR any combination of Universal Design points equal to 16 points (5 points).

**Note:** Special Population projects that are fully accessible will receive the maximum 15

points in this category.

5. **Sites and Neighborhood Features:** Total possible points = 12 (Exhibit #15)

- Please include in Exhibit #15, a map or other form of visual aid, the name of the feature, address and distance between the applicable feature and the project. **If the project does not have at least 4 site and neighborhood standards, the project will fail to meet minimum threshold, and will not move forward in the ranking process.**
- Projects that exhibit close proximity to the highest number of site and neighborhood features or services listed below will be given preference. (For New Castle County, the services must be within a one-half (1/2) mile radius of the project. For Kent and Sussex, services must be within one and one-half (1 ½) mile radius of the project):
  - Supermarket
  - Public schools (family sites only)
  - Library
  - Licensed child care center (family sites only)
  - Senior center (elderly sites only)
  - Usable park space
  - Bank
  - Walk-in medical facility or hospital
  - Post office
  - Laundry/dry cleaner
  - Pharmacy
  - Community, civic or town center that is accessible to residents.
  - Supportive service or counseling agencies
  - Community facilities, Community gardens
  - Places of Worship
  - Police/Fire station
  - Cultural Arts facility
- Priority 1– Project is located closely to 8 or more out of 13 site and neighborhood standards (12 points).
- Priority 2 – Project is located closely to 6 or 7 out of 13 site and neighborhood standards (8 points).
- Priority 3 – Project is located closely to 4 or 5 out of 13 site and neighborhood standards (6 points).

6. **Site Amenities:** Total possible points = 6 (Exhibit #16)

Please include in Exhibit #16, the name and type of each applicable amenity which exceeds DSHA's minimum construction/rehabilitation standards. Also provide detail as to how the amenity exceeds DSHA's standards.

- Priority 1 – At least five new features that exceed DSHA's Minimum Construction/Rehabilitation Standards and benefits 100% of all units. Examples include, but are not limited to, a community building/room, exercise room, walking or bike path and connectivity, recycling, washer/dryers in units for seniors, WIFI for all units, etc. Amenities must benefit 100% of all units (6 points).
- Priority 2 – At least three new features that exceed DSHA's Minimum Construction/Rehabilitation Standards and benefits 100% of all units. Amenities must benefit 100% of all units (3 points).



7. **Repayment of HDF:** Total possible points = 12 (Cash Flow Pro forma)

- Priority 1 – Applicant demonstrates ability to repay loan with a monthly principal and interest payment based on a 30-year term or less (12 points).
- Priority 2 – Applicant demonstrates ability to make interest payments based on a term of 30-years or less with a principal balloon payment at end of term (6 points).

**Note:** If DSHA determines during underwriting, the cash flow can support a higher interest rate than requested by the applicant, DSHA reserves the right to increase the interest rate. No interest rates will exceed 3%.

**Tie-breaker** – The following tie-breaker system will be used to break ties between applications with the same score.

1. Projects with the lower development cost per unit will be ranked higher than other applications.
2. If there is still a tie, projects that have the longest affordability period will be ranked higher than other applications.

<b>CONTACT FOR PROGRAM QUESTIONS AND APPLICATION ASSISTANCE</b>
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Email: [Cindy@destatehousing.com](mailto:Cindy@destatehousing.com)



## HOUSING DEVELOPMENT FUND (HDF)

### 2017 Annual HDF Funding Round

#### Final Application - Exhibit Checklist for Non-LIHTC Loans

Exhibits (attachments to the application) labeled “**required**” must be submitted with the Final application. Exhibits **not** labeled “required” are optional attachments for points only. (Please refer to the score sheet.)

All required and applicable exhibits must be appropriately labeled and submitted with the application by the application close deadline. For your convenience cover sheets for the exhibits can be obtained from the DSHA website at [http://destatehousing.com/Developers/dv\\_hdf.php](http://destatehousing.com/Developers/dv_hdf.php).

Please check the appropriate box next to the exhibit’s name to indicate whether or not it is included in the application. In addition, please include a copy of the completed checklist in the application.

EXHIBIT #	EXHIBIT REQUIREMENTS	CHECK BOX
1	<p><b><u>Non-Profit Status</u></b></p> <p>If applicable, documentation of Section 501(c)(3) or (4) status, which states exempt purposes including the fostering of low-income housing, charitable purpose. Please indicate if this document is included in the application or is being sent electronically.</p>	<p><b>Required</b></p> <p><input type="checkbox"/> Paper and <input type="checkbox"/> Electronic</p>
2	<p><b><u>Organizational Status</u></b></p> <p>1. Organizational document of applicant, Articles of Incorporation, By-Laws, Partnership Agreement, etc.</p> <p><i>Explanation: The organization documents provide DSHA with the information needed to determine if the organization has the legal authorization to undertake the proposed project and incur the obligations of the loan. By providing the organizational documents with the application, DSHA will advise if changes will be required prior to closing the loan. This early notification avoids delays at the end of the loan process.</i></p> <p>2. Resolution of the Board of Directors, or general partners or local governmental body, as applicable authorizing the application and signatories (Corporations only).</p>	<p><b>Required</b></p> <p><input type="checkbox"/> Paper and <input type="checkbox"/> Electronic</p>
3	<p><b><u>Applicant Experience</u></b></p> <p>Please provide a brief description of applicant’s experience with a schedule of other properties owned or operated by the applicant including name of property, address, number of residents/households served, annual operating budget amount, length of time owned/operated, mortgages secured to project.</p>	<p><b>Required</b></p> <p><input type="checkbox"/> Paper and <input type="checkbox"/> Electronic</p>
4	<p><b><u>Sources and Uses/Proposed Leveraging/Committed Leveraging</u></b></p> <p>Evidence of funding, obligated or committed, for construction, acquisition or rehabilitation of proposed projects. The documentation should be dated within the last 9 months, be project specific, and provide details regarding the amount and terms of funds committed and/or received.</p>	<p><b>Required</b></p> <p><input type="checkbox"/> Paper and <input type="checkbox"/> Electronic</p>

EXHIBIT #	<u>EXHIBIT REQUIREMENTS</u>	CHECK BOX
5	<p><b><u>For Rehabilitation Projects Only</u></b></p> <p>Please provide a copy of all mortgages outstanding on the property held by applicant.</p> <p><i>Explanation: This documentation serves several purposes. If mortgages are currently held on the property, the information requested will enable DSHA to determine if the obligations have been met under the mortgage, and if the mortgage has any provisions that prohibit prepayment.</i></p>	<input type="checkbox"/> Paper and <input type="checkbox"/> Electronic <input type="checkbox"/> N/A
6	<p><b><u>Project Description</u></b></p> <p>Write a brief description of the project, the project beneficiaries, targeted income groups, type of households, etc. Describe how the project addresses DSHA priorities, special needs/homeless/extremely low-income households, and assisting low- and moderate-income households.</p> <p>Please include as much information as you feel appropriate so that we may have a good understanding of the project.</p>	<p><b>Required</b></p> <input type="checkbox"/> Paper and <input type="checkbox"/> Electronic
7	<p><b><u>Appraisal</u></b></p> <p>Appraisal or summary appraisal performed by an appraiser acceptable to DSHA. A Summary Appraisal Report, from a qualified professional appraiser, of the unimproved land value for new construction projects. For all projects, the acquisition price must meet the following standards: For an arm's length transaction, the maximum acquisition price must be the lesser of the contract price or the "as is" appraised value of the property.</p> <p>For a related party transaction where the property was acquired less than two years before the application date, the maximum acquisition price may not exceed the lesser of the 'as is' appraised value of the property, or the original acquisition price plus carrying costs acceptable to DSHA. For a related party transaction where the property was acquired two or more years before the application date, the maximum acquisition price may not exceed the "as is" appraised value of the property. Prior to allocation, a property appraisal and, if applicable, a copy of the settlement sheet will be required.</p> <p><b>NOTE:</b> The Summary Appraisal Report and the Property Appraisal should not be more than twelve months old.</p>	<p><b>Required</b></p> <input type="checkbox"/> Paper and <input type="checkbox"/> Electronic
8	<p><b><u>Site Control</u></b></p> <p>Copy of the Deed to the property, purchase contract or option to purchase the property.</p>	<p><b>Required</b></p> <input type="checkbox"/> Paper and <input type="checkbox"/> Electronic
9	<p><b><u>Plans and Specs</u></b></p> <p>Preliminary plans and specification or a detailed description of the proposed construction.</p> <p><i>Explanation: In order for DSHA to evaluate the reasonableness of the loan, preliminary information on the proposed scope and extent of the construction work to be undertaken on the project must be reviewed. Without this information, DSHA cannot assess whether the cost projections are reasonable or whether the full extent of construction required for the project has been adequately identified. Include contractor's proposal if available.</i></p>	<p><b>Required</b></p> <input type="checkbox"/> Paper and <input type="checkbox"/> Electronic
10	<p><b><u>Accessibility Features</u></b></p> <p>Documentation of accessible units (both current and/or proposed) – listing unit configurations and accessibility features. For applications of four units or less, in order to receive points, the Universal Design Score Sheet must be completed and included in Exhibit 9.</p>	<input type="checkbox"/> Paper and <input type="checkbox"/> Electronic <input type="checkbox"/> N/A

EXHIBIT #	EXHIBIT REQUIREMENTS	CHECK BOX
11	<p><b><u>Photographs/Maps/Promoting Balanced Housing</u></b>  Photographs of the building or site and a site map showing the location of the development.  Provide a map that demonstrates project is located in an area that promotes balanced housing opportunities. Please refer to the Loan Guidelines for links to area maps.</p>	<p><b>Required</b>  <input type="checkbox"/> Paper and  <input type="checkbox"/> Electronic</p>
12	<p><b><u>DSHA Capital Needs Assessment (Rehabilitation Projects Only)</u></b>  For new permanent supportive housing projects that will be acquired and rehabilitated, a capital needs assessment must be completed by a qualified architect will be required.</p>	<p><b>Required for Rehab ONLY</b>  <input type="checkbox"/> Paper and  <input type="checkbox"/> Electronic  <input type="checkbox"/> N/A</p>
13	<p><b><u>Zoning</u></b>  Evidence of zoning compliance. Include verification of zoning classification, rezoning or variance application form.  <i>Explanation: Compliance with zoning requirements is essential to a successful housing development. For existing occupied properties, this requirement can be satisfied by submitting a current rental license, certificate of occupancy or other evidence of zoning. For change of use projects or new construction, please submit a letter from the local zoning office confirming that the proposed project will be in compliance with zoning requirements. If a zoning variance or exception is required, submit a copy of the application for a variance or exception which has been submitted to the local government.</i></p>	<p><b>Required</b>  <input type="checkbox"/> Paper and  <input type="checkbox"/> Electronic</p>
14	<p><b><u>Environmental Review and/or Assessment</u></b>  Environmental Phase I Audits or Phase I Environmental Site Assessment (ASTM E1527-05).  Verification of Flood Plains, wetlands or other unusual site features should be included in the report.</p>	<p><b>Required</b>  <input type="checkbox"/> Paper and  <input type="checkbox"/> Electronic</p>
15	<p><b><u>Sites and Neighborhood Features</u></b>  Please include in exhibit a map of site, or other visual aid plotted with the proximity of neighborhood features or services. Refer to DSHA’s HDF overview, Ranking Process, Sites and Neighborhood Features for more detail.</p>	<p><input type="checkbox"/> Paper and  <input type="checkbox"/> Electronic  <input type="checkbox"/> N/A</p>
16	<p><b><u>Site Amenities</u></b>  Please provide documentation from architect evidencing that site has met and/or exceeds DSHA’s minimum construction/rehabilitation standards. And if site does exceed standards by at least three new features, evidence supporting such will need to be included in exhibit for additional points.  For <b>Special Populations properties</b>, documentation showing that site has met and/or exceeds DSHA’s minimum construction/rehabilitation standards.</p>	<p><input type="checkbox"/> Paper and  <input type="checkbox"/> Electronic  <input type="checkbox"/> N/A</p>
17	<p><b><u>Social Services</u></b>  Service contracts or commitments for Permanent Supportive Housing or Special Populations.</p>	<p><input type="checkbox"/> Paper and  <input type="checkbox"/> Electronic  <input type="checkbox"/> N/A</p>
18	<p><b><u>Unusual Site Features</u></b>  Verification of Flood Plains, wet lands or other unusual site features.</p>	<p><input type="checkbox"/> Paper and  <input type="checkbox"/> Electronic  <input type="checkbox"/> N/A</p>

EXHIBIT #	<b><u>EXHIBIT REQUIREMENTS</u></b>	CHECK BOX
19	<b><u>Services and Utilities</u></b> Verification of Services and Utilities in the form of a letter from service provider.	<b>Required</b> <input type="checkbox"/> Paper and <input type="checkbox"/> Electronic
20	<b><u>Easements</u></b> Verification of Easements.	<input type="checkbox"/> Paper and <input type="checkbox"/> Electronic <input type="checkbox"/> N/A
21	<b><u>Management Agent</u></b> For-fee Management Agents are required to complete a Management Agent Qualification Application. Review DSHA management agent requirements and complete management agent application (Excel format). <a href="http://www.destatehousing.com/Developers/developermedia/hdf_managment_agent_req.pdf">http://www.destatehousing.com/Developers/developermedia/hdf_managment_agent_req.pdf</a>	<b>Required</b> <input type="checkbox"/> Paper and <input type="checkbox"/> Electronic
22	<b><u>Management Agent</u></b> Management Agent Qualification Application. Review DSHA management agent requirements and complete management agent application (excel format). <a href="http://www.destatehousing.com/Developers/developermedia/hdf_managment_agent_req.pdf">http://www.destatehousing.com/Developers/developermedia/hdf_managment_agent_req.pdf</a>	<b>Required</b> <input type="checkbox"/> Paper and <input type="checkbox"/> Electronic
23	<b><u>Affirmative Fair Housing Marketing Plan</u></b> Applicants must provide a completed copy of the Affirmative Fair Housing Marketing Plan. <a href="http://www.destatehousing.com/Developers/developermedia/hdf_hud_for_m_935-2a.pdf">http://www.destatehousing.com/Developers/developermedia/hdf_hud_for_m_935-2a.pdf</a>	<b>Required</b> <input type="checkbox"/> Paper and <input type="checkbox"/> Electronic
24	<b><u>Relocation Plan</u></b> If project includes the relocation of tenants, please include a copy of the relocation plan to be used.	<input type="checkbox"/> Paper and <input type="checkbox"/> Electronic <input type="checkbox"/> N/A
25	<b><u>Audited Financial Statements (for the last 3 years)</u></b> Please indicate if these documents are included in the application or are being sent electronically.	<b>Required</b> <input type="checkbox"/> Electronic ONLY
26	<b><u>Government Jurisdiction</u></b> Provide names and addresses of the following individuals in whose district/jurisdiction the development is to be located: State Senator, State Representative and Chief Executive Officer of local jurisdiction.	<b>Required</b> <input type="checkbox"/> Paper and <input type="checkbox"/> Electronic
27	<b><u>Self-Score of Application</u></b> Applicants must self-score their application using the HDF Score Sheet and a score a minimum of 55 points in order to meet threshold.	<b>Required</b> <input type="checkbox"/> Paper and <input type="checkbox"/> Electronic