Summary of Changes for Program Year 2022 HOME Rental Application Policy

This document summarizes the primary changes made from the PY2021 HOME Rental Application Policy to the PY2022 HOME Rental Application Policy. Minor formatting, wording, or grammatical changes that do not change policy are not identified in this list.

1.3: Funding Round Timeline – updated application round dates for PY2022

1.6: Application Submission – application fee must be paid through IHCDA's Online Payment Portal

1.6: Application Submission – application form must be submitted in both Excel and PDF formats; removed requirement to submit a USB Flash Drive

1.11: IHCDA Waiver Policy – clarified that IHCDA cannot approve a per unit subsidy waiver request that would exceed HUD's federal per unit subsidy limitations for the HOME program

2.2: CHDO Applicants Proposing Projects Located in Certain Participating Jurisdictions – removed Hammond and Muncie from the list of eligible PJs based on their HOME allocation size

2.3: Ineligible Applicants – an applicant in default on an IHCDA loan is ineligible to request HOME funds

3.1: Eligible Activities – added note that rent limits for Single Room Occupancy (SRO) units are treated differently than other HOME units. Cross-referenced requirements in IHCDA's *Federal Programs Ongoing Rental Compliance Manual.*

4.3: CHDO Program Requirements – CHDO certification applications must be submitted prior to submission of the rental application, not simultaneously

4.4: CHDO Operating Supplement – clarified language about maximum operating supplement and requirements to request an additional $25,000

5.1: Maximum Award Request, Subsidy Limitations, & Budget Limitations – updated per unit subsidy limits to reflect increased construction costs.   IHCDA limits are still below HUD maximum limits.

6.5: Underwriting Guidelines for Rental Projects – added requirements for Total Operating Expenses, Vacancy Rate, and Stabilized Debt Coverage Ratio for projects with Project Based Vouchers

6.5: Underwriting Guidelines for Rental Projects – updated table with minimum replacement reserve requirements

6.5: Underwriting Guidelines for Rental Projects – operating expense growth is underwritten at 3% per year. Previous policy was 1-3% per year.

7.2: Threshold Requirements – simplified documentation for debarment information. - Applicant self-certifies they are not debarred and will not use debarred contractors. IHCDA will confirm.

7.2: Threshold Requirements – clarified documentation requirements related to site control, unit and floor plans, and site plans

7.2: Threshold Requirements – updated environmental review links to link to updated IHCDA ERR Manual

7.2: Threshold Requirements – clarified accessible requirements for age-restricted developments

7.2: Threshold Requirements – added note that an appraisal is required at time of application if the applicant is requesting IHCDA Project Based Vouchers

7.2: Threshold Requirements – smoke-free housing is now a threshold requirement. Was previously a scoring category.

8: Scoring – total possible points reduced to 93; minimum threshold score reduced to 50

8.1: Project Characteristics – removed 1 point category for having 10% of units as market rate

8.1: Project Characteristics – expanded list of eligible special needs populations

8.1: Project Characteristics – changed rural definition for purposes of public transportation points from a population of 14,999 or less to less than 10,000. This now matches the revised Qualified Allocation Plan definition of rural.

8.1: Project Characteristics – added 2-point option under Health and Quality of Life Factors related to developments located in a census tract with a life expectancy above state average.

8.1: Project Characteristics – removed the scoring category for Digital Divide Index. The data set used for this scoring category is outdated and does not appear that it will be updated.

8.2: Development Features – for infill new construction, removed restriction that "land where agriculture was the last use and it was within the last five years" will not qualify. This matches changes in most recent Qualified Allocation Plan definition of infill.

8.2: Development Features – for universal design scoring, the applicant now commits to a number of features but does not have to lock into certain features at time of application

8.2: Development Features – smoke-free housing removed from scoring. This is now a threshold requirement.

8.3: Readiness – moved Comprehensive Community Plan points out of the Predevelopment Activities scoring category and made it its own separate 2-point scoring category

8.4: Capacity – overhauled entire scoring section to reduce total points available from 21 to 11 and to simplify scoring

8.5: Leveraging of Other Sources – added clarifications on how to count donated property as leveraging

8.6: Unique Features & Bonus – removed bonus points related to number of technical corrections