



2016 Annual Action Plan is amended to Include the

Housing Trust Fund

Allocation Plan

2016



- * Black font denotes HUD guidance/instructions
- * **Blue font denotes IHFA responses**

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I. GENERAL INFORMATION

HTF Allocation Plan

The Housing Trust Fund (HTF) Interim Rule (24 CFR Part 93) made the consolidated plan regulations at 24 CFR Part 91 applicable to the HTF. As a result, an HTF grantee (i.e., Idaho Housing and Finance Association) must include HTF in its citizen participation plan (§ 91.115), strategic plan (§91.315), and annual action plan (§ 91.320). In addition, the State must submit to HUD for review and approval an HTF allocation plan with its annual action plan (§ 91.320(k)(5)). Also, as required in § 91.10, the HTF program must be administered by the State on the same program year it established for all grant programs covered by the consolidated plan.

The HTF allocation plan is an annual submission to HUD that describes how the State will distribute the HTF funds, including how it will use the funds to address its priority housing needs. The allocation plan also describes what activities may be undertaken with HTF funds and how recipients and projects will be selected.

II. GRANTEE INFORMATION

State: Idaho

FY 2016 HTF Allocation Amount: \$3,000,000.00

III. CONSOLIDATED PLAN REQUIREMENTS

Citizen Participation Plan

Consolidated plan regulations at § 91.115 require the State to include HTF in its citizen participation plan. For the purposes of HTF, the State is required to make the following information available to the public:

- the amount of HTF assistance the State expects to receive,*
- the range of activities the State may undertake, including the estimated amount that will benefit extremely low-income households, and*
- The State's plans to minimize displacement of persons and to assist any persons displaced.*

Consolidated Plan Screen(s)

The following screens in the eCon Planning Suite consolidated plan template in IDIS have been revised to include HTF.

ES-05 / AP-05 Executive Summary: § 91.320(b)- The Executive Summary includes seven narratives: (1) Introduction; (2) Summary of Objectives and Outcomes; (3) Evaluation of Past Performance; (4) Summary of the Citizen Participation and Consultation Process; (5) Summary of Public Comments; (6) Summary of Comments Not Accepted; (7) Summary.

Five-Year Consolidated Plan

The State of Idaho receives approximately \$13 million in block grant funds annually from the U.S. Department of Housing and Urban Development (HUD) for affordable housing and community development programs. They are the Community Development Block Grant (CDBG), the Emergency Solutions Grant (ESG), the HOME Investment Partnerships Program (HOME), and the Federal Housing Trust Fund (HTF).

As State Grantees of these HUD-CPD programs, Idaho Housing and Finance Association (IHFA) and Idaho Department of Commerce (IDC) can award funds anywhere in the state, while the Idaho Department of Commerce (IDC) can award CDBG funds anywhere in the state except for local CDBG entitlement areas. Although IHFA is not a State Agency, it does administer the State's housing programs. HUD refers to IHFA and IDC collectively as the "State".

State Grantees are required to submit a long-term plan to HUD summarizing the state's housing and community development needs, priorities, goals, and strategies for the next five (5) years. This document is the ***Five-Year Consolidated Plan***.

Each year in the Consolidated Plan is based on a Program Year that begins April 1st and ends March 31st of the subsequent year. Beginning with the first Program Year of the Consolidated Plan, Grantees draft an ***Annual Action Plan*** to HUD identifying each program's annual allocation, goals, strategies, and outcomes. The APP is submitted to HUD within 60 days of notification from HUD of allocation amount. Within 90 days of the end of the program year, Grantees are required to submit a report to HUD that evaluates individual program performance during the program year. This report is the Consolidated Annual Performance Evaluation Report (CAPER).

Summary of Objectives and Outcomes

National Housing Trust Fund (HTF) Program

Over the next four years, the HTF program will:

Goal: Provide Decent Affordable Housing to Low-income Households and Individuals

Objective: Create and Preserve Housing Affordability for Extremely Low-Income Households

Outcomes

Help construct affordable rental housing throughout Idaho with units that target extremely low-income households- 1042 Units (includes HOME and Low-Income Housing Tax Credit Programs)

Help preserve existing rental housing through rehabilitation- 400 Units (Includes HOME and Low-Income Housing Tax Credit Program)

Evaluation of Past Performance

The HTF is not included in this section of the Consolidated Plan because it did not exist in Program Year 2015, the first year of the new 2015-2019 Consolidated Plan. Therefore, past performance cannot be evaluated as part of the 2015-2019 Consolidated Plan.

Citizen Participation

Following the current Citizen Participation Plan, IHFA and IDC's Citizen Participation Plan for HUD-CPD Programs was amended to include the National Housing Trust Fund program. Following the 2016 Citizen Participation Plan, the 2015-2019 Five-Year Consolidated Plan and 2016 Action Plan were amended to include the National Housing Trust Fund program where required. Both plans were submitted to HUD-CPD by the submission deadline, August 16, 2016.

Public comments and consultation will be included in this document following the 30-day comment period and public hearing.

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IV. STRATEGIC PLAN REQUIREMENTS

The State must amend the affordable housing section of the Five-Year Consolidated Plan- Strategic Plan section (SP) to include specific objectives that describe proposed accomplishments the State hopes to achieve and must specify the number of extremely low-income families to which the State will provide affordable housing to (homeownership- § 93.302; rental- § 93.304) over a specific period of time. The State can complete this requirement by including HTF on the SP-45 Goals screen.

Provide Decent Affordable Housing			Create Decent Affordable Homeownership Create and Preserve Affordable Rental Housing	HOME : \$20,252,306 Housing Trust Fund : \$12,000,000 LIHTC : \$18,500,000
Affordable Housing				
Start Year: 2015	End Year: 2019	Outcome: Affordability	Objective: Provide decent affordable housing	
Description:				
<p>The total number of units constructed and rehabilitated shown in the Goal Outcome Indicators below includes 5 years rental unit production. It should be noted this goal actually reflects only 4 years of rental unit production with HTF because the first allocation was received late in PY2016, which is the second year in the 2015-2019 Five-Year Consolidated Plan. The National Housing Trust Fund will target extremely low-income households, defined as at or below 30% AMI.</p> <p>The Goal Outcome Indicators include rental housing units produced in partnership with Idaho's Low-Income Housing Tax Credit program, HOME and HTF.</p> <p>90% of each HRF allocation will be used for rental housing and up to 10% used for program administrative costs. HTF funds will not be used for homebuyer activities.</p>				
Goal Outcome Indicator			Quantity	UoM
Rental units constructed			1,042	Household Housing Unit
Rental units rehabilitated			400	Household Housing Unit
Homeowner Housing Added			225	Household Housing Unit
Direct Financial Assistance to Homebuyers			175	Households Assisted
Tenant-based rental assistance / Rapid Rehousing			80	Households Assisted

SP-10 Geographic Priorities: § 91.315(a)(1)-

Housing Trust Funds- IHFA will not award funds based on geographic distribution or locally targeted areas. IHFA will award funds to qualified recipients in Idaho following a published NOFA or RFP that identifies threshold criteria and other project specific criteria requirements. This method allows IHFA to award funds based on funding priorities (see HTF Funding Priorities-§ 91.320(k)(5)(i) for the definition of Recipient) in rural and urban communities who are committed to creating and preserving affordable housing that target extremely low-income households. This method also allows individual communities to address their affordable housing priorities and needs in ways that affirmatively further fair housing choice.

Prior to the award of HTF funds, the unit of local government in which the activity will be located must be committed to affirmatively furthering fair housing, as evidenced by an adopted Affirmatively Furthering Fair Housing resolution. In addition, the community must also adopt a fair housing plan that includes an assessment of impediments to affirmatively furthering fair housing.

SP-25 Priority Needs: § 91.315(a)(2)-

Revise this screen to indicate the general priorities for allocating investment of available resources among different needs.

SP-28 Priority Needs Summary				
Previous Page				
Name	Population	Geographic Areas	Priority Level	Associated Goals
Create and Preserve Affordable Rental Housing	Extremely Low Low Elderly Families with Children Persons with Physical Disabilities Persons with Mental Disabilities Persons with Developmental Disabilities		High	Provide Decent Affordable Housing

Housing Trust Fund

The 2014 Idaho Housing Needs Assessment Survey and the 2014 Idaho Housing, Demographic, and Transportation Report have identified affordable rental housing for households at or below 30% AMI the highest unmet housing need in Idaho. Within the 0-30% AMI income level, elderly and disabled households were identified as special housing needs populations.

Therefore, IHFA has determined when HTF funds are used to help create and preserve permanent rental housing for extremely-low income households [§93.20], project owners may designate a preference for elderly (all members of the household must be at least 62 years of age) and/or disabled households, in HTF- assisted units. Any tenant preference must not violate the non-discrimination laws and requirements identified at §93.350. Additionally, HTF-funded units must not limit or give preference to students [State Limited Beneficiaries or Preferences- § 91.320(k)(5)(vii)].

Target Areas Affected:

No target areas available.

Associated Goals:

Public Facilities/Infrastructure-Compliance	<input type="checkbox"/>
Public Facilities/Infrastructure-Rehabilitation	<input type="checkbox"/>
Public Facilities/Infrastructure-New Construction	<input type="checkbox"/>
Economic Development-Job Creation	<input type="checkbox"/>
Economic Development-Downtown Revitalization	<input type="checkbox"/>
Provide Suitable Living Environment	<input type="checkbox"/>
Provide Decent Affordable Housing	<input checked="" type="checkbox"/>

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SP-30 Influence of Market Conditions:

§ 93.315(b)- revise this screen to describe how the characteristics of the housing market influenced the State's decisions regarding allocation priorities among the types of housing assistance.

New Unit Production-

Data and information obtained from the 2014 Idaho Housing Needs Survey, 2014 Housing, Demographics, and Transportation Report, and an individual market study indicate affordable rental housing, especially for households at or below 30% AMI, remains a high priority. Data also indicates Idaho's aging population, net in-migration, and the percentage of cost-burdened renters and owners (currently 49% of all wage earners in Idaho who live in rental housing are defined as cost-burdened (defined as their rent equals 30% or more of the total household income), creates a priority need for affordable rental and homebuyer units in Idaho.

Rehabilitation-

Fifty-seven percent (57%) of Idaho's housing stock was built prior to 1990, with 47% being built prior to 1979. This includes existing Section 8 and USDA-RD project-based properties in many smaller and rural communities in Idaho. Older rental housing may require rehabilitation to meet or continue to meet code and property standards. There are several areas in Idaho that have a steady market of modest single-family homes for sale.

Acquisition, including Preservation-

As Idaho's affordable housing rental properties age, there is increased demand for federal funds to help acquire or rehabilitate these properties. Rental properties must meet the definition of Standard Condition housing at the time ownership is transferred (defined local and/or Idaho building code, local code/property standards/zoning/ordinances and HOME/HTF property standards)

SP-35 Anticipated Resources:

§ 91.315(a)(4); § 91.320(c)(1) and (2)- revise this screen to identify the federal, state, local, and private resources expected to be available to the State to address priority needs and specific objectives identified in the strategic plan. Specifically, the State should add a program to this screen by selecting “Add” in the Action column. This will open the SP-36 Add Anticipated Resource screen. The State should select “Other” in the Anticipated Resource field and enter “Housing Trust Fund” in the Other Funding Source field. The State should also select the “public - federal” radio button in the “Source” field and complete the rest of the fields on this screen for its HTF program.

The screenshot below is from the current 2015-2019 HUD-reviewed Five-Year Consolidated Plan. It includes the HTF program allocation beginning in PY 2016. IHFA estimates it will receive approximately \$3 million per year through PY 2019.

Housing Trust Fund	public - federal	Acquisition Admin and Planning Conversion and rehab for transitional housing Multifamily rental new construction Multifamily rental rehab Other Operational support and/or operating reserves	\$ 0	\$ 12000000
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SP-45 Goals: § 91.315(a)(4) and § 91.315 (b)(2)

Revise this screen to summarize the State’s priorities and the specific goals it intends to initiate and/or complete within the term of the strategic plan. The State must also ensure its five year goals include any accomplishments due to HTF funds and must also enter the number of extremely low-income families to which the State will provide assistance with its HTF funds.

The total number of units constructed and rehabilitated shown in the *Goal Outcome Indicators* below includes 5 years rental unit production. It should be noted this goal actually reflects only 4 years of rental unit production with HTF because the first allocation was received late in PY 2016, the second year in the 2015-2019 Five-Year Consolidated Plan.

The Goal Outcome Indicators include rental housing units produced in partnership with Idaho's Low-Income Housing Tax Credit program, HOME and HTF.

90% of each HTF allocation will be used for rental housing and up to 10% used for program administrative costs. HTF funds will not be used for homebuyer activities.

Provide Decent Affordable Housing	Affordable Housing		Create Decent Affordable Homeownership Create and Preserve Affordable Rental Housing	HOME : \$20,252,306 Housing Trust Fund : \$12,000,000 LIHTC : \$18,500,000																		
	Start Year: 2015	End Year: 2019	Outcome: Affordability	Objective: Provide decent affordable housing																		
Description:																						
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V. ANNUAL ACTION PLAN REQUIREMENTS

The State must include HTF in its annual action plan or amend the plan to include HTF information as required in § 93.320(k)(5). The action plan must include an HTF allocation plan that describes the distribution of HTF funds, and establishes the application requirements and selection criteria of applications submitted by eligible recipients that meet the State's priority housing needs.

AP-15 Expected Resources: § 91.320(c)(1) and (2)

Revise this screen to provide a concise summary of the federal resources expected to be available. The HTF resources added to the SP-35 Anticipated Resources screen will carry over to this screen.

Priority Table					
Source of Funds	Source	Uses of Funds	Expected Amount Available	Expected Amount Available Remainder of Con Plan	Narrative Description
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	Annual Allocation: \$ 7561311 Program Income: \$ 0 Prior Year Resources: \$ 0 Total: \$ 7561311	\$ 30000000	Over the next year it is <input type="checkbox"/> <input type="checkbox"/>
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	Annual Allocation: \$ 3529111 Program Income: \$ 5000000 Prior Year Resources: \$ 0 Total: \$ 8529111	\$ 14000000	Homeowner rehabilitation <input type="checkbox"/> <input type="checkbox"/>
ESG	public - federal	Conversion and rehab for transitional housing Financial Assistance Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services Transitional housing	Annual Allocation: \$ 1021185 Program Income: \$ 0 Prior Year Resources: \$ 0 Total: \$ 1021185	\$ 1021185	Shelter Operations and s <input type="checkbox"/> <input type="checkbox"/>
Continuum of Care	public - federal	Admin and Planning Housing Other Data collection Rental Assistance Services	\$ 3111636	\$ 12446544	
Housing Trust Fund	public - federal	Acquisition Admin and Planning Conversion and rehab for transitional housing Multifamily rental new construction Multifamily rental rehab Other Operational support and/or operating reserves	\$ 3000000	\$ 12000000	
LIHTC	private	Multifamily rental new construction Multifamily rental rehab	\$ 3800000	\$ 14800000	
Other ESG Match	private	Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services	\$ 1021185	\$ 1021185	
Other HOPWA Competitive Grant	public - federal	Admin and Planning Other Short term rent, mortgage, utility assistance Services TBRA	\$	\$	

AP-20 Annual Goals and Objectives

§ 91.320(c)(3) and (e)- revise this screen to summarize the specific goals the State intends to initiate and/or complete within the term of the program year. Any HTF related goals and objectives entered on the **SP-45 Goals** screen will carry over to this screen.

IHFA does not anticipate it will receive the first allocation of HTF until late 2016, therefore, it is highly unlikely HTF units will be completed during the 2016 Program Year (which ends March 31, 2017). Therefore, the total number of rental units constructed and rehabilitated in the table below indicates the number of units that may be funded within 12 months of receiving the allocation.

Provide Decent Affordable Housing	Affordable Housing		Create and Preserve Affordable Rental Housing Create Decent Affordable Homeownership	HOME : \$3,529,111 Housing Trust Fund : \$3,000,000
	Start Year: 2015	End Year: 2019	Outcome: Affordability	Objective: Provide decent affordable housing
	Narrative: IHFA will award HOME and HTF to approved and eligible rental housing and homebuyer activities as indicated in 2016 Projects. The current Action Plan includes Housing Trust Funds in so far as HTF funding is received and awarded during the 2016 program year. IHFA does not anticipate any HTF units will be completed during PY 2016. The total number of rental units constructed and rehabilitated below indicates the anticipated number of units produced with HOME, LIHTC, and HTF.			
	Goal Outcome Indicator		Quantity	UoM
Rental units constructed		284	Household Housing Unit	
Homeowner Housing Added		11	Household Housing Unit	
Direct Financial Assistance to Homebuyers		35	Households Assisted	
Homeowner Housing Rehabilitated		29	Household Housing Unit	
Rental units rehabilitated		24	Household Housing Unit	

AP-25 Allocation Priorities:

§ 91.320(d)-Revise this screen to describe the reasons for the State’s allocation priorities and how the proposed distribution of funds will address the priority needs and goals of the strategic plan.

Funding Allocation Priorities								
	Public Facilities/Infrastructure-Compliance (%)	Public Facilities/Infrastructure-Rehabilitation (%)	Public Facilities/Infrastructure-New Construction (%)	Economic Development-Job Creation (%)	Economic Development-Downtown Revitalization (%)	Provide Suitable Living Environment (%)	Provide Decent Affordable Housing (%)	Total (%)
CDBG	25	30	25	10	10	0	0	100
HOME	0	0	0	0	0	0	100	100
ESG	0	0	0	0	0	60	40	100
Continuum of Care	0	0	0	0	0	0	100	100
Housing Trust Fund	0	0	0	0	0	0	100	100
LIHTC	0	0	0	0	0	0	100	100
Other ESG Match								
Other HOPWA Competitive Grant								

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AP-30 Method of Distribution:

§ 91.320(d) and (k5)- Revise this screen to include a description of the method(s) for distribution for the “Other – Housing Trust Fund” selection based on the entry made on the SP-35 Anticipated Resources screen.

<p>State Program Name*:</p> <input type="text" value="Rental Housing Production"/>	<p>Funding Sources:</p> <input type="checkbox"/> CDBG <input checked="" type="checkbox"/> HOME <input type="checkbox"/> ESG <input type="checkbox"/> Continuum of Care <input checked="" type="checkbox"/> Housing Trust Fund <input type="checkbox"/> LIHTC <input type="checkbox"/> Other - ESG Match
---	--

3	State Program Name:	HOME Rental Housing Production
	Funding Sources:	HOME & Housing Trust Fund
<p>Describe the state program addressed by the Method of Distribution.</p>		<p>Following a published NOFA or RFP eligible recipients will apply for HOME or HTF funds for eligible rental housing activities.</p> <p>Proposals will include minimum threshold criteria and other project-specific criteria as identified in the published notice. IHFA will award HOME funds to qualified recipients in the form of a low-interest loan.</p> <p>IHFA will award HTF as a 0% interest, due-on-sale or default loan or grant, depending on the type of project proposal and other programs involved in the project, such as CoC.</p> <p>HOME and/or HTF will not be committed to any activity until the site has environmental clearance, sources of financing are reasonably secure, and other criteria as defined by program rules and IHFA has been satisfied.</p> <p>IHFA's HOME and HTF programs are designed to partner with a variety public and private funding sources and programs to help create and preserve affordable housing.</p>

<p>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</p>	<p>During PY 2016 HOME and HTF proposals will include threshold criteria (see below- minimum threshold criteria). Additional criteria will include the type, scope, and description of project, per-unit investment, proposed project reserves, other proposed funding sources/programs, debt service coverage ratio, proposed loan or repayment structure, ownership structure, Federal cross-cutting requirements as required, local planning and zoning approval, proposed tenant population(s), match contribution, timeline, developer capacity, proximity to essential services based on tenant population, green building, energy efficiency, site/unit design and amenities, etc.</p>
<p>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</p>	<p>N/A</p>
<p>Describe how resources will be allocated among funding categories.</p>	<p>As approved by IHFA, HTF may be set-aside from time to time, for a specific type of development project in Idaho that partners with a CoC program/project to serve a HTF tenant population.</p>

Describe threshold factors and grant size limits.

HOME and Housing Trust Fund:

1. IHFA will use the HOME Per-Unit Maximum Subsidy Limits for Idaho as determined by the Region X HUD-CPD Office.
2. For the Program Year 2016, an application or proposal will include
 - A recent 3rd party financial statement from the sponsor/applicant, developer, and project owner (General Partner). Project Owner is not required if entity is newly organized.
 - A Capitol Needs Assessment for new construction activities or Physical Needs Assessment (PNA) for acquisition and/or rehabilitation activities. The PNA will assess the current condition of the major systems, including the current condition, intermediate and long-term needs, to adequately fund replacement reserve account during the period of affordability [24 CFR 92.251].
 - A market study conducted by an IHFA-approved provider that includes the methodology, in which the demographic and income data was collected, analyzed and ultimately supports the conclusions and recommendations.
 - Affirmatively Furthering Fair Housing (AFFH) Resolution adopted by the proposed project's unit of local government (City or County) depending on the location of the project) If the local government has not adopted AFFH Resolution, the application does not meet minimum threshold and will not be scored.

- A. Applicant will also submit one of the following:
1. If proposed activity is located in a CDBG Non-Entitlement area, then owner will submit the local jurisdiction's most recent Fair Housing Assessment Plan as submitted and reviewed by the State of Idaho's CDBG Program (Department of Commerce); or
 2. If the proposed activity is located in a CDBG Entitlement Area (Boise, Nampa, Meridian, Lewiston, Coeur d' Alene, Idaho Falls, and Pocatello are defined as CDBG Entitlement Areas in Idaho), then owner will submit the local jurisdiction's current *Analysis of Impediments To Affirmatively Further Fair Housing*; or
 - If the local jurisdiction has never received State of Idaho CDBG funds (hasn't completed a Fair Housing Assessment Plan) and is not an CDBG Entitlement Area, owner will submit the local jurisdiction's *Fair Housing Assessment Plan* that meets the requirements of the State of Idaho's CDBG Program.
 - Demonstrated ability to begin construction within 12 months and complete the project within a projected time period
 - Evidence of site control that complies with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and appropriate Environmental Review process (
 - Owner/Developer/Management Capacity Self-Certification Form
 - Pro forma that incorporates the following assumptions:
 1. 7% vacancy factor
 2. 2% annual increase in income
 3. 3% annual increase in expenses

AP-50 Geographic Distribution:

§ 91.320(f)- revise this screen to describe the geographic areas of the state in which it will direct assistance during the ensuing program year and provide rationale for its priorities in allocating investment geographically.

Idaho Housing and Finance does not award HUD-CPD funds on a geographic basis. HOME and HTF will be awarded to eligible recipients to acquire, rehabilitate, or construct permanent affordable housing in Idaho's rural or urban communities.

Rental Housing- Located in communities committed to affirmatively furthering fair housing choice. Application or proposals will be accepted following a published NOFA or RFP that identifies the type and scope of the project. In 2016, recipients will apply for funding following published criteria that includes specified minimum threshold criteria (see AP-30).

AP-55 Affordable Housing:

§ 91.320(g) - revise this screen to specify goals for the number of homeless, non-homeless, and special needs households to be provided affordable housing within the program year.

One Year Goals for the Number of Households to be Supported:

Homeless:

Non-Homeless:

Special-Needs:

Total:

AP-65 Homeless and Other Special Needs Activities:

§ 91.320(h)- revise this screen to describe how HTF will help to address the State's one-year goals and actions for reducing and ending homelessness, if applicable.

In the absence of appropriate and effective intervention efforts and resources, many families and individuals will become homeless as life changes, such as loss of employment, lack of affordable housing, loss of support networks, exit from an institution or facility, and other severe circumstances present themselves. For those that experience these misfortunes, recovery can be extremely difficult when disability, controlled substance or alcohol dependency, or other extreme conditions exist. In some cases long-term and ongoing permanent housing is the most appropriate housing solution. However, IHFA, the BOS COC, and regional housing coalitions identify the need for services that focus on reducing shelter stays and diverting individuals and families away from homelessness altogether. Of the over 30 BOS COC housing projects currently operating, 13 are offering transitional housing options to homeless families and individuals. The continued need for the renewal of the transitional housing projects was reviewed by the CoC Board in April 2016. The BOS COC recently reallocated program funds to rapid re-housing projects that will contribute to Idaho's effort in reducing the extent of homelessness for many. These COC-funded rapid re-housing projects began operation in October 2015. ESG funds also place an emphasis on the existence of rapid re-housing activities by reserving a higher percentage of ESG funds for rapid re-housing than those reserved for homelessness prevention.

IHFA and the BOS COC acknowledge and support the commitment to preventing and ending homelessness displayed by HUD through *Opening Doors*. Whether a participant receives housing and service support through transitional or permanent housing, each agency strives to provide individualized goal-based service planning to increase the likelihood for long-term success and self-sufficiency; ensure access to more stable housing situations; and establish support networks and habits that reduce the likelihood of recidivism.

As approved by IHFA- From time to time, a set-aside may be created using Housing Trust Funds to construct or rehabilitate permanent supportive rental housing as part of a CoC project or application. HTF requirements and criteria as set out in the 2015-2019 Amended Consolidated Plan, the 2016 Amended Action Plan, the HTF Allocation Plan, and IHFA's HTF Administrative Plan or Policies will apply.

AP-75 Barriers to Affordable Housing:

§91.320(i)- revise this screen to describe how HTF will help with any actions the State's will take during the next year to reduce barriers to affordable housing, if applicable.

Analysis of Impediments to Affirmatively Furthering Fair Housing IHFA and Commerce are currently drafting the 2016 Analysis of Impediments to Affirmatively Further Fair Housing as this report is submitted to HUD. IHFA and IDC anticipate the first edition of will be ready to submit to HUD summer 2016.

Administrative Burden for Non-Entitlement Areas

Neither IHFA nor IDC are part of the legislative branch of government and are therefore, unable to make or alter legislation or set policy for the State of Idaho. We also acknowledge that many rural Idaho communities have limited administrative capacity, often relying on part-time leadership and staff positions serving communities with populations as small as a few hundred individuals.

Note. Idaho has 128 cities and one county with populations under 1,000. Of these, 86 have fewer than 500 residents, and 51 fewer than 250 residents. Much of the existing housing stock in these areas was constructed prior to 1970 and is in poor condition. In addition to the practical limits of administrative staff and small tax bases, unfunded mandates typically meet with strong resistance in Idaho, both among leadership and the electorate. This can also limit program effectiveness and efficiency.

Federal initiatives and complex regulations create demands on local communities and organizations with already limited capacity; this can undermine the ability to effectively administer the programs. IHFA and IDC continue to work closely with local and regional entities to help them maximize limited resources, and remain committed to pursuing resources and strategies that may help ease this burden.

IHFA and IDC can and will play a role in distributing tools and information to these non-entitlement areas and lawmakers, and in supporting policy improvements through education and outreach. Since increased general awareness of the benefits of housing affordability may create a more receptive environment at all levels of government, IHFA and IDC will pursue three key objectives and corresponding actions:

1. Research and develop materials that describe the economic development, community development, cost benefit and other implications of housing affordability. Materials to include available datasets, information on conducting a housing needs assessment and conducting a self-evaluation using HUD Form 27300 - America's Affordable Communities Initiative.
2. Create key messaging that is simple and non-threatening to help engage a broader audience for the above materials.
3. Distribute these materials to the following key stakeholder groups including:
 - State elected officials, agencies and policy makers

- Units of local government
- Housing stakeholders, including Continuum of Care, developers and advocacy groups
- Land-use and transportation planners, economic and community developers, etc.

Action: To support Objective #1 above, IHFA has created a new [Housing Toolbox for Idaho Policymakers](http://fairhousingforum.org/uncategorized/idaho-county-level-demographic-and-housing-data-sheets/), at <http://fairhousingforum.org/uncategorized/idaho-county-level-demographic-and-housing-data-sheets/> This page will serve as a gateway to information relevant to our target audience.

Action: To support Objective #2, IHFA has created a [simple handout](#) based on our work with diverse populations and leadership in unincorporated Idaho. The aim of this overview is to reach lawmakers and staff unfamiliar with the role of housing in community stability. We will continue to sponsor and participate in trainings regarding specific program areas. In addition, IHFA hosts the biannual Regional Housing Coordination Roundtables and the Idaho Housing and Economic Development Conference every three years. These venues allow us to assess regional barriers, evaluate social, political and resource factors, and pursue solutions with other stakeholders in an open and collaborative way.

Action: To support Objective #3 above, IHFA provides technical assistance to project sponsors of affordable housing projects in non-entitlement communities.

Action: To support Objective #3 above, IHFA will continue to educate and engage state and local policy makers on housing issues. IHFA's Housing Resources Coordinator serves on the faculty of the North West Community Development Institute (CDI), presenting a course entitled '*Housing as a Second Language*' for participants who include elected officials, policy makers, government staff, and community and economic development professionals.

Action: To support Objective #3 above, IHFA will continue to present information on housing affordability at the following annual conferences and event: Idaho Chapter of the American Planning Association Chapter Conference; Association of Idaho Cities; Idaho Rural Partnership events; and others as the opportunity arises.

Action: To support Objective #3 above, IHFA and IDC will continue to support the Idaho Community Review and its sponsoring organization, the Idaho Rural Partnership (irp.idaho.gov). Each year this program helps two to four small communities evaluate challenges and opportunities—including housing—with an emphasis on economic growth and community resilience. At the community's request, IHFA will provide technical guidance to communities struggling to accommodate the housing needs of their residents. Resources include links to relevant data sets, information on the design, use and essential components of a housing needs assessment, and information on housing terminology and messaging to assist in promoting acceptance of housing that is affordable to a range of household types and incomes. IHFA will continue to seek additional funding through private and public grants, match and donations to help offset costs for those individuals and families moving through Idaho's Continuum of Care.

Action: To support Objective #3 above, IHFA will continue to support a free, bilingual, ADA-

compliant housing locator tool at www.housingidaho.com to provide an efficient, accessible link between tenants and housing providers. All marketing materials are in English and Spanish, and both the site and a full-service call center provide information in English and Spanish. The site also offers a Google Translate feature to accommodate additional language groups.

During the most recent program year ending 3/31/15, IHFA sponsored costs for basic site hosting and maintenance (approx. \$19,000/yr) and periodic updates. In addition, IHFA Housing Resources Coordinator serves as a liaison between the web developer www.Socialserve.com , IHFA, and users throughout the state (over 1,200 housing providers) to develop site awareness among tenants, landlords, and case managers, and to provide feedback on site functionality and content. We anticipate these costs to be relatively stable in the coming years. Affirmatively Furthering Fair Housing

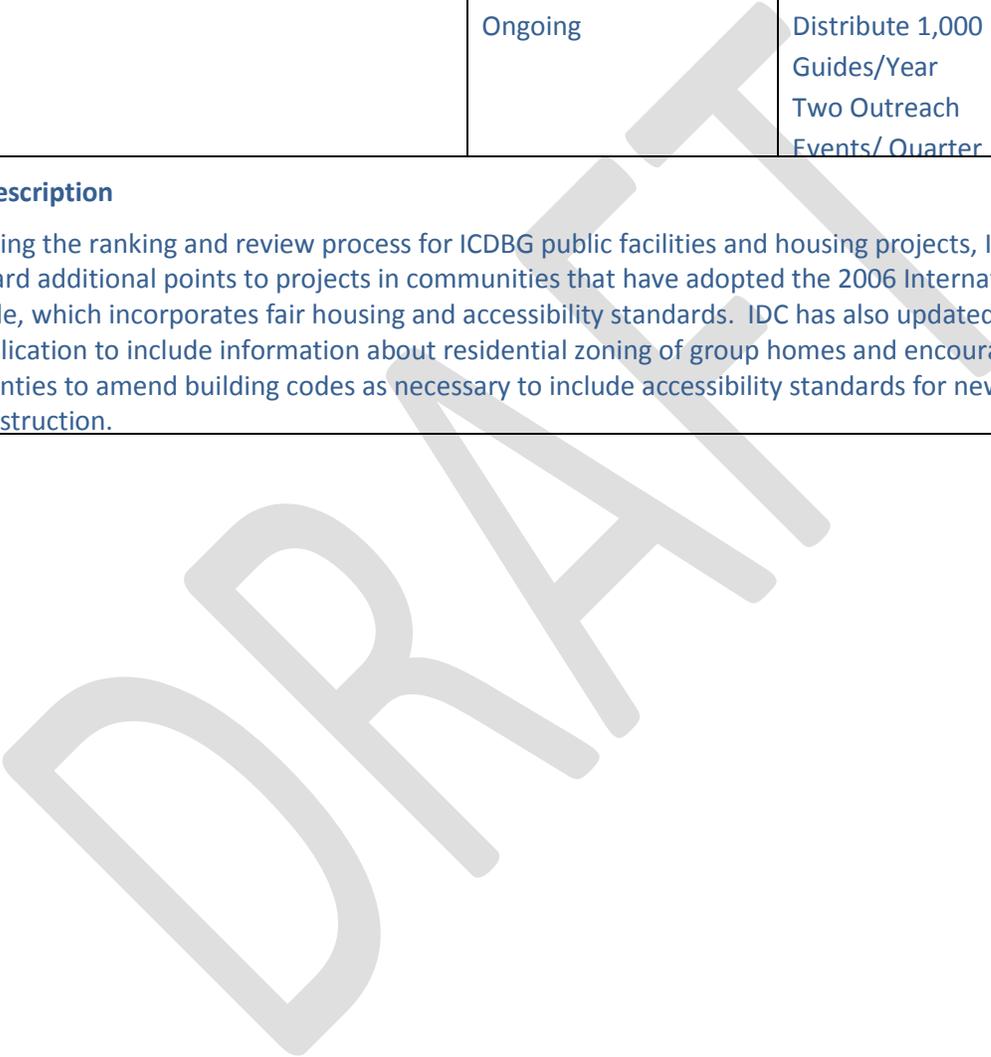
The research conducted for the 2011 State of Idaho Analysis of Impediments identified three impediments. An “impediment” *may* have the effect of restricting housing choices or the availability of housing choices based on race, color, religion, sex, disability, familial status, or national origin.

Below see the strategies IHFA and IDC propose to address each impediment, where possible. **Note.** Many education and outreach actions are ongoing impediments.

DRAFT

Fair Housing Impediment No. 1- Idaho counties’ land use regulations and zoning policies *may* create barriers to fair housing.

Strategy	Target date Q1 / Q2 Q3 / Q4	Quantitative estimate (#/units)	Cost estimate
1a	Ongoing	Distribute 1,000 Guides/Year Two Outreach Events/ Quarter	
<p>Strategy Description</p> <p>During the ranking and review process for ICDBG public facilities and housing projects, IDC will continue to award additional points to projects in communities that have adopted the 2006 International Building Code, which incorporates fair housing and accessibility standards. IDC has also updated its ICDBG application to include information about residential zoning of group homes and encourages cities and counties to amend building codes as necessary to include accessibility standards for new residential construction.</p>			



Strategy 1b	Target date Ongoing	Estimate # units/Year 15	Cost estimate No Cost
<p>Strategy Description</p> <p>New Construction rental projects are reviewed for compliance with Site and Neighborhood Standards (24 CFR Part 92.202). HOME and HTF-assisted rental projects will comply with federal laws, program regulations, and Executive Orders.</p> <p>IHFA requires multifamily rental housing applicants to submit a Fair Housing Plan (FHP) and Fair Housing Resolution adopted by the local jurisdiction in which the project will be located, be included in the application for funds. The Fair Housing Plan or Analysis of Impediments to Affirmatively Further Fair Housing must be adopted by the local jurisdiction. If the project will be located in: (1) Non-entitlement areas who previously received CDBG funds- Submit a FHP with prior IDC approval, (2) Non-entitlement area that has not received CDBG funds- Jurisdiction must adopt a Fair Housing Plan consistent with ICDBG Fair Housing Plan requirements, (3) Entitlement Community- Submit the current HUD-reviewed Fair Housing Plan or AI.</p> <p>HOME and HTF multifamily rental housing applications require a market study that includes demographic mapping of the primary market area including low-income resident to the overall resident population, ratio of affordable rental units to total rental units, type and proximity to essential services, economic opportunities, overall community/economic profile and outlook, including unemployment rate.</p>			

Housing Impediment No. 2- Idaho fair housing law does not provide protections based on familial status

Strategy	Target date Q1 / Q2 Q3 / Q4	Quantitative estimate (#/units)	Cost estimate
2a	Ongoing	N/A	\$0

Strategy Description

Idaho fair housing law lacks ‘substantial equivalency’ with the federal fair housing law for two reasons: state law does not recognize ‘familial status’ as a protected class and the state has not granted subpoena authority to the Idaho Human Rights Commission (IHRC). IHRC would be the state agency responsible to apply for FHAP funds that allow the agency to receive, investigate, and take enforcement actions in relation to complaints of federal fair housing violation. Absent IHRC subpoena authority, those actions default to the Intermountain Fair Housing Council (IFHC) funded under a FHIP-PEI grant. In the view of the AI and of IHFA, there is no impediment to fair housing choice resulting from the current process.

IHFA has provided information on ‘substantial equivalency’ to lawmakers at various times over the past decade. If legislation were sponsored that supported adding familial status to Idaho’s fair housing law, IHFA would fully support it. Legislative history clearly indicates an unwillingness to grant subpoena power to the IHRC. If however, the debate arises, IHFA would support Fair Housing substantial equivalency.

Strategy	Target date Q1 &2 & Q3 Q4	Quantitative estimate (#/units)	Cost estimate
2b	July 2016	21 CDBG applicants	\$3,000 / yr.

Strategy Description

IDC will pursue a change to the Idaho Administrative Code (IDAPA 28.02.01), which will allow IDC to provide additional points to CDBG applicants that have adopted familial status protection. February 2016, the proposed changes to the Idaho Administrative Code (IDAPA 28.02.01) were approved by the Executive Office of the Governor. The proposed changes are now pending review by the 2016 Idaho State Legislature

Fair Housing Impediment No. 3-State policies that limit local government ability to raise revenues for housing activities may restrict the ability of counties to address impediments.

Strategy	Target date	Quantitative estimate (#/units)	Cost estimate
3a	Ongoing	N/A	\$0/yr.

Strategy Description

Idaho’s local governments do not have the authority to adopt local option taxation. While local option taxation might provide a direct tool for accumulating and funding affordable housing in high- cost areas, [tax increases are historically unsuccessful at the state legislative level](#).

In lieu of local option taxation, other tools may serve to support affordable housing preservation and development. As outlined in *Workforce Housing In Idaho: Simple Steps to Stronger Communities*, IHFA encourages diverse tools that can increase the supply of affordable housing in Idaho. IHFA will continue to support and educate local officials about the options available to help increase community viability and housing types and price points that reflect the diverse needs in each community.

IHFA and IDC will continue to work with diverse stakeholders to promote awareness of issues raised in the 2011 Analysis of Impediments (AI). Planned activities include regular presentation and training events to P&Z officials, policy makers and others through workshops and events sponsored by the Association of Idaho Cities, the Idaho Chapter of the American Planning Association, the NW Community Development Institute, the Idaho Rural Partnership and the Idaho Community Review. IHFA also offers to present this information to local governments on request.

Because IHFA is neither a governmental nor enforcement entity and functions as a non-profit financial intermediary, the actions IHFA employs must be realistic to Idaho's business environment. These actions currently focus on fostering cross-sector community partnerships to increase awareness of fair housing law and issues, and to encourage financial collaborations that support the costs associated with preserving and expanding Idaho’s inventory of affordable housing. Until or unless federal laws or HUD regulations specifically require HOME Grantees to propose legislation and/or restricts federal resources from being utilized in communities that will not change or create zoning ordinances that meet HUD’s satisfaction, IHFA is not empowered to engage more aggressively. IHFA will continue to educate and support expansions of current local and state policy where practical and realistic.

AP-85 Other Actions:

§91.320(j)- revise this screen to describe how HTF will help with any actions the State will take during the next year to carry out the following strategies outlined in the consolidated plan:

- *Actions planned to address obstacles to meeting underserved needs*

Statewide affordable housing strategies will include: (1) HOME and HTF- Eligible recipients will be awarded funds to help create and preserve permanent affordable rental housing; (2) Non-profit developers will construct or rehabilitate substandard condition single-family housing to be sold to HOME eligible and IHFA qualified low-income homebuyers;(3) IHFA will provide downpayment/closing cost assistance to HOME-eligible, IHFA-qualified low-income households to help with their purchase of standard condition single-family homes; (4) Provide operating assistance grants to eligible non-profit, community-based housing development organizations (CHDOs) for day-to-day operations and build organizational capacity as they develop affordable housing for their communities.

- *Foster and maintain affordable housing;*

1. IHFA will conduct rental housing compliance monitoring and on-site physical inspections as required by §92.504 (d)(ii)(A-D(iii)&(2). This includes the monitoring of tenant files and other documents to determine the property and the tenants are in compliance with the HTF rent restrictions, tenant income restrictions, and HTF lease requirements. The property will also be monitored for adherence to applicable federal, state, and local requirements e.g. lead-based paint tenant disclosures if constructed pre-78, affirmative marketing plans, language access plans, fair housing and Section 504. IHFA will conduct an annual financial risk assessment on all HOME and HTF-assisted properties with 10 or more HOME/HTF units. IHFA will take appropriate action(s) as necessary to bring any assisted property back into compliance as described in the written agreement with the owner during the period of affordability.
2. 10% of the annual per capita Idaho tax credit is set-aside for the rehabilitation of existing federally-assisted, rent restricted projects, provided the scope of the rehabilitation is defined as substantial. The set-aside is available on a statewide basis during the fall LIHTC/HOME multifamily funding round if sufficient applications are received. Otherwise, the set-aside will be made available for all other qualified non-targeted applications. In 2016, the 10% set-aside, based on the annual per capita credit is \$388,909, which would equal \$3,889,090 in total tax credit over 10 years.
3. The Idaho Balance of State Continuum of Care was awarded a planning grant during both the 2013 and 2014 program funding competitions. The non-renewable planning grant is intended to aid CoC's in expanding current activities and establish governing structures and systems which ensure proper oversight and coordination of HUD-funded homeless programs. The activities identified by the BOS COC are coordination activities, project evaluation, participation in the consolidated plan, COC application activities, and developing a COC system. Several of these activities will include efforts that will enhance coordination between public and private housing and service agencies, including IHFA's H2 (Housing and Healthcare) Initiative, currently under development with HUD-funded

technical assistance. The COC will make itself more visible in regional planning and advocacy bodies to ensure all agencies and individuals connected to homelessness issues is familiar with resources available. This will promote and foster relationships between housing and service providers. The 2014 grant will be used for similar activities during the 2015-2016 year. ESG and HOPWA providers will be included in the CoC's efforts.

The BOS COC is working with a HUD contractor to identify points of entry which may increase the Continuum's ability to redirect individuals and families away from becoming homeless. The effort will include a collaboration of state agencies, homeless network providers, both continuums of care in Idaho, and all others who may meet, treat, serve, or interact with the homeless on a regular basis. The coordination will attempt to bring health, housing, social service, employment, education, and youth service providers together to discuss the important issue of homelessness, and, while making linkages between the services represented, develop a plan that addresses the need to prevent and reduce homelessness. IHFA and the BOS COC are also in the process of developing and implementing Coordinated Entry throughout the COC, which includes partners from other state agencies, funded and non-funded homeless service providers, and private agencies and funders.

- *Evaluate and reduce lead-based paint hazards;*

The actions below are normally undertaken to reduce lead-based paint hazards when HOME and HTF are used to rehabilitate housing. However, in the spring of 2015, IHFA received guidance from EPA's Region X Compliance that appears to conflict with the HUD Lead Safe Housing Rule. IHFA has determined that until the Federal agencies can resolve the apparent conflicting guidance it is suspending pre-78 housing from the HOME and HTF programs. IHFA will reassess the necessity of the suspension as part of the review process for the 2017 Administrative Plan.

- HOME and HTF - Whenever funds are awarded to acquire and/or rehabilitate residential housing constructed on or before January 1, 1978, IHFA will require the seller and buyer to comply with the applicable requirements at 24 CFR Part 35, and as determined by the scope of the activity and the amount of federal assistance on a per-unit basis as defined at §31.915. These requirements are enforced through written agreement with the owner.
- Because the State of Idaho does not have a Lead-based paint (LBP) hazard reduction program, the Federal EPA Lead-Based Paint Renovation, Repair, and Paint (RRP) Rule applies to all residential housing built before January 1, 1978. In addition, because HOME is a HUD program, the HUD Lead-Safe Housing Rule (LSHR) also applies to acquisition and/or rehabilitation activities involving pre-78 housing. In those cases when one Federal rule is more restrictive than the other, the most restrictive rule will apply.

When program requirements differ, IHFA will follow the most restrictive.

- Owners are required to follow the EPA RRP Rule and the HUD Lead Safe Housing Rule. Lead-based Paint procedures are identified in the annual Administrative Plan and enforced through written agreement with the owner. LBP tenant disclosures, hazard identification and reduction requirements are monitored during the HOME period-of-

affordability.

- *Reduce the number of poverty-level families;*

HOME/CDBG/HTF- HUD's Section 3 regulations require development activities, as applicable to individual programs, to include to the maximum extent feasible, work and training opportunities that target low-income persons/ business concerns, including employment and contracts when aggregate federal funding in the project meets the applicable Section 3 threshold amount. In addition to Section 3 requirements, developers will develop an outreach plan to include Minority/Women's Business Enterprises in employment and contracting, to the maximum extent feasible. The applicable requirements will be identified in the written agreement with the owner. While not required, affordable housing developers are encouraged to use the Idaho's Procurement Technical Assistance Center to ensure professional and construction services are directly solicited to Disadvantaged and Women Business enterprises, HUD Zone businesses, disabled veteran-owned businesses, and SBA Section 8(a) business in Idaho.

- *Develop institutional structure;*

IHFA will continue to provide or approve technical assistance as requested to help affordable housing owners and developers build organizational and development capacity for the type, scope, and complexity of the housing activity to be undertaken.

- *Enhance coordination*

IHFA and IDC will continue to facilitate and participate in stakeholder forums during PY 2016 to enhance collaboration and coordination of public, private and faith based service providers for housing, economic development, and other services:

- The Housing Coordination and Policy Forum (www.ihfa.org/research_hirc_forum.asp)
- Rural Forums
- The Idaho Community Review (www.idahocities.org)
- Idaho Homeless Coordinating Council
- Idaho's ADA Task Force
- Coalition for Idahoans with Disabilities
- Idaho Hispanic Profile Project
- IHFA Funding Allocation Committee
- Idaho Commission on Aging
- State of Idaho HIV/STD Planning Committee
- cities and counties
- local planning districts
- USDA-RD

Both IHFA and IDC are participating members of the Fair Housing forum, which works with members of various agencies throughout the State of Idaho to address fair housing concerns.

The Idaho Balance of State Continuum of Care was awarded a planning grant during both the 2013 and 2014 program funding competitions. The non-renewable planning grant is intended to aid CoC's in expanding current activities and establish governing structures and systems

which ensure proper oversight and coordination of HUD-funded homeless programs. The activities identified by the BOS COC are coordination activities, project evaluation, participation in the consolidated plan, COC application activities, and developing a COC system. Several of these activities will include efforts that will enhance coordination between public and private housing and service agencies, including IHFA's H2 (Housing and Healthcare) Initiative, currently under development with HUD-funded technical assistance. The COC will make itself more visible in regional planning and advocacy bodies to ensure all agencies and individuals connected to homelessness issues is familiar with resources available. This will promote and foster relationships between housing and service providers. The 2014 grant will be used for similar activities during the 2015-2016 year. ESG and HOPWA providers will be included in the CoC's efforts.

The BOS COC is working with a HUD contractor to identify points of entry which may increase the Continuum's ability to redirect individuals and families away from becoming homeless. The effort will include a collaboration of state agencies, homeless network providers, both continuums of care in Idaho, and all others who may meet, treat, serve, or interact with the homeless on a regular basis. The coordination will attempt to bring health, housing, social service, employment, education, and youth service providers together to discuss the important issue of homelessness, and, while making linkages between the services represented, develop a plan that addresses the need to prevent and reduce homelessness. IHFA and the BOS COC are also in the process of developing and implementing Coordinated Entry throughout the COC, which includes partners from other state agencies, funded and non-funded homeless service providers, and private agencies and funders.

In addition, the State must identify obstacles to meeting underserved needs and propose actions to overcome those obstacles using HTF funds, if applicable.

[See AP-85- Actions planned to address obstacles to meeting underserved needs](#)

HTF Funding Priorities-§ 91.320(k)(5)(i)

The State is responsible for distributing HTF funds throughout the State according to its housing priority needs. In addition to revising the AP- 30 Method of Distribution screen in IDIS, the State must respond to the following questions.

1. Will the State distribute HTF funds through grants to sub grantees? If yes, describe the method for distributing HTF funds through grants to sub grantees and how the State will make those funds available to units of general local governments. If no, state N/A. Please attach response if you need additional space.

N/A

2. Will the State distribute HTF funds by selecting applications submitted by eligible recipients? If yes, describe the eligibility requirements for applicants as defined in §93.2- definition of recipient. If no, state N/A. Please attach response if you need additional space.

Yes.

Eligible recipients are defined as an IHFA-approved organization, agency, other entity, including a unit of local government that is able to sufficiently demonstrate the following:

(1) Make acceptable assurances to IHFA that it can comply with the requirements of the HTF program during the entire period that begins upon selection of the recipient to receive HTF funds, and ending upon the conclusion of all HTF-funded activities;

(2) Can demonstrate organizational ability and financial capacity to undertake, comply, and manage the eligible activity;

(3) Can demonstrate familiarity with the requirements of other Federal, State, or local housing programs that may be used in conjunction with HTF funds to ensure compliance with all applicable requirements and regulations of such programs; and

(4) Can demonstrate experience and capacity to conduct an eligible HTF activity as evidenced by previous or other experience to own, construct, or rehabilitate, and manage and operate an affordable rental housing development.

3. Will the State distribute HTF funds by selecting applications submitted by eligible recipients?

Yes

If yes, describe all the criteria that will be used to select applications and the relative importance of these criteria. At a minimum, as required in §91.320(k)(5)(i), the selection criteria includes the following 6 criteria :

– Geographic diversity

As defined in the Consolidated Plan (Also see [SP-10](#)). As consistent with IHFA's HOME program definition, "Rural" is an area with a population up to 35,000 and rural in character. Qualifying

areas are found at the USDA Income and Property Eligibility website at <http://eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do>

– Applicant’s ability to obligate HTF funds in a timely manner. Applicant will provide evidence of previous experience and Standing with other jurisdictions / funding entities. –Applicant’s ability to undertake eligible activities in a timely manner; –Extent to which the project has Federal, State or local project-based rental assistance so rents are affordable to extremely low-income families; – Demonstrated ability to leverage HTF with other public and private funds; –Other requirements as applicable

See below

Threshold Criteria

- Must include a recent 3rd party financial statement from the recipient/applicant, developer, and project owner (General Partner). Project Owner is not required if entity is newly organized.
- For all projects- Include a Capitol Needs Assessment for new construction activities; Physical Needs Assessment for rehabilitation activities that outlines the costs and items that are represented in the proposed replacement reserve account. HTF requires the CNA/PNA to assess the project’s major systems, including the current condition, intermediate and long-term needs, to adequately fund replacement reserve account during the period of affordability [24 CFR 92.251].
- A market study conducted by an IHFA-approved provider that includes the methodology in which the demographic and income data was collected, analyzed and ultimately supports the conclusions and recommendations.
- Fair Housing
 1. Affirmatively Furthering Fair Housing (AFFH) Resolution adopted by the proposed project’s unit of local government (City or County) depending on the location of the project) If the local government has not adopted AFFH Resolution, the application does not meet minimum threshold and will not be scored.
 2. Applicant to submit one of the following at application:
 - a. If the proposed activity is in a CDBG Non-Entitlement area, submit the local jurisdiction's most recent Fair Housing Assessment Plan as submitted and reviewed by the State of Idaho's CDBG Program (Department of Commerce); or
 - b. If the proposed activity is located in a CDBG Entitlement Area (cities of Boise, Nampa, Meridian, Lewiston, Coeur d' Alene, Idaho Falls, and Pocatello are defined as CDBG Entitlement Areas in Idaho), then submit the local jurisdiction's most recent *Analysis of Impediments To Affirmatively Further Fair Housing*; or
 - c. If the local jurisdiction has never received State of Idaho CDBG funds (hasn't completed a Fair Housing Assessment Plan), and is not an

Entitlement Area, the local jurisdiction is required to complete a *Fair Housing Assessment Plan* that meets the requirements of the State of Idaho's CDBG Program.

- Demonstrated ability to begin construction within 12 months and complete the project within a projected time period
- Evidence of site control that complies with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and appropriate Environmental Review process (
- Owner/Developer/Management Capacity Self-Certification Form
- Pro forma that incorporates the following assumptions:
 - a. 7% vacancy factor
 - b. 2% annual increase in income
 - c. 3% annual increase in expenses
- Release of Information

Disclosure of Application Information

The applicant understands and agrees that all information contained in the application and submitted with the application may be disclosed to the public by the Idaho Housing and Finance Association, except that appraisals, if provided by a third party to IHFA, may be exempt from disclosure under the Idaho Public Records Act. However, in all events, the applicant agrees any market feasibility study submitted to IHFA shall be open to disclosure to the public, and the applicant shall make whatever arrangements are necessary with the preparer of such study, in order that such study may be disclosed.

Alternative Site and Project Modification Analysis (24 CFR 58.5)

To help ensure other reasonable courses of actions and other sites were considered and not selected, the applicant is required to submit a description of the benefits and adverse impacts to the human environment of each alternative site and the reason(s) for rejecting it.

Market Study

A separate study is required to assist the applicant and IHFA to determine a need for, and marketability of, the affordable units in the area where the project is proposed.

Market value appraisal is defined as a study that includes a determination of the market value of the project for lending purposes.

Refer to Exhibit M of the Administrative Plan for the current Market Study requirements.

This includes the amount of funds requested, long-term viability, and other factors such as are the experience of the development team, community support, green building design, eligible match, and leverage.

Support for affordable housing;

Support for the development of additional housing units at the rent levels proposed; and acknowledgment there is a need for additional rental units.

Consistency with Consolidated Plan

Review criteria are designed to help IHFA approve rental activities that are consistent with the goals and strategies of the State of Idaho’s Five-Year Consolidated Plan for Affordable Housing and Community Development. The criteria is designed to rate the comparative quality of each proposed activity.

Recipient Application Requirements- § 91.320(k)(5)(ii)

1. Will the State require that all recipient applications contain a description of the eligible activities to be conducted with HTF funds as required in § 93.200- Eligible activities?

IHFA will require a full description of the proposed activity including type and scope, sources and uses of all funds including project-based and operational subsidy(s), and a market analysis that supports the type, scope, and amount funds proposed.

2. Will the State require that each eligible recipient certify that housing assisted with HTF funds will comply with HTF requirements?

Prior to the commitment of HTF funds a written agreement is executed that includes the above requirement. In addition, a memorandum of restrictive covenants and deed of trust will be filed with the county in which the project is located. The written agreement will contain the following general provisions:

- Provisions to describe the use of funds, other sources and uses, and activity type to be undertaken
- Type of subsidy and financial terms
- Provisions to clarify roles,
- development timeline, expectations and tasks to be performed
- Provision to attain, maintain, and convey affordability requirements
- Project requirements
 - Affordability period
 - Project-specific designations
 - Unit designation(s)
 - Income limits
 - Income targeting
 - Verifying tenant income
 - Rent restrictions/rent limits
 - Utility allowances and Fees
 - Initial Rent Schedule

- Adjusting rents
- Maintaining unit and occupancy mix
- Adoption of a tenant selection policy
- Lease provisions
- Prohibited lease clauses
- Lease length
- Termination of tenancy
- Compliance with State or Local Landlord-Tenant laws
- Property standards
- Property standards,
- Lead-based paint requirements
- Provisions related to other Federal requirements
- Funding disbursement and requirements
- Reporting and record-keeping provisions
- Enforcement Provisions
- General provisions
 - Anti-lobbying
 - Insurance
 - Assignment of property
 - Project publicity
 - Waiver of jury trial in even of legal proceedings

Performance Goals and Benchmarks- § 91.320(k)(5)(iii)

*The plan must include performance goals and benchmarks against which the State will measure its progress, consistent with the State’s goals established at § 91.315(b)(2). To comply with this requirement, the State will include HTF housing goals in the housing table on the **SP-45 Goals and AP-20 Annual Goals and Objectives** screens in the eCon Planning Suite consolidated plan template in IDIS.*

See [SP-45](#)

See [AP-20](#)

VI. OTHER REQUIREMENTS

Maximum Per-unit Development Subsidy Amount- § 91.320(k)(5) and § 93.300(a)

The State must establish its own maximum limitations on the total amount of HTF funds that can be invested per-unit for development of non-luxury housing. The limits must be reasonable, based on actual costs, and adjusted for the number of bedrooms and geographic location of the project. The State may choose to develop its own limits or adopt limits used in other federal programs such as HOME or Low-Income Housing Tax Credit and must submit them with its HTF allocation plan. The State must submit a description of how the HTF maximum per-unit development subsidy amounts were established or a description of how existing limits developed for another program and being adopted for HTF meet the HTF requirements.

Idaho's HTF program will adopt the HOME program's Maximum Per-Unit Subsidy Limits for Idaho as determined by the HUD-CPD Region X Office [see 24 CFR 92.250(a)]

Indicate below what maximum per-unit development subsidy limits the State will use for its FY 2016 HTF program.

Housing Trust Fund- 2016 Maximum Per-Unit Subsidy Limits	
0 bedroom	\$140,107
1 bedrooms	160,615
2 bedrooms	\$195,304
3 bedrooms	\$252,344
4+ bedroom	\$277,344

HUD Region X has determined the following HOME subsidy limits for Idaho based on 240% of the base limit for the *Section 234 Program**

* Due to the discontinuation of the Section 221(d)(3) mortgage insurance program, alternate maximum per-unit subsidy limits must be used for the HOME Investment Partnerships Program (HOME). HUD is required to undertake rulemaking to establish new maximum per-unit subsidy limits for the HOME Program because it is no longer updating and publishing limits for the Section 221(d)(3) mortgage insurance program. Until a new rule can be published, HUD published [CPD Notice 15-003: Interim Policy on Maximum Per-Unit Subsidy Limits for the HOME Program](#) establishing an interim policy that Field Office staff and participating jurisdictions (PJs) must follow directing PJs to use the Section 234-Condominium Housing basic mortgage limits, for elevator-type projects, as an alternative to the Section 221(d)(3) limits in order to determine the maximum amount of HOME funds a PJ may invest on a per-unit basis in HOME-assisted housing projects. This interim policy remains in effect until the effective date of the new final rule provisions, amending the existing provisions of 24 CFR

Rehabilitation Standards - § 91.320(k)(5)(iv) and § 93.301(b)

If the State intends to use its HTF funds for housing being rehabilitated, it must establish rehabilitation standards that all HTF-assisted housing undergoing rehabilitation must meet at the time of project completion in accordance with § 93.301(b). The standards must provide enough details on what work is required, how that work should be performed and what materials should be used. The State's standards may refer to applicable codes or may establish requirements that exceed the minimum requirements of the codes. At a minimum, the rehabilitation standards must address:

- Health and safety;
- Major systems;
- Lead-Based Paint;
- Accessibility;
- Disaster Mitigation;
- State and local Codes, Ordinances, and Zoning Requirements; and
- Inspectable Areas and Observable Deficiencies from HUD's Uniform Physical Condition Standards identified by HUD as applicable to HTF-assisted housing.

The State of Idaho's HTF Program will allow rehabilitation as an eligible activity. The HTF program will adopt the IHFA HOME Program's Rehabilitation Standards. Accordingly, as revisions are made to the HOME Rehabilitation Standards, the HTF rehabilitation standards will be revised as well.

HTF Rehabilitation Standards

Purpose and Scope

When a HTF activity includes repair, replacement, alterations, addition, a change in occupancy type or use, it will be defined as rehabilitation.

Rehabilitation Standards establish the minimum standard for existing HTF-assisted housing when repair/replacement work is performed

Rehabilitation Standards are included in the written agreement

RENTAL UNITS

Requirements at Application

- A Physical Needs Assessment is required. See Chapter 2 of the current Administrative Plan under PNA requirements for rental activities.
- A PNA includes: Inspectable Components, Critical Repair Items, Five-year Physical Needs, Long-term Physical Needs, Analysis of Replacement Reserves, etc. All repairs, replacements, alterations, additions identified in the scope of work/budget must be identified in the Physical Needs Assessment.
- Repairs, replacements, alterations, and additions not supported by the PNA may be determined a non-essential cost item.

- PNA will address program and federal cross-cutting regulations, state codes, local codes/ ordinances/property/housing quality standards, and the program's property standard.
 - Local and Idaho building code(s) for Existing Structures
 - Local property/housing quality standards and ordinances
 - Uniform Physical Condition Standards- [HUD's Uniform Physical Condition Standards](#)).
 - Local rehabilitation standards
 - EPA and HUD Lead-based Paint requirements-If the housing was constructed on or before 1/1/1978*
 - Uniform Federal Accessibility Standards *to the maximum extent feasible*
 - ADA
 - Section 504 *to the maximum extent feasible*
 - Other rehabilitation items as identified in the application/proposal

Periodic Inspections

IHFA or its agent will conduct periodic inspections

Requirements at Project Completion

- All residential units and tenant common areas will comply with:
 - State Building Code- Existing Structures,
 - Federal cross-cutting regulations & laws,
 - Local code/ordinances/property/housing quality standards
 - HTF regulations
 - Other conditions as approved in the application /proposal
- Owner's certification the property meets HTF Rehabilitation Standards as defined in this section;
- Contractor/subcontractors certification their scope, workmanship, and materials used comply with local and/or state codes for existing structures
- IHFA or its agent will conduct a final inspection prior to project completion

Homebuyer Resale and/or Recapture Provisions- § 91.320(k)(5)(v) and § 93.304(f)

If the State intends to use HTF funds to assist first-time homebuyers, it must set forth the guidelines for resale or recapture and obtain HUD specific, written approval, as required in § 93.304(f). Approval of the consolidated plan or annual action plan under § 91.500 or the failure to disapprove the consolidated plan or annual action plan does not satisfy the requirement for specific HUD approval for resale or recapture guidelines.

Idaho will not use HTF funds for any homebuyer activities.

HTF Affordable Homeownership Limits- § 91.320(k)(5)(vi) and § 93.305

Idaho will not use HTF funds for any homebuyer activities.

State Limited Beneficiaries or Preferences- § 91.320(k)(5)(vii)

The State may limit the beneficiaries or give preferences to a particular segment of the extremely low-income population only if described in the action plan. Any limitation or preference must not violate non-discrimination requirements at § 93.350 and the State must not limit or give preferences to students. The State may also allow rental housing owners to limit tenants or give a preference in accordance with § 93.303(d)(3), only if such limitation or preference is described in the action plan.

As approved by IHFA, a rental property owner may give a preference to the following HTF or HOME tenant populations: (1) Elderly households (all members of the household are age 62+), and/or; (2) Disabled. (a member of the household is defined as disabled.

Both groups are identified in the action plan as a special housing needs population.

Refinancing of Existing Debt- § 91.320(k)(5)(viii) and § 93.201(b)

Idaho will not refinance existing debt as a stand-alone activity.

Additional Actions to be completed following the 30-day comment period

VII. GRANTEE CERTIFICATIONS

In addition to submitting an HTF allocation plan, the State must submit all the required certifications identified at § 91.225 (for new action plans). If the State is amending the action plan to include HTF, it must resubmit the following certification to include HTF:

Consistency with plan- The jurisdiction must submit a certification that the housing activities to be undertaken with CDBG, HOME, ESG, and HOPWA funds are consistent with the strategic plan.

VIII. REQUIRED FORMS

In addition to submitting an HTF allocation plan, the State must submit and/or complete the following standard forms for its HTF program.

- Standard form- 424: Application for Federal Assistance (§ 91.320(a))*
- Standard form- 1199 A : Direct Deposit Sign up FormHousing Trust Fund Rehabilitation Standards*

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