INDIANA HOUSING & COMMUNITY DEVELOPMENT AUTHORITY

CDBG SUPPLEMENTAL DISASTER RECOVERY APPROPRIATION # 2

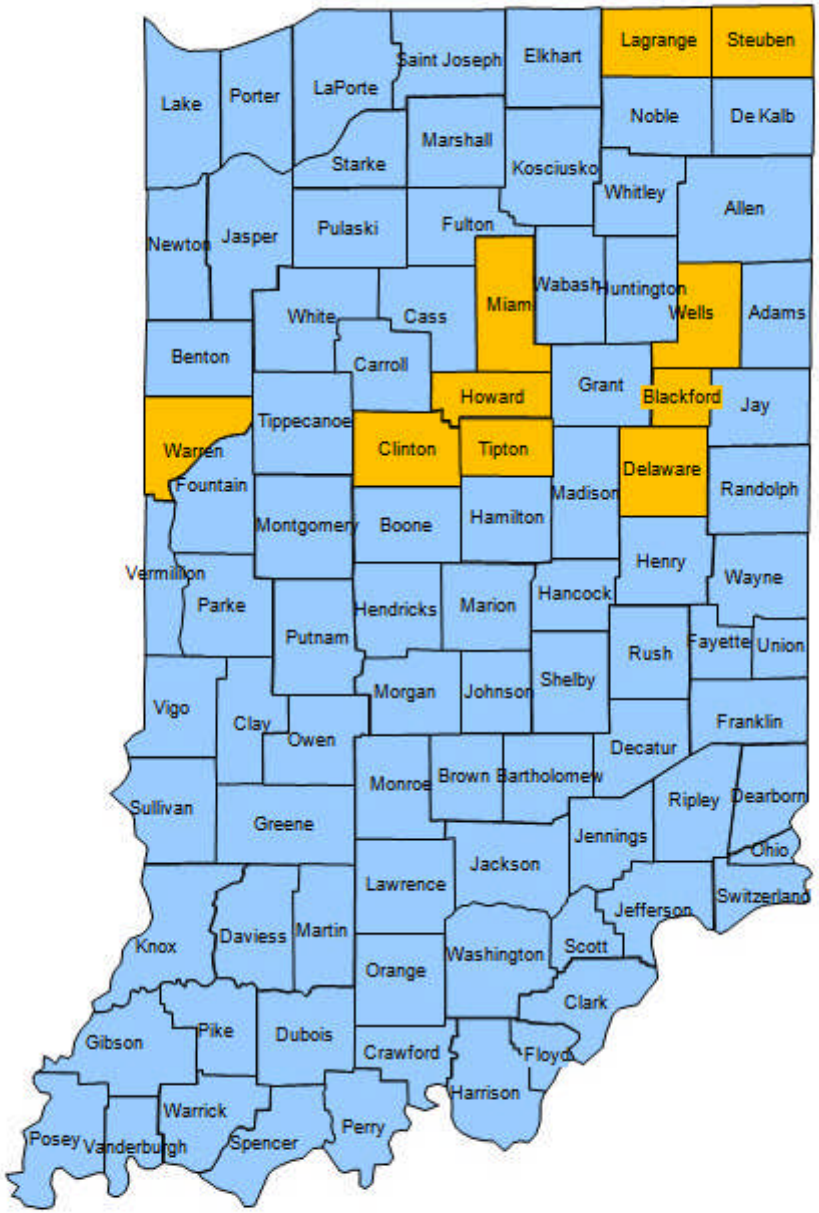
Background

- 2008 flood and tornado damage was worst in state's recorded history
- 82 of 92 counties declared Presidential disaster areas
- FEMA and other agencies, including IHCDA, provided financial assistance
- More help is needed

Basic Eligibility Criteria

- County qualified as disaster area in 2008: DR-1740, DR-1766, DR-1795
- Project is vital to meet housing needs of area
- Meet national objective of low to moderate income (LMI) 51%

2008 Eligible Counties



Rental Housing Finance Fund

- HUD - $6.5 Billion
  - OCRA - $95 Million
    - IHCDA - $20 Million
      - RHFF - $11.5 Million
        - Uncommitted - $7 Million

http://www.in.gov/ihcda/2529.htm

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IHCDA > Community Development > Community Development Block Grant

Community Development Block Grant

The Community Development Building Grant (CDBG) is ideal for local governments seeking to provide special housing for farm worker housing, as well as rehabilitating existing homes and rental units in their community. Through a competitive application process of funds allocation.

Online Services
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- Lender Online
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Leverage Spreadsheet and Leverage Spreadsheet Instructions

Click here for a listing of Important Dates (UPDATED May 29, 2009)

Application Webinars will be held on July 14 and July 16. Please click one of the links below for registration.

Tue, Jul 14, 2009 10:00 AM - 12:00 PM EDT | Thu, Jul 16, 2009 1:00 PM - 3:00 PM EDT

County

Foreclosure Help »

Visit Lt. Governor Becky Skillman's Homepage >>

2009 CDBG Supplemental Disaster Recovery Application

The CDBG Supplemental Disaster Recovery Program provides additional funding for rehabilitation and new construction of affordable, multi-family housing in eligible counties. Projects that have received assistance from FEMA are not eligible for this program. In addition to Local Units of Government, not-for-profit and for-profit entities may apply directly for CDBG-D funding.

CDBG-Disaster Application Forms

CDBG-Disaster Application Policy

Calendar | Help | IN.gov User Survey | Newsroom | Online Services | Policies | Sitemap | Text Only | Browsealoud Text Reader | State Information: 1-800-457-8283

Eligible Projects

- Rental housing located in declared disaster areas
  - No prior assistance from FEMA or Corps of Engineers
  - Note: **Any development defined as Permanent Supportive Housing (PSH) that is proposing to create new PSH units is not eligible for CDBG-D funding and must contact Community Services to seek approval to participate in the PSH Institute. Developments that are proposing rehab of existing PSH units are eligible to apply via this application package**

Eligible Projects (cont'd)

- Rehabilitation/Renovation
- New Construction
- Rental Housing Tax Credit Developments:
  - Any RHTC development that has been issued an 8609 is eligible to apply for funding via this application. Developments that have not been issued an 8609 must contact the Multi-Family department staff for information about funding opportunities.

Eligible Applicants

- Local Units of Government

For this program only

- Not-for-profit Organizations and Developers
- For-profit Organizations and Developers

Application Prioritization

1. Rehabilitation of rental properties that have unrepaired damage stemming from 2008 disasters
2. Rehabilitation of rental properties not damaged in 2008 disasters but located in eligible counties
3. New construction of rental properties located in eligible counties, subject to proof of need

Evaluation Criteria

- Need based - overall community context
- % of low-to moderate income persons served
- Relative economic distress of market served

Funding of Awards

- Funds will be made available as loans
  - Terms will be customized based on project needs
  - Loans may require repayment or may be forgivable
- Leverage is not mandatory but <u>highly</u> recommended
  - Most projects will require additional funding from other sources

External Processes

- Application and policies - posted on IHCDA website in Community Development tab - Specifically under CDBG Link
- Applications can be submitted beginning August 17th
- Non-competitive - no “rounds”

Internal Processes

- Initial cut based on submission quality
  - Apps with significant deficiencies will be rejected
    - Sections missing; documents illegible
  - Apps with minor technical errors will be given opportunity for correction within specific timeframe
    - Documents filed under wrong tab; signature missing

Internal Processes

- CDBG-D Committee will meet as needed to make final decision after threshold and financial reviews
- CDBG-D only proposal will be reviewed by Community Development staff
- CDBG-D in conjunction with any RHTC/TCAP/1602 Exchange will be reviewed by Multi-family staff
- Recommended apps will be presented to Board for approval

Internal Processes

- Applicant is notified of decision in writing
- After applicant accepts loan proposal, IHCDA Staff will discuss closing and draw procedures with applicant, title company and attorneys
- Closing documents prepared using standard templates furnished by General Counsel

Internal Processes

- IHCDA reviews closing documents and clears any prior-to-closing conditions
- Loan closes at title company
  - Insured closing letter required
  - Obtain ACH information for funding purposes
- Title company returns executed documents to IHCDA within 3 business days following closing
  - Originals except signed copy of mortgage sent for recording
  - Post-closing review

Internal Processes

- Accounting file set up for draw processing
  - Intake by Becky Richardson
- Loan servicing depends on structure
  - Forgivable loans - IHCDA Accounting staff
  - Amortizing loans - PR Mortgage (including during interest-only rehab/construction period)

Thank You!

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