



To: Real Estate Department Partners
From: Real Estate Department
Date: May 15, 2020

Notice: **RED-20-29**

Re: 2019 Annual Action Plan Substantial Amendment – CHDO Operating Assistance

IHCDA continues to monitor the situation with COVID-19 in Indiana as circumstances change and additional information becomes available. To provide transparency and customer service, IHCDA will update this RED Notice with any updates to policies or procedures.

On April 10th, 2020 the U.S. Department of Housing and Urban Development (HUD) released a memo providing guidance on statutory suspensions and regulatory waivers meant to enable HOME Investment Partnerships Program (HOME) participating jurisdictions affected by the COVID-19 pandemic to use HOME funds to address immediate housing needs and to help prevent spread of the virus.

As part of this guidance, IHCDA is proposing amending the 2019 Annual Action Plan Method of Distribution under HOME as follows to increase the amount of set-aside funding for Community Housing Development Organization (CHDO) Operating Support:

- \$9,073,683 - Rental Housing projects/ Construction – Decrease of \$827,076
- \$1,000,000 – Homeownership Projects/construction – Unchanged
- \$750,000 – Internal Administration – Unchanged
- \$520,000 – Organizational Capacity Building -Unchanged
- \$600,000 – Tenant Based Rental Assistance – Unchanged
- \$1,327,075.90 – CHDO Operating – Increase of \$827,076

If the CHDO Operating is not utilized, IHCDA will convert the funding to rental construction.

Upon approval of the Substantial Amendment by HUD, IHCDA will release a final policy to allow organizations to request up to \$50,000 in supplemental CHDO Operating Funds. This amount would be in addition to any amount received in Program Year 2019 through a HOME-construction funding round, or through a request for additional CHDO Operating in the second contractual year of construction as defined under the 2019 HOME Rental and 2019 HOME Homebuyer policies. This additional amount will not impact the maximum CHDO Operating amounts allowable under the aforementioned 2019 policies.



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To apply for the supplementary CHDO Operating Funds, IHCDAs-certified CHDOs who have been approved in the past 2019 HOME Rental or Homebuyer rounds will be required submit an affidavit which specifies CHDO requirements have not changed from time of IHCDAs review and approval. At a minimum, this includes certifying there has been no change to:

- Legal Status;
- Procurement standards;
- Financial accountability standards;
- Experienced, paid staff who have successfully completed a HOME project;
- Geographical boundaries;
- Organization structure (i.e. not controlled by a governmental entity); and,
- Board structure or membership that would either alter the one-third minimum requirement on accountability to low-income Board representation or alter the one-third cap on public-employee Board representation.

Organizations who have not been certified through the past HOME rounds would need to submit a full CHDO application to IHCDAs. Non-profit organizations do not need to be past IHCDAs-certified CHDOs, but must include an IHCDAs-eligible geography and meet all IHCDAs CHDO requirements to be eligible for this funding.

Organizations will have six weeks to apply once the final policy is released by IHCDAs.

The Indiana Housing and Community Development Authority (IHCDAs) will have the 2019 Action Plan available for public inspection online at: <https://www.in.gov/ihcda/4048.htm> between May 15 and May 22 2020.

A public hearing will be held to discuss the draft 2019 Action Plan amendment on May 20, 2020 at 10 a.m. EST. This hearing will be held virtually and can be accessed by computer here:

<https://attendee.gotowebinar.com/register/2783459172530844428>

After registering, you will receive a confirmation email containing information about joining the webinar.

Information regarding the 2019 Action Plan can be obtained by emailing: Indiana Housing and Community Development Authority , c/o 2019 Substantial Amendment to Samantha Spergel, Director of Real Estate Strategic Initiatives and Engagement at sspergel@ihcda.in.gov.

Please see [IHCDAs COVID-19 actions webpage](#) for additional information including public notices and program guidance.