

Community Development Block Grant Owner-Occupied Rehabilitation 2019 Application Policy

SUMMARY

The purpose of the Owner Occupied Rehabilitation (OOR) Program is to preserve affordable housing stock by providing funding to selected applicants for the rehabilitation of owner-occupied housing for low to moderate-income households. Through this program, IHCD seeks to improve the quality of life of assisted individuals and the quality of the existing housing stock in Indiana.

This program is designed to allocate CDBG funds to be used for OOR among selected applicants who have developments that meet IHCD's requirements and goals for the program:

1. Demonstrate they are meeting the needs of their specific community.
2. Attempt to reach low and very low-income levels of Area Median Income (AMI).
3. Are ready to proceed with the activity upon receipt of the award.
4. Propose projects that assist individuals with disabilities, households with children six and under, single parent households, veterans, and individuals aging in place.
5. Propose the use of Minority Business Enterprises and/or Women-Owned Business Enterprises and Indiana contractors, employees, and products.

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Available Online

[IHCD CDBG Program Webpage](#)

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Part 1: Application Process

1.1 CDBG Application Forms and CDBG OOR Policy Discrepancies

In the event of a conflict or inconsistency between the CDBG OOR Application Forms, Appendices, and/or CDBG OOR Application Policy, the CDBG OOR Application Policy will prevail.

1.2 Funding Round Timelines

Note: This is an anticipated schedule and is subject to change or extension, and dependent upon the availability of funding

Fiscal Year 2019 Round:

Application Available / Round Begins	October 15 th , 2019
Application Webinar	November 2019
Application Due Date	December 16 th , 2019
Award Announcements	February 27 th , 2020

Please note that the award announcement date is predicated upon the finalization of the federal budget and the total funding amount of CDBG to the State of Indiana.

1.3 Application Webinar

An application webinar will be conducted prior to the application deadline. During the webinar, IHEDA Real Estate Production Department staff will describe the requirements of the OOR program, threshold and scoring criteria, how to complete the required forms, and how to utilize OneDrive. Local Units of Government and administrators intending to apply are strongly encouraged to attend the application webinar.

1.4 Lead Webinar

IHEDA strongly encourages potential applicants to attend. If an administrator has an open CDBG OOR contract with IHEDA, they are required to attend. IHEDA will send dates via RED notice to all RED Partners. If an applicant or administrator is in need of technical assistance on lead based paint regulations, they are encouraged to reach out to the Lead Grant Manager.

1.5 Technical Assistance

The Applicant may schedule a technical assistance meeting with their regional IHEDA Real Estate Production Analyst to discuss both the proposed development and IHEDA's application process. Technical assistance may be required at IHEDA's discretion if the applicant does not have experience with IHEDA awards or if past performance was poor. Applicants are urged to contact their Real Estate Production Analyst early in the planning process to obtain guidance and technical assistance.

1.6 Application Submission

Applicants must submit the following items:

- Via OneDrive:
 - Two completed copies of the final application form, one as an Excel file and one as a searchable PDF.



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- All supporting documents required in the tabs. Please submit this information as **separate PDF documents**, each labeled to indicate the appropriate tab letter and name. The tab label directory is located at the end of the IHEDA CDBG OOR Application Policy. Do not send one PDF containing all supporting documentation.
- Signed Environmental Review Record (May be submitted as a PDF)
- Via hard copy:
 - The original tear sheet or original publisher's affidavit of legal notice for any public hearing.
 - One USB Flash Drive with all documents

Applicants that submit hard copies of any documents not specifically listed above will be ineligible to receive points in the Bonus category.

All required application items are due no later than 5:00 p.m. Eastern Time, on or before the due date. Applications received after the deadline will be returned to the applicant via certified mail. Faxed applications will not be accepted.

Applicants encountering technical issues with application forms, supporting documentation, or the submittal process should contact their IHEDA Real Estate Production Analyst as soon as possible. If informed of the problem in a timely manner, IHEDA staff may be able to correct the issue and/or provide additional guidance for specific non-Federal requirements on a case-by-case basis. However, assistance cannot be provided for applicants that do not notify IHEDA of an issue prior to the application deadline.

Instructions on how to utilize OneDrive will be explained during the application webinar. Please note:

- **Applicants may NOT set up folders in OneDrive themselves.**
- **Applicants must contact the Real Estate Department Coordinator to request the creation of a folder.**
- **The Real Estate Department Coordinator will then share that folder with the applicant and the applicant may then upload the application form and all other required documents to the created folder.**

Public hearing documentation and USB flash drives should be sent to:

Indiana Housing and Community Development Authority
ATTN: Real Estate Department Coordinator
RE: CDBG OOR Application
30 South Meridian Street, Suite 900
Indianapolis, IN 46204



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All applicants must retain a copy of this application package for their records. Applicants that receive funding will be bound by the information contained in this application package.

Applicants must notify the Real Estate Department Coordinator and their Regional Analyst when they have uploaded documents to OneDrive. Failure to notify IHCDCA when documentation is uploaded may result in the delay or disqualification of the application.

IHCDCA will send an email confirmation to the applicant contact within one week of submission notifying the applicant of receipt by IHCDCA. Please notify the Real Estate Department Coordinator if the applicant would like to add an additional contact person for communications regarding the CDBG Application.

1.7 Application Review

Each application must address only one development. Applications are reviewed in a three step process:

Step One - Completeness

On or before the application deadline, the applicant must provide all required documents, signatures and attachments.

Step Two - Threshold

The application must meet each of the applicable threshold criteria. After initial threshold review, IHCDCA staff may contact an applicant to notify them of required technical corrections as well as to request clarification of additional questions raised during threshold review. The applicant will have the opportunity to respond on or before the response due date provided by IHCDCA. If the applicant does not respond to the technical correction and threshold clarification letter, or the applicant’s response does not address all concerns, the application may be disqualified.

For definitions of technical corrections and clarifications, please consult the glossary at the end of this policy.

Step Three - Scoring

Applications that pass completeness and threshold reviews are then scored according to IHCDCA’s published scoring criteria. After initial score review, IHCDCA staff may contact the applicant for further clarification of a scoring item. Failure to respond to the requested scoring clarification items by the due date and in the manner requested may result in application denial. **Additional supporting documentation for scoring categories will not be accepted after the initial application submission.**

Points will be awarded to applicants requiring two or less technical corrections, based upon the scoring table located in the Bonus scoring section of this policy.

Funded applications will be announced at the published IHCDCA Board Meeting date – the announcement timing is dependent upon the approval of the State of Indiana Annual Action Plan. Confirmation letters and score sheets will be uploaded to OneDrive by the close of business on the day of the board meeting. Applications that are not funded will be notified via a denial letter and final score



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sheets which will be uploaded to OneDrive by the close of business on the day of the board meeting. Applications that are not funded will **not** be rolled over into the next funding round.

1.8 Minimum Score Requirement

There is no minimum score required for funding in the CDBG OOR Round.

1.9 IHCD A CDBG, HOME & HTF Program Manual

The IHCD A CDBG, HOME & HTF Program Manual outlines the requirements for administering IHCD A's CDBG awards. A complete copy of the CDBG & HOME Program Manual and exhibits are available on IHCD A's website at this location:

<http://www.in.gov/myihcda/2490.htm>



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Part 2: Eligible Applicants

2.1 Eligible Applicants

Community Development Block Grant (CDBG)	Cities, Towns, and Counties that <u>are not</u> CDBG entitlement communities: (Entitlement communities are listed below)	Cities, Towns, and Counties that <u>are</u> CDBG entitlements: (Entitlement communities are listed below)	501(c)3 and 501(c)4 Not-for-Profit Organizations	Joint Venture Partnerships	For Profit Entities organized under the State of Indiana
Eligible Applicants:	✓	Not eligible	Not eligible	Not eligible	Not eligible

CDBG OOR Funds

Eligible applicants include cities, towns, or counties that are located within Indiana but outside of CDBG entitlement communities and whose proposed activities are consistent with the State’s HUD-approved Consolidated Plan. Not-for-profit 501(c)3 or 501(c)4 organizations, public housing authorities, regional planning commissions, and/or townships are encouraged to participate in activities as subrecipients of local units of government but must apply through a sponsoring eligible city, town, or county.

The following CDBG entitlement communities are not eligible to apply for CDBG funds:

Anderson	East Chicago	Gary	Indianapolis**	LaPorte	New Albany
Bloomington	Elkhart	Goshen	Kokomo	Michigan City	South Bend
Columbus	Evansville	Hamilton County*	Lafayette	Mishawaka	Terre Haute
	Fort Wayne	Hammond	Lake County	Muncie	West Lafayette

*The following communities in Hamilton County are eligible for CDBG funds: Arcadia, Atlanta, Cicero and Sheridan.

**Excluding the Marion County Cities of Beech Grove, Lawrence, Speedway, and Southport. The Town of Cumberland is excluded when the housing activity is located outside of Marion County.

2.2 Ineligible Applicants

IHCDA reserves the right to disqualify any application from an applicant, subrecipient, administrator, preparer, or related party with a history of disregarding policies, procedures, or staff directives associated with administering any program through IHEDA. This also applies to programs administered by any other State, Federal, or affordable housing entities, including but not limited to the Indiana Office of Community and Rural Affairs (OCRA), the U.S. Department of Housing and Urban Development (HUD), the U.S. Department of Agriculture - Rural Development (USDA), or the Federal Home Loan Bank (FHLB).

Applicants with an open CDBG OOR grant are ineligible to apply for another grant until the current award has been completed with all completion reports and close out documents submitted.



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Additionally, any entity currently on IHCD A's suspension or debarment list is ineligible to submit an application. IHCD A's Suspension and Debarment Policy can be found in Chapter 17 of the [IHCD A CDBG & HOME Program Manual](#).

2.3 Religious and Faith-Based Organizations

- i. Religious/faith-based organization eligibility. Organizations that are religious or faith-based are eligible, on the same basis as any other organization, to participate in the OOR program. Neither the Federal Government nor a state or local government receiving funds under the OOR program shall discriminate against an organization on the basis of the organization's religious character or affiliation. Recipients and subrecipients of program funds shall not, in providing program assistance, discriminate against a program participant or prospective program participant on the basis of religion or religious belief.
- ii. Beneficiaries. In providing services supported in whole or in part with federal financial assistance, and in their outreach activities related to such services, program participants shall not discriminate against current or prospective program beneficiaries on the basis of religion, a religious belief, a refusal to hold a religious belief, or a refusal to attend or participate in a religious practice.
- iii. Separation of explicitly religious activities. Recipients and subrecipients of OOR program funds that engage in explicitly religious activities, including activities that involve overt religious content such as worship, religious instruction, or proselytization, must perform such activities and offer such services outside of programs that are supported with federal financial assistance separately, in time or location, from the programs or services funded under this part, and participation in any such explicitly religious activities must be voluntary for the program beneficiaries of the HUD-funded programs or services.
- iv. Religious identity. A faith-based organization that is a recipient or subrecipient of OOR program funds is eligible to use such funds as provided under the regulations of this part without impairing its independence, autonomy, expression of religious beliefs, or religious character. Such organization will retain its independence from federal, state, and local government, and may continue to carry out its mission, including the definition, development, practice, and expression of its religious beliefs, provided that it does not use direct program funds to support or engage in any explicitly religious activities, including activities that involve overt religious content, such as worship, religious instruction, or proselytization, or any manner prohibited by law. Among other things, faith-based organizations may use space in their facilities to provide program-funded services, without removing or altering religious art, icons, scriptures, or other religious symbols. In addition, an OOR program-funded religious organization retains its authority over its internal governance, and it may retain religious terms in its organization's name, select its board members on a religious basis, and include religious references in its organization's mission statements and other governing documents.
- v. Alternative provider. If a program participant or prospective program participant of the OOR program supported by HUD objects to the religious character of an organization that provides services under the program, that organization shall, within a reasonably prompt time after the objection, undertake reasonable efforts to identify and refer the program participant to an



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alternative provider to which the prospective program participant has no objection. Except for services provided by telephone, the Internet, or similar means, the referral must be to an alternate provider in reasonable geographic proximity to the organization making the referral. In making the referral, the organization shall comply with applicable privacy laws and regulations. Recipients and subrecipients shall document any objections from program participants and prospective program participants and any efforts to refer such participants to alternative providers in accordance with the requirements of §92.508(a)(2)(xiii). Recipients shall ensure that all subrecipient agreements make organizations receiving program funds aware of these requirements.

- vi. Structures. Program funds may not be used for the acquisition, construction, or rehabilitation of structures to the extent that those structures are used for explicitly religious activities. Program funds may be used for the acquisition, construction, or rehabilitation of structures only to the extent that those structures are used for conducting eligible activities under this part. When a structure is used for both eligible and explicitly religious activities, program funds may not exceed the cost of those portions of the acquisition, new construction, or rehabilitation that are attributable to eligible activities in accordance with the cost accounting requirements applicable to the OOR program. Sanctuaries, chapels, or other rooms that an OOR program-funded religious congregation uses as its principal place of worship, however, are ineligible for OOR program-funded improvements. Disposition of real property after the term of the grant, or any change in the use of the property during the term of the grant, is subject to government wide regulations governing real property disposition (see 2 CFR 200.311).
- vii. Supplemental funds. If a state or local government voluntarily contributes its own funds to supplement federally funded activities, the state or local government has the option to segregate the federal funds or commingle them. However, if the funds are commingled, this section applies to all of the commingled funds.



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Part 3: Eligible Activities & Program Requirements

3.1 Eligible Activities

The purpose of the OOR Program is to provide subsidies in the form of grants to selected applicants for the rehabilitation of owner-occupied housing for low to moderate-income people. The program is intended for the rehabilitation of owner-occupied housing that serves as the homeowner's primary residence.

- To be eligible for owner-occupied rehabilitation, the homeowner beneficiary must be low-income and occupy the property as a principal residence. A household owns a property if that household:
 - Has fee simple title to the property; or
 - Maintains a 99-year leasehold interest in the property; or
 - Owns a condominium; or
 - Owns or has a membership in a cooperative or mutual housing project that constitutes homeownership under state law; or
 - If held in a life estate, the person who has the life estate has the right to live in the housing for the remainder of his or her life and does not pay rent.

Ownership does not include land sale contracts/contracts for deeds or life estates, unless the life estate meets all the criteria listed above.

- Homeowners that meet the above requirement and previously received CDBG OOR assistance may be eligible for additional assistance if the home is not currently subject to an IHEDA affordability period or lien. Please contact your IHEDA Real Estate Production Analyst and provide the previous scope of work for the residence as well as the proposed new scope of work to determine eligibility.
- Eligible repairs:
 - Minor repairs which can include, but are not limited to, an inoperable or faulty furnace, leaking roof, unsafe electrical wiring and plumbing, hazardous structural conditions, etc.
 - Any major household system repaired or replaced as part of the rehabilitation process must meet the stricter of the Indiana State Building Code or local building codes.
 - Funds may be used to remedy conditions that, while not posing an immediate threat to health and safety, represent an ongoing threat to the structural integrity of a building and may eventually result in an emergency situation.

Owner-occupied rehabilitation is subject to the Owner-Occupied Rehabilitation Priority List (see Application Appendices) when determining scope of work.

- Manufactured homes are eligible if they meet IHEDA's Manufactured Housing Policy or if rehabilitation will bring the unit up to these standards:
 - A single dwelling unit designed and built in a factory, installed as a permanent residence, which bears a seal certifying that it was built in compliance with the Federal Manufactured Housing Construction and Safety Standards law and which also complies with the following specifications:
 - Shall have been constructed after January 1, 1981, and must exceed 950 square feet of occupied space per I.C. 36-7-4-1106 (d);



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- Is attached to a permanent foundation of masonry construction and has a permanent perimeter enclosure constructed in accordance with the One and Two Family Dwelling Code;
- Has wheels, axles and towing chassis removed;
- Has a pitched roof;
- Consists of two or more sections which, when joined, have a minimum dimension of 20' X 47.5' enclosing occupied space; and
- Is located on land held by the beneficiary in fee-simple title or 99-year leasehold and is the principal residence of the beneficiary.
- All other manufactured or mobile homes that do not meet the aforementioned criteria are ineligible to receive rehabilitation assistance funded by IHEDA.

3.2 Ineligible Activities

The following are ineligible activities:

- Creation of secondary housing attached to a primary unit;
- Acquisition, rehabilitation, or construction of nursing homes, convalescent homes, hospitals, residential treatment facilities, correctional facilities, or student dormitories;
- The provision of project-based tenant rental assistance;
- Rehabilitation of mobile homes, unless they meet the criteria listed above;
- Acquisition, rehabilitation, or new construction if any part of a development or its land is located within the boundaries of a 100-year floodplain. A flood determination must be provided for each parcel associated with the development;
- Rehabilitation of multi-family or single-family rental housing;
- Rehabilitation of out buildings such as sheds or detached garages; and
- Rehabilitation of an attached garage.
 - **EXCEPTION:** When required, costs associated with the lead risk assessment of a garage may be an eligible cost. ONLY the costs associated with lead hazards may be eligible. Please contact your Real Estate Production Analyst for more information.

In addition, IHEDA **does not** fund:

- Requests from individuals, political, social, or fraternal organizations;
- Endowments, special events, arts, or international projects;
- Scholarships requested by individuals;
- Institutions that discriminate on the basis of race, color, national origin, sex, religion, familial status, disability, marital status, sexual orientation, or gender identity in policy or in practice;
- Projects in furtherance of sectarian religious activities, impermissible lobbying, legislative or political activities; and
- Medical research or medical profit-making enterprises.

3.3 OOR Program Requirements

The proposed OOR development must follow these minimum requirements, and all other requirements set forth in the CDBG & HOME Program Manual, to be eligible for funding. For further details on each requirement, please see IHEDA's CDBG & HOME Program Manual, available at

<http://www.in.gov/myiheda/2490.htm>.



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CDBG REQUIREMENTS

Recipients must comply with all regulatory requirements listed in [24 CFR Part 570](#).

Applicants should familiarize themselves with IHEDA's CDBG & HOME Program Manual. Requirements include, but are not limited to, the following:

- **Policy Requirements, Chapter 1:**
 - Recipient must hold a minimum of two public hearings, each at a different stage of the process, for the purpose of obtaining citizens' input and responding to proposals and questions.
 - The homeowner beneficiary must own the property and must occupy the property as a principal residence.
 - If there is a long-term lease agreement on the property, a 99-year lease must be recorded in the county recorder's office of the county in which the property is located prior to award document preparation.
 - Ownership does not include life estates (unless the person who has the life estate has the right to live in the housing for the remainder of his or her life and does not pay rent) and land sale contracts/contracts for deeds.
- **Lead Based Paint, Chapter 2:**
 - Each recipient of a CDBG award is subject to the HUD requirements of addressing lead-based paint hazards pursuant to 24 CFR Part 35. If a risk assessment is required, then all lead-based paint issues must be addressed.
 - Anyone who conducts lead-based paint activities in the State of Indiana must be licensed by the Indiana State Department of Health. Activities include inspections for lead based paint, risk assessments for lead hazards, clearance examinations following lead abatement, abatement of lead based paint, project design, supervision, and work in abatement projects.
 - Anyone who is paid to perform work that disturbs paint in housing and child-occupied facilities built before 1978 must be EPA certified. This includes all firms and sole proprietorships such as residential rental property owners and managers, general contractors, and special trade contractors including painters, plumbers, carpenters, and electricians.
 - Federal law requires that a "certified renovator" be assigned to each job, and that all involved individuals be trained in the use of lead-safe work practices.
 - To become a certified renovator, a person must complete a renovator training course accredited by EPA or an EPA authorized program which will teach them how to work lead safe.
 - All remaining individuals must also be trained. They can either be certified renovators (meaning they successfully completed the accredited training) or they can have been trained on the job by a certified renovator (such training must be documented and the documents must be retained).
- **Uniform Relocation Act, Chapter 4:**
 - Each recipient of a CDBG award is subject to the requirements of the Uniform Relocation Act. See the IHEDA's [CDBG & HOME Program Manual](#) Chapter 4 on URA for guidance on the regulatory requirements of the Uniform Relocation Assistance



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and Real Property Acquisition Policies Act of 1970 (URA), as amended, the Federal regulations at [49 CFR Part 24](#), and the requirements of [Section 104\(d\) of Title I of the Housing and Community Development Act of 1974, as amended](#).

- **Fair Housing and Civil Rights, Chapter 5:**
 - Every recipient must demonstrate that it will complete an action to affirmatively further fair housing during the time frame of an award.
- **Section 3, Chapter 7:**
 - Any recipient receiving an aggregate amount of \$200,000 or more from one or more of the HUD CPD programs (i.e. CDBG, HOME, NSP, HOPWA, ESG, etc.) in a program year must comply with the Section 3 requirements. Section 3 provides preference to low- and very-low-income residents of the local community (regardless of race or gender) and the businesses that substantially employ these persons, for new employment, training, and contracting opportunities resulting from HUD-funded projects.
- **Income Eligibility and Verification, Chapter 8:**
 - The homeowner beneficiary must be income eligible. Each household must have an annual income equal to or less than 80% of the area median family income for the target area. The HUD Part 5 definition of income applies.
 - Income verification is valid for a period of six months. If more than six months pass between the income verification and contract execution a new income verification must be completed.
- **Procurement Procedures, Chapter 11:**
 - Award recipients will be required to provide proof of adequate builder's risk insurance, property insurance, and/or contractor liability insurance during construction. The recipient must follow competitive procurement procedures when procuring all materials, supplies, equipment, and construction or professional services related to the CDBG award.
- **Environmental Review, Chapter 11:**
 - All applicants are required to complete the environmental review record (ERR) and submit it with their application as an application threshold item. The resulting IHEDA Release of Funds is required before fully executed award documents are released and before proceeding with the project.
- **Construction Standards (Construction Standards and Physical Inspections, Chapter 14):**
 - All IHEDA-assisted units must be inspected twice during the award period. The first inspection, by a licensed, or IHEDA approved, third-party building inspector must occur within 30 days of completion of the documented scope of work and prior to the IHEDA Inspector's final physical inspection. The final inspection conducted by an IHEDA inspector must be performed after the independent inspection, upon completion of construction on each unit and correction of any findings from the first inspection. (IHEDA [CDBG & HOME Program Manual](#), Construction Standards & Physical Inspections Chapter 14)
- **Limited English Proficient Persons**
 - Persons who, as a result of national origin, do not speak English as their primary language and who have limited ability to speak, read, write, or understand English ("limited English proficient persons" or "LEP") may be entitled to language



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assistance under Title VI in order to receive a particular service, benefit, or encounter. In accordance with Title VI of the Civil Rights Act of 1964 (Title VI) and its implementing regulations, the recipient must agree to take reasonable steps to ensure meaningful access to activities funded by federal funds by LEP persons. Any of the following actions could constitute “reasonable steps”, depending on the circumstances: acquiring translators to translate vital documents, advertisements, or notices, acquiring interpreters for face to face interviews with LEP persons, placing advertisements and notices in newspapers that serve LEP persons, partnering with other organizations that serve LEP populations to provide interpretation, translation, or dissemination of information regarding the project, hiring bilingual employees or volunteers for outreach and intake activities, contracting with a telephone line interpreter service, etc.

- **Uniform Requirements**
 - The recipient shall comply with 2 CFR part 200, “Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards”
- **Debarment and Suspension**
 - The requirements in 2 CFR part 2424 are applicable. CDBG funds may not be provided to excluded or disqualified persons.
- **Federal Financial Accountability and Transparency Act of 2006 (FFATA) Reporting Requirements**
 - FFATA reporting requirements applies all federal funding awarded by IHCD A in the amount of \$25,000.00 or greater under all of IHCD A’s federal programs.
 - As a sub-recipient, your entity must provide any information needed pursuant to these requirements. This includes (1) entity information, (2) the unique identifier of your entity, (3) the unique identifier of the parent of your entity, and (4) relevant executive compensation data, if applicable. This will require your entity to provide IHCD A with your entity’s DUNS number and registering with the System for Award Management (“SAM”).
 - Executive Compensation - As described above, you will be required to report to the SAM, the names and total compensation of the five most highly compensated officers of your entity if your entity received eighty percent (80%) or more of its annual gross revenues from Federal contracts and Federal financial assistance (as defined at 2 CFR 170.320) and \$25,000,000.00 or more in annual gross revenues from Federal contracts and federal financial assistance (as defined at 2 CFR 170.320); and if the public does not have access to this information about the compensation of the senior executives of the entity through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. §§ 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986.
 - Exception to Executive Compensation Requirement - Your entity may certify that it received less than eighty percent (80%) of annual gross revenues from the federal government, received less than \$25,000,000.00 of its annual gross revenues from the federal government, already provides executive compensation to the Securities Exchange Commission, or meets the Internal Revenue Code exemption, and will not be required to submit executive compensation data into the SAM under FFATA, provided, that the your entity registers in the SAM and submits the other data requested.



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- Compliance requires that your organization take the following two (2) steps:
 - Obtain a DUNS number and Provide DUNS number to IHEDA (when requested by IHEDA). A DUNS number may be requested from D&B by telephone (currently 866-705-5711) or the Internet (currently at <http://www.dnb.com/get-a-duns-number.html>).
 - Register and maintain SAM status Registration information (must be updated annually) and provide copy of proof of registration to IHEDA (when requested by IHEDA). Information regarding the process to register in the SAM can be obtained at <https://www.sam.gov/portal/public/SAM/>



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Part 4: Subsidy Limitations & Eligible Activity Costs

4.1 Subsidy & Budget Limitations

The maximum request amount per application is \$350,000.

CDBG funds may not exceed \$25,000 per unit for the rehabilitation budget line item.

Combined CDBG funds budgeted for program delivery, award administration, and environmental review cannot exceed twenty percent (20%) of the OOR award.

4.2 Eligible Activity Costs

The bolded items listed below are included in the application budget. The requirements set forth in Sections 4.3 – 4.9 apply to CDBG funding. If you have a question about which line item an expense goes under, contact your IHEDA Real Estate Production Analyst.

ADMINISTRATION - The administration line item includes those costs directly related to administering the IHEDA award and complying with the regulations associated with these funds. This line item, along with program delivery and environmental review, cannot exceed 20% of the CDBG request; costs incurred and claimed cannot exceed \$10,000. Recipients are allowed to draw down this line item as costs are incurred. Costs associated with preparing an application for funding through IHEDA are not eligible for reimbursement through a CDBG award. Eligible costs include:

- Communication costs;
- Lead based paint training;
- Office materials and supplies;
- Office rent and utilities;
- Photocopying;
- Postage;
- Staff time or professional services related to reporting, compliance, monitoring, or financial management;
- Training related to the housing activity; and
- Travel related to the housing activity.

ENVIRONMENTAL REVIEW – This line item includes expenses associated with the Environmental Review Release of Funds process. This does not refer to a Phase I Environmental Assessment (Phase I EA should be included in the Program Delivery line item). This line item along with program delivery and administration cannot exceed 20% of the CDBG request. Eligible costs cannot exceed \$5,000 and include professional services, publication costs, photocopying, and postage. For further information regarding this activity, please read the Environmental Review Guide found in Chapter 11 Exhibits of the IHEDA CDBG & HOME Program Manual available here: <http://www.in.gov/myiheda/2490.htm>.

LEAD HAZARD TESTING – Costs associated with lead hazard testing include Risk Assessment, Clearance Test, etc. The limits for this line item are \$1,000 per unit.

PROGRAM DELIVERY - Program delivery costs are those costs that can be directly tracked by address. They include soft costs and client-related costs that are reasonable and necessary for the



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implementation and completion of the proposed activity. This line item along with administration and environmental review cannot exceed 20% of the CDBG request. Recipients are allowed to draw down this line item as costs are incurred.

Eligible costs include:

- Building permits;
- Client intake and income verification;
- Cost estimates;
- Credit reports;
- Demolition permits;
- Engineering and architectural plans;
- Impact fees;
- Inspections;
- Legal and accounting fees;
- Plans, specifications, work write-ups;
- Recording fees; and
- Travel to and from the site.

REHABILITATION – Eligible costs include:

- Construction management, if provided by a third party;
- Hard costs associated with rehabilitation activities for owner-occupied repairs. Examples of eligible repairs are an inoperable or faulty furnace, leaking roof, unsafe electrical wiring and plumbing, and hazardous structural conditions;
- Improvements to infrastructure when there will be no rehabilitation work done on the actual house to be served;
- Lead-based paint interim controls and abatement costs;
- Mold remediation; and
- Utility connections and related infrastructure costs - off-site connections from the property line to the adjacent street are eligible when it is deemed a threat to health and safety.

RELOCATION - Relocation includes payments and other relocation assistance for permanently and/or temporarily relocated individuals, families, businesses, not-for-profit organizations, and farm operations where assistance is required and appropriate. Relocation payments include replacement housing payments, payments for moving expenses, and payments for reasonable out-of-pocket expenses for temporary relocation purposes. For additional information on relocation and displacement, please refer to the information provided in the IHEDA's [CDBG & HOME Program Manual](#).

RETAINAGE POLICY - IHEDA will hold the final \$5,000 of an award until all match documentation, closeout documentation, and completion reports are received and approved. Closeout documentation will not be approved until the final monitoring and inspection is completed and all associated findings and/or concerns are resolved.

4.3 Ineligible Activity Costs

The following are ineligible activity costs, and will not be reimbursed by IHEDA:

- Annual contributions for operation of public housing;
- Commercial development costs;



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- Costs associated with any financial audit of the recipient;
- Costs associated with preparing an application for funding through IHEDA;
- Developer's Fee;
- Loan guarantees;
- Mortgage default/delinquency correction or avoidance;
- Operating Reserves – Funds used to initially capitalize a reserve fund that covers operating expenses when there are rental income shortfalls over the life of a permanent supportive or rental development. This line item must be included on the Uses of Funds exhibit;
- Providing tenant based rental assistance;
- Purchase or installation of luxury items, such as swimming pools or hot tubs;
- Purchase or installation of equipment, furnishings, tools, or other personal property that is not an integral structural feature, such as window air conditioner units or washers and dryers;
- Purchase or installation of stoves, refrigerators, built-in dishwashers, garbage disposals, and permanently installed individual unit air conditioners; or
- Replacement Reserves – Funds used to initially capitalize a reserve fund used for major capital repairs to a permanent supportive or rental housing facility. These funds can be capitalized either through operating cash flow or through the development budget on the Uses of Funds exhibit.



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Part 5: Completeness & Threshold Requirements

Each proposed development must satisfy the Federal requirements of the CDBG OOR program and any additional requirements established by IHEDA. To be considered for funding, an applicant must meet all of the completeness and threshold requirements listed below.

5.1 Completeness and Threshold Requirements

- 1) Timeliness – All documentation must be turned in by the application due date.
 - On or before the application deadline, the applicant must provide all documentation as instructed in this Application Policy and as listed in the CDBG OOR Application.
 - If IHEDA requests additional information from the applicant, all requests are due on or before the date provided by IHEDA staff.
 - Any forms that are late will be denied review and will be sent back to the applicant.

- 2) Responsiveness – All questions must be answered and all supporting documentation must be provided as requested.

Completeness	Location
<i>Application and Supporting Documents</i> <ul style="list-style-type: none"> • Submit two copies of fully-completed CDBG OOR application, one as an Excel file and one as a searchable PDF. • Submit all required supporting documents via OneDrive. • Mail the original public hearing tear sheet or publisher’s affidavit to IHEDA by the application deadline. Do not submit paper copies of the application or any other supporting documents. Applicants may also be issued a Technical Correction for using policies or forms from previous rounds. 	OneDrive and mailed to IHEDA
Threshold Item	Location
<i>SAM Registration</i> <ul style="list-style-type: none"> • Submit a copy of the applicant’s System of Award Management (SAM) registration. https://www.sam.gov/portal/SAM/#1 	Tab A_SAM Registration
<i>Target Market</i> <ul style="list-style-type: none"> • Submit a map which outlines the targeted area, neighborhood, or county with clearly identifiable borders. If targeting an entire county, please label the specific locations within the county that have been identified as of application submittal. • Submit a narrative describing the targeted market (e.g. city, town, county, neighborhood.) • Submit market need documentation as outlined in Section 6.2. 	Tab B_Target Market Documentation
<i>Grievance Procedures</i> <ul style="list-style-type: none"> • Submit applicant’s Grievance Procedures. Grievance Procedures must address current, former, and potential tenants, including (1) how grievances will be submitted, (2) who will review them, (3) timeframe for the review, and (4) the appeal process. 	Tab C_Grievance Procedures



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<p><i>Area Median Income Level Served</i></p> <ul style="list-style-type: none"> Affirm in application that all assisted units will serve households with income at or below 80% of the area median income for the development's county according to the current Federal Program Income Limits. 	<p>Application, Sheet 04</p>
<p><i>Administrator Documentation (if applicable)</i></p> <ul style="list-style-type: none"> If the applicant has hired an administrator to administer the award, please provide documentation demonstrating that the administrator has been properly procured using the Competitive Negotiation (RFP) Procedure. <ul style="list-style-type: none"> Submit a copy of the Request for Proposals (RFP). Submit the published advertisement that was put in a general circulation newspaper for the RFP. Submit a copy of the contract between applicant and administrator. If the administrator will be using an in-house employee to do lead testing, submit a copy of the staff member's current lead inspector and/or risk assessor license issued by the Indiana State Department of Health. 	<p>Tab E_Administrator</p>
<p><i>Subrecipient Documentation (if applicable)</i></p> <ul style="list-style-type: none"> Submit an IRS determination letter for 501(c)3 status. Provide a copy of the Certificate of Existence from the Indiana Secretary of State to provide proof that the organization is in good standing. Submit a copy of the contract between applicant and subrecipient. If the subrecipient will be using an in-house employee to do lead testing, submit a copy of the staff member's current lead inspector and/or risk assessor license issued by the Indiana State Department of Health. 	<p>Tab F_Subrecipient</p>
<p><i>Third-Party Inspection</i></p> <ul style="list-style-type: none"> Affirm in application that applicant understands a third-party inspection must be completed on each address within 30 days of construction completion. Applicant may not wait until all addresses are completed unless construction on all addresses is completed within 30 days of each other. 	<p>Application, Sheet 07</p>
<p><i>Warranty</i></p> <ul style="list-style-type: none"> Affirm in application that applicant understands all contractors are required to provide a one-year warranty for their work. Warranties begin as of the date the final clearance report is signed by IHEDA's inspector. 	<p>Application, Sheet 07</p>
<p><i>Application Submission Resolution</i></p> <ul style="list-style-type: none"> All applicants for IHEDA funding must submit a resolution approved by the applicant's city, town, or county council authorizing the submission of an application for funding to IHEDA. Applicants must submit: <ul style="list-style-type: none"> One CDBG Application Submission Resolution signed by the applicant's city, town, or county council (found in the CDBG OOR Appendices) 	<p>Tab D_Letters of Commitment</p>



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<p><i>Public Hearing</i> Two public hearings are required for CDBG funding. One public hearing MUST occur prior to application submittal.</p> <ul style="list-style-type: none"> • Provide the original tear sheet or original publisher’s affidavit of legal notice that includes the date of the public hearing and the date of notice publication. Under Indiana Code (I.C. 5-3-1-2 (B)) there must be a minimum of one legal notice at least 10 calendar days prior to the public hearing. • Submit a copy of the sign-in sheet. • Submit a copy of the minutes of the public hearing, which must include the date and time of the meeting, the name and title of the person running the meeting, anyone who presented at the meeting, and all content presented to the public. • Describe methods used to solicit participation of low and moderate-income persons. • Describe any comments/complaints received and responses to the comments/complaints. 	<p>Tab G_Public Hearing</p>
<p><i>HUD or Rural Development Funding (if applicable)</i> If the proposed development has received funding directly from HUD or Rural Development in the past, the applicant must send a notification letter to the appropriate HUD or Rural Development office notifying them that an application is being submitted to IHCD for federal funding.</p> <ul style="list-style-type: none"> • Provide a copy of the notification letter sent to HUD or Rural Development. • Provide proof of delivery of the notification letter, either an email read receipt or a mail delivery receipt. 	<p>Tab H_HUD & RD</p>
<p><i>Environmental Review Record (ERR)</i></p> <ul style="list-style-type: none"> • Submit Environmental Review Forms (Exhibits A, B, E, F, the Findings page, and the Signatures page). <p>Once awarded, Exhibit G will then need to be submitted for each address. The ERR forms are located in the appendices of this policy. For more detailed ERR instructions, please refer to the exhibits for Chapter 11 of the IHCD CDBG & HOME Program Manual 4th Edition, available here: http://www.in.gov/myihcda/2490.htm.</p>	<p>Tab I_ERR</p>
<p><i>Multiple Jurisdiction Partnership Memorandum of Understanding (MOU)</i> When one jurisdiction is acting as applicant but partnering with other jurisdictions to rehab homes in more than one municipality, the applicant must submit:</p> <ul style="list-style-type: none"> • A signed MOU between the applicant jurisdiction and any other partner jurisdictions specifying the terms of their partnership 	<p>Tab D_Letters of Commitment</p>



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<p><i>Floodplain Determination Map</i> Acquisition, rehabilitation, refinancing, or new construction of any part of a development, or its land, located within the boundaries of a 100 year floodplain is not eligible for CDBG OOR funding. FEMA FIRM Flood Map(s) for the target area(s) must be submitted with the application.</p> <ul style="list-style-type: none"> • Please submit a FEMA FIRM Flood Map(s) that clearly demonstrates whether the target area(s) (e.g. county, city, town) in the development are or are not within a 100-year floodplain. (Any property located in any variation of zone “a” on the map is ineligible for funding). Maps may be downloaded from the FEMA website here: https://msc.fema.gov/portal. Applicants must submit FIRM Panels for all target areas. Flood maps for individual sites are not required at the time of application. • HUD requires official FEMA maps – third-party maps, even those created using FEMA data, are ineligible. If a FEMA map is not available for an area, the applicant must submit a printout or screenshot of the FEMA website documenting that no map is available. In this specific instance, the applicant may submit a DNR map in place of a FEMA map. • Please label any sites that have been identified prior to application submittal. 	<p>Tab I_ERR</p>
<p><i>Affirmatively Furthering Fair Housing</i> All CDBG award recipients must take action to affirmatively further fair housing in the jurisdiction they are serving.</p> <ul style="list-style-type: none"> • Select which furthering fair housing activity or activities you will be conducting. 	<p>Application, Sheet 07</p>



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Part 6: Scoring

If an application meets all applicable threshold requirements, it will be evaluated and scored based on the following scoring criteria:

Scoring Category	Points Possible
Population Served	14
Needs Analysis	15
Readiness	5
Capacity	14
Leveraging	6
Additional Program Features	3
Completeness Bonus	5
Total Possible Points	62

When there is a scoring criteria based on the county being served and the development is in multiple counties, the applicant should add up the scores from each county and average them, rounding to the nearest half point.

6.1 Populations Served

Category Maximum Points Possible: 14

- 1) Area Median Income (AMI) Served: *Maximum Number of Points: 6*
 Six points will be awarded to applicants that commit to serving beneficiaries in CDBG assisted units in accordance with the following chart. The Area Median Income (AMI) level is for the county in which the development is to be located. Awarded recipients will be held to the unit commitment in their award agreement. Changes to the AMI levels served will require prior IHEDA approval. Rent and Income Limits may be found in Appendix C of the Ongoing Rental Compliance Manual located online at <http://www.in.gov/myiheda/2490.htm>.

Area Median Income (AMI) Served	Points
At least 20% of beneficiaries are at or below 30% AMI OR At least 30% of beneficiaries are at or below 40% AMI	6

- 2) Targeted Populations *Maximum Number of Points: 8*
 Points will be awarded to applicants assisting households with at least one individual belonging to one or more of the targeted population groups described below. The household must be the primary residence of the qualifying individual. An individual or household that meets the criteria for two or more categories (e.g. a veteran with a disability or a single parent household with a child with a disability) may only be counted for **one** of the categories he or she qualifies for when calculating percentages for this scoring category.



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Percentage of Households Serving Targeted Populations	Points
60% of Total Households Served	8
40% of Total Households Served	6
20% of Total Households Served	4

Targeted Populations
<p><i>Individuals with Disabilities</i> Households with at least one individual living in the home with a disability using the Fair Housing definition of disabled as defined in the CDBG Application Policy Glossary.</p>
<p><i>Families with Children Six and Under</i> Households with at least one child six or younger. Applicants seeking these points must set aside funding for these households to clear all lead hazards in the home.</p>
<p><i>Aging in Place</i> Households with at least one elderly individual, as defined in the CDBG Application Policy Glossary, living in the home. Repairs made to the home must address accessibility, livability, and visitability.</p>
<p><i>Veterans</i> Households with at least one veteran individual, as defined in the CDBG Application Policy Glossary, living in the home.</p>
<p><i>Single Parent Head of Household</i> Households with a single parent, grandparent, or guardian head of household.</p>

6.2 Needs Analysis

Category Maximum Points Possible: 15

This category assesses the market need of the targeted area based on socio-economic factors. A market study is not required. All information may be found in the Appendix or at the links listed in the below categories.

1) Median age of owner-occupied structure

Maximum Number of Points: 4

Points will be awarded based on the county’s median age of owner-occupied single-family housing stock based on a scale of older median age of the structures compared to newer structures. IHEDA will use the Purdue Rural Indiana Statistics to determine the number of points. Applicants may use the following mapping service to determine the median age of the owner-occupied structures: <https://pcrd.purdue.edu/ruralindianastats/> and use the “Owner occupied, Median Year Structure Built by Tenure” layer.

Owner-occupied median year built	Points
1955 and older	4 points
1956-1965	3 points
1966-1975	2 points
1976-1985	1 point
1986 and newer	0 points



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If target area is multiple counties, an average will be taken. If County A receives three points, and County B receives two points, the applicant will get 2.5 points.

If the target area is only within the municipal boundaries of a single local unit of government the Purdue map can be substituted with supporting documentation from the US Census and must be reviewed and approved by IHEDA staff prior to submission.

2) Distressed Counties

Maximum Number of Points: 2

Points will be awarded based on the county’s level of distress based on unemployment and income. A county is considered distressed by unemployment if it has an unemployment rate that is at least 1 percent greater than the national average. A county is considered distressed by income if it has a 5-year ACS per capita income that is 80 percent or less than the national average. IHEDA will use StatsAmerica to determine the number of points. Applicant may determine the distress level of their county using the following site: <http://www.statsamerica.org/distress/distress.aspx>. Points will be determined using data from the month prior to the month the application must be submitted.

Distressed Counties	Points
Not Distressed	0 points
Distressed by unemployment	1 point
Distressed by income	1 point
Distressed by both income and unemployment	2 points

If target area is multiple counties, an average will be taken.

3) Poverty Rate

Maximum Number of Points: 4

Points will be awarded based on the County Poverty Level. IHEDA will use the Purdue Rural Indiana Statistics to determine the number of points. Applicant may use the following mapping service to determine the poverty level of the county:

<https://pcrd.purdue.edu/ruralindianastats/> and use the “Poverty Rate” layer.

Poverty Rate	Points
Below 10%	0 points
10.0%-12.4%	1 point
12.5% - 14.9%	2 points
15.0% - 19.9%	3 points
Above 20%	4 points

If target area is multiple counties, an average will be taken.



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If the target area is only within the municipal boundaries of a single local unit of government the Purdue map can be substituted with supporting documentation from the US Census and must be reviewed and approved by IHEDA staff prior to submission.

4) Community Without Recent OOR Award *Maximum Number of Points: 5*

Five points will be awarded to applicants whose proposed service area is a town, city, or county that has not received an OOR award within the last five years. The date is based upon the date the Board of Directors' approved the award.

- **City/Town Applicant:** If a county has received an OOR award within the last five years, but a local unit of government within that county has not received an award within the last five years, that LUG is eligible for points in this category. The LUG must certify that 51% or more of the benefitted units will be within the LUG's jurisdiction.

If the target area consists of multiple municipalities, an average will be taken. If Municipality A had an OOR award within the past five years and Municipality B did not, the applicant will receive 2.5 points.

- **County Applicant:** If a city within a county has received an OOR award within the last five years, but the county level of government has not received an OOR award within the last five years, the county is eligible for points in this category. To be eligible, the County must certify at least 51% or more of the benefitted units will be outside the city that received the previous award.

If the target area is multiple counties, an average will be taken. If County A had an OOR award within the past five years and County B did not, the applicant will receive 2.5 points.

To receive points in this category, the applicant must fill out this section of the application.

6.3 Readiness **Category Maximum Points Possible: 5**

This category describes the applicant's ability to begin and timely execute an awarded development.

1) Client Intake *Maximum Number of Points: 3*

Points will be awarded to applicants that have already begun the client intake process, according to the chart below. Client intake means that potential clients have been identified, are interested in participating in the OOR program, and have certified their income within twelve months of application date. A complete income verification is not required, but please provide the best estimate of the household's annual income after initial interview/contact. If full income verification has been completed, clients must be appropriately income-verified per the HUD Part 5 definition.

Percentage of Units with Clients Identified	Points
25 - 50% of units	1
51 - 75% of units	2



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76 - 100% of units	3
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To receive points in this category, the applicant must fill out and submit the Client Intake List in **Tab J_Client Intake**. The Client Intake List should include the client’s name, address, estimated household income, age, AMI level, and targeted population status as defined in section 6.1 (e.g. veteran, aging in place, etc.), if applicable. The Client Intake List can be found in the Application Appendices.

2) Contractor Solicitation

Maximum Number of Points: 2

Points will be awarded to applicants who invite material participation in the proposed OOR development by Indiana contractors. To qualify for these points, a minimum of five letters inviting contractors to participate in the bidding of the development must be sent, with at least one of these letters going to state certified Minority Business Enterprises (MBE), Women Business Enterprises (WBE), Federal Disadvantaged Business Enterprises (DBE), Veteran- Owned Small Businesses (VOSB), and/or Service Disable Veteran Owned Small Businesses (SDVOSB).

To receive points in this category, the applicant must submit in **Tab K_Contractors**:

- Copies of all letters sent to each contractor inviting participation in the bidding of the project;
- Evidence of receipt of invitation, either by certified mail or e-mail read receipt, by at least five contractors; and
- A copy or print out from the State’s certification list clearly indicating that at least one solicited contractor meets the MBE/WBE/DBE/VOSB/SDVOSB status requirement.

Eligible Certifications Summary Table		
Certification	Certifying Agency	Website
MBE	Indiana Department of Administration	http://www.in.gov/idoa/2352.htm
	Indiana Minority Supplier Development Council	http://imsdc.org
WBE	Indiana Department of Administration	http://www.in.gov/idoa/2352.htm
DBE	Indiana Department of Transportation	http://www.in.gov/indot/2576.htm
VOSB	U.S. Department of Veterans Affairs	http://www.va.gov/osdbu/
SDVOSB	U.S. Department of Veterans Affairs	http://www.va.gov/osdbu/



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6.4 Capacity

Category Maximum Points Possible: 14

This category evaluates the administering entity on their ability to successfully carry out the proposed OOR development based on certifications, experience, and overall award performance on previous awards.

1) Certifications

Maximum Number of Points: 3

Points will be awarded to applications which include an applicant or administering entity with a staff member or staff members who have received the certifications listed below. Two points will be awarded for the completion of one of the certifications listed below by a staff member of the administering entity. One additional point will be awarded for the completion of two certifications listed below by a staff member and/or staff members of the administering entity. If two staff members hold the same certification, points will be awarded for two certifications.

If you do not see a certification you have received on the list that you believe would be relevant, please consult with your Real Estate Production Analyst at least one week prior to the application due date to request that it be eligible for points.

Required IHEDA Compliance Trainings, IHEDA application and policy webinars, IHEDA application and policy trainings, and IHEDA feedback sessions are not eligible for points in this category.

Certification	Sponsoring Organization
Certified Aging-in-Place Specialist	National Association of Home Builders (NAHB)
Home Sweet Home: Modifications for Aging in Place	University of Indianapolis/Indiana Housing and Community Development Authority
CDBG Grant Administration Certification (must be current)	Office of Community and Rural Affairs, State of Indiana
HOME & CDBG Certification Training	Indiana Housing and Community Development Authority (IHEDA)

To receive points in this category, the applicant must submit in **Tab L_Certifications**:

- Documentation of certification completions or confirmation of attendance.

2) New Administrator Experience:

Maximum Number of Points: 5

Five points will be awarded to administering entities with no previous IHEDA award experience that can demonstrate experience in construction management, rehabilitation of built structures, and/or prior CDBG experience through a different funding agency. The definition for administering entity can be found in the glossary section of this application policy. Administering entities with previous IHEDA award experience are not eligible to receive points in this category.



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To receive points in this category, the applicant must submit the following documentation in **Tab M_Experience:**

- Provide a written narrative explaining previous relevant experience; and
- Provide third-party reference of experience in the above mentioned fields.

3) Administering Entity's IHCD A Award Performance *Maximum Number of Points: 8*

An administering entity may only use a non-OOR IHCD A award for this scoring category if the award was monitored within the past five years and it has no prior IHCD A OOR award monitored within the past five years. An award may be eligible, whether it is closed or open, as long as an official IHCD A monitoring has occurred.

Applicants cannot qualify for points under both the New Administrator Experience and IHCD A Award Performance.

Description of Overall Award Performance	Points
Most recently monitored IHCD A CDBG/-D OOR award had no findings and no concerns.	8
Most recently monitored IHCD A CDBG/-D OOR award had no findings, but concerns were noted. OR No IHCD A CDBG/-D OOR experience, most recently monitored HOME award had no findings and no concerns.	6
Most recently monitored IHCD A CDBG/-D OOR award had only one finding. OR No IHCD A CDBG/-D OOR experience in the past five years; most recently monitored HOME award had no findings, but concerns were noted.	4



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<p>Most recently monitored CDBG award had more than one finding and the close-out monitoring review letter was received within:</p> <ul style="list-style-type: none"> • One Year or Less: • Two Years to One Year and One Day: • Three Years to Two Years and One Day: • Four Years to Three Years and One Day: • Five Years to Four Years and One Day: <p>The above timeframes will be determined using the CDBG application due date.</p> <p>In order to receive points in this category, the applicant/administrator must submit a narrative describing how the identified findings were addressed and remedied. This narrative may be submitted in Tab M_Experience.</p>	<table border="1"> <tr><td>0</td></tr> <tr><td>0.5</td></tr> <tr><td>1</td></tr> <tr><td>1.5</td></tr> <tr><td>2</td></tr> </table>	0	0.5	1	1.5	2
0						
0.5						
1						
1.5						
2						
<p>Does not meet any category above.</p> <p>Examples:</p> <ul style="list-style-type: none"> • The organization administering the award has no experience with IHEDA in the past five years. • The organization administering the award has no CDBG/-D OOR experience in the past five years and its most recently monitored HOME award had findings. 	0					

To receive points in this category, the applicant must submit the following in the application:

- Provide the applicable award number for the administering entity.
- If applicable, a narrative describing how identified findings were addressed and remedied in **Tab M_Experience**.

4) Timely Expenditure of Funds *Maximum Number of Points: 3*

Points will be awarded to an administering entity that has expended their most recent, as determined by award expiration date, IHEDA CDBG or CDBG-D OOR award funds without requesting an award extension. The award must be from within the past 5 years. If there is no CDBG/CDBG-D award, the applicant may use the most recent IHEDA HOME award. List the award number in the application form.

If an applicant has multiple awards that originally expired on the same date, all awards must have met the requirements to be eligible for points in this category.

Award Length	Points
Most recent IHEDA CDBG or CDBG-D or HOME award completed by the award expiration date.	3

To receive points in this category, applicant must submit the following in the application:



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- Provide the award number of the most recently completed IHEDA HOME or CDBG/-D award for the administering entity, which was completed by the award expiration date without an award extension.

5) Benchmarks

Maximum Number of Points: -1

Points will be deducted from an administering entity that has not met at least two benchmarks for six, nine, or 12 months on their most recent CDBG OOR award. If an applicant had multiple awards that were approved at the same time and are its most recent, each award must have met at least two benchmarks. Awards from the most recent CDBG OOR funding round will not be considered for this scoring category.

6.5 Leveraging of Other Sources

Category Maximum Points Possible: 6

Points will be awarded to applicants whose proposed project has received a firm commitment to leverage other funding sources. A “firm commitment” means that the funding does not require any further approvals.

“Other Funding Sources” include (but are not limited to) private funding, funds from a local community foundation, volunteer labor, Federal Home Loan Bank funding, federal, state or local government funds, in-kind donations for labor or professional services, sweat equity, and donated material and equipment. Shared and banked match are not eligible for points in this category.

Points will be awarded based on the Amount of Funding divided by the Total Development Costs:

Percentage of Total Development Costs	Points
.50% to 1.99%	1
2.00% to 3.99%	2
4.00% to 5.99%	3
6.00% to 7.99%	4
8.00% to 9.99%	5
Greater than 10%	6

To receive points in this category, the applicant must submit the following in **Tab D_Letters of Commitment**:

- Provide a letter from the appropriate authorized official approving the funds. The letter must include a description of the type of approved funding for the proposed development and the amount of funding.



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- In-Kind Donations – Labor or Professional Services: Submit commitment letter from donor(s) specifying number of hours they intend to donate and their professional service pay rate.
- In-Kind Donations – Sweat Equity: Submit a copy of sweat equity policy.
- In-Kind Donations – Donated Material and Equipment: Submit commitment letter from donor(s) specifying either the total value of the donated materials or the rental equipment rate and number of hours the equipment will be donated.

6.6 Additional Program Features & Bonus **Category Maximum Points Possible: 8**

- 1) Additional Program Features *Maximum Number of Points: 5*
 Points will be awarded to applicants that commit to additional program features above and beyond what is required by this application policy. Applicants may commit to as many features as is feasible for up to a maximum of three points. Features will be verified during monitoring.

Features	Points
IHCDA Resources	1
Maintenance Brochures	2
Reflective Address Signs	2
Three Year Warranty	3

IHCDA Resources – The applicant will distribute information on IHEDA resources to each assisted household as well as information on other applicable resources in the area. IHEDA programs such as Weatherization, Energy Assistance, Individual Development Accounts, Ramp Up, etc., must be included. Program information handouts can be found in the Appendices.

Maintenance Brochures – The applicant will distribute maintenance brochures to each assisted household that provides guidance on home upkeep and maintenance. The brochure must include contact information for specific home issues as well as emergency contact numbers.

Reflective Address Signs – The applicant will install reflective address signs for each assisted household. These signs make it easier for emergency vehicles and others to identify homes.

Three Year Warranty – Both the applicant and contractor commit to a three year warranty (two more years than required) on all work completed on each assisted home. The beneficiary must be made aware of this commitment via the homeowner agreement.

To receive points in this category, the applicant must submit the following in **Tab_N Additional Features**

- Provide a narrative summary of the committed features and how they will be executed.
- Copies of any information provided to homeowners, including information on non-IHCDA resources and maintenance brochures.

- 2) Bonus *Maximum Number of Points: 3*



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Points will be awarded based upon the scoring table below to applications that are submitted according to IHEDA’s submittal guidelines and which pass threshold with one or less technical corrections, as defined in the IHEDA CDBG OOR Policy Glossary.

Technical Corrections	Points
Zero	3
One	1
Two or More	0

To receive points in this category, the applicant must:

- Submit a searchable PDF of the application on OneDrive;
- Submit an Excel file of the application on OneDrive;
- Answer all questions in the policy and application;
- Submit all required threshold in the correct tabs;
- Submit all required threshold in the correct form (mailed and/or on OneDrive); and
- Label and include all tabs on OneDrive as described in the Application Policy. All tabs must be included regardless of whether documentation is required in each tab.
- Submit a USB that contains all documents.
- Not use forms or policies from previous rounds



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Part 7:OneDrive Site Tab Directory

When uploading supporting documentation to OneDrive, please create and name the tabs (file folders) as seen above and place correct documentation, as described throughout the Application Policy, in each tab.

Owner-Occupied Rehabilitation Program TAB Directory
Tab A_SAM Registration
Tab B_Targeted Market
Tab C_Grievance Procedures
Tab D_Letters of Commitment
Tab E_Administrator
Tab F_Subrecipient
Tab G_Public Hearing
Tab H_HUD & RD
Tab I_ERR
Tab J_Client Intake
Tab K_Contractors
Tab L_Certifications
Tab M_Experience
Tab N_Additional Features
Tab O_Displacement



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Part 8: Glossary of Terms

Below are definitions for commonly used terminology found throughout the CDBG and CDBG-D OOR Application policy and forms and applicable to the OOR program.

Administrator: A procured entity that will assist carrying out the OOR program.

Administering Entity: This is the organization that will be carrying out the requirements of the award through the life of the affordability period. Since this entity will be doing the work required by the award, they are eligible for certain point categories. The applicant can administer its own award; however, it is also possible to procure a grant administrator or to have a subrecipient.

Beneficiary: The household or unit that receives homeowner repair work as a result of a CDBG/CDBG-D OOR grant.

CDBG: The Community Development Block Grant (CDBG) program is a federally-funded program that provides states and communities with resources to address a wide range of unique community development needs. The CDBG program provides annual grants on a formula basis to 1209 general units of local government and States. The Indiana Housing and Community Development Authority (IHEDA) is a State Administered CDBG program. The IHEDA allocates awards in the form of grants to Local Units of Government that carry out CDBG OOR developments.

Children: Children are defined as those persons ages 18 years of age or younger. The child must reside in the home that will benefit from the OOR program.

Clarification: A clarification is any question or concern IHEDA may have regarding an applicant, proposed development, or other issue that does not meet the definition of a technical correction, as defined below. The number of clarifications an applicant receives will not impact its score.

Development: The CDBG OOR activity proposed in the application.

Disabled: The Fair Housing Act defines disability as a person who has/is:

- A physical or mental impairment which substantially limits one or more of such person's major life activities; or
- A record of having such an impairment; or
- Is regarded as having such an impairment, but such term does not include current, illegal use of or addiction to a controlled substance (as defined in section 102 of the Controlled Substances Act).

Elderly: A person 55 years of age or older. This target population category also includes families with a person living in their home that is 55 years of age or older and modifications to the home are needed so this person may age in place in the home benefitting from the OOR program with the family.



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Entitlement Community: The CDBG entitlement program allocates annual grants to larger cities and urban counties to develop viable communities by providing decent housing, a suitable living environment, and opportunities to expand economic opportunities, principally for low- and moderate-income persons.

IHEDA: Indiana Housing and Community Development Authority

Income Limits: Maximum incomes as published by HUD for developments giving the maximum Income Limits per unit for beneficiary (30%, 40%, 50%, 60% and 80% of median) units.

Inspection: A scheduled visit made by an Inspector to the households units that received IHEDA CDBG/CDBG-D OOR grant dollars. All IHEDA-assisted households/units that receive CDBG/CDBG-D must be inspected twice during the award period. The first inspection must occur within four weeks of the completion of the documented scope of work and prior to the IHEDA Inspector's final physical inspection. The second inspection will be conducted upon completion of the construction for the award. The IHEDA Inspector will conduct the physical inspections.

Median Income: A determination made through statistical methods establishing a middle point for determining Income Limits. Median is the amount that divides the distribution into two equal groups, one group having income above the median and one group having income below the median.

MOU: A Memorandum of Understanding (MOU) is a document describing a bilateral or multilateral agreement between two or more parties.

Narrative: A written description by the applicant that describes the application question and generally supports the need of the development.

OOR: Owner-Occupied Rehabilitation

Technical Correction: A technical correction occurs when an applicant does not provide sufficient information or documentation to meet the IHEDA CDBG OOR program threshold requirements as defined in section 5.1 of this policy. Technical Corrections may occur when the required information or documentation is not submitted, is out-of-date, or is vague or incomplete. IHEDA reserves the right to classify other application errors or omissions as technical corrections at its own discretion. Applicants that receive two or less technical corrections may receive bonus points as defined in the Bonus scoring section of this policy.

Veteran: A person who served in the active military, naval, or air service.