

## Checklist

### HOME RENTAL HOUSING REQUIREMENTS

#### Eligible Activities

##### Pre-Commitment Requirements

- Address or legal description
- Schedule/timetable
- Expectation of construction start within 12 months of commitment
- Project underwriting
  - ✓ Assess market demand
  - ✓ Assess developer capacity
  - ✓ All financing in place
  - ✓ Operating pro forma must be based on HOME rents (see Affordability below)
  - ✓ Subsidy layering review / determination of HOME amount
  - ✓ Eligible costs / prohibited costs
  - ✓ Cost allocation
  - ✓ Minimum HOME investment = \$1,000 per HOME unit
  - ✓ Maximum per-unit HOME subsidy
- Pre-award costs, with conditions
  - ✓ For architectural, engineering or related professional services required to prepare plans, drawings, specifications or work write-ups
  - ✓ Costs incurred up to 24 months before commitment
- Refinancing, if applicable
- Eligible forms of HOME assistance
  - ✓ Interest-bearing or non-interest-bearing loan or advance, deferred payment loan, grant, or other form of assistance HUD approved in writing
- Site & neighborhood standards review (new construction)
- Environmental review

## Commitment of HOME Funds

- Written agreement w/ all HOME requirements & terms

## Affordability requirements

- Income limit, income targeting & rules for determining income
- HOME rent restrictions (High/Low rents), PJ approval of rents
- Applicability of income & rent restrictions & property standards during POA
- Affordability period based on type of activity & amount of HOME investment
  - ✓ Secured w/ legal mechanism (deed or use restriction, covenant running w/ land, other w/ HUD approval)

## Property Standards

- Project must meet applicable standards upon completion
  - **New Construction**
    - ✓ State/local codes or national code - upon completion
    - ✓ Accessibility requirements of Section 504 (24 CFR Part 8)
    - ✓ Disaster mitigation, if applicable
    - ✓ Broadband infrastructure (after 1/19/2017), unless infeasible
    - ✓ PJ ensures compliance with: scope in construction docs & by conducting progress and final inspections
  - **Rehabilitation**
    - ✓ PJ-adopted written rehabilitation standards that include:
      - State/Local codes or national code
      - Correction of minimum deficiencies/UPCS
      - Health & safety /life threatening deficiencies if home is occupied
      - Lead-based paint requirements per 24 CFR part 35
      - Accessibility requirements of Section 504 (24 CFR Part 8)
      - Disaster mitigation, if applicable
      - Broadband infrastructure (after 1/19/2017), unless infeasible - for projects with 4+ units
      - Assessment of remaining useful life of major systems (If 26+ units, capital needs assessment)
    - ✓ PJ ensures compliance with: scope in construction docs & by conducting initial, progress & final inspections
  - **Acquisition**
    - ✓ Use new construction standards if constructed within 12 mos. of commitment
    - ✓ Use rehab standards if rehabilitated within 12 mos. of commitment or acquired in standard condition

○ **Ongoing Property Standards**

- ✓ PJ-adopted ongoing property standards that include:
  - State/Local codes or HUD-identified inspectable areas of UPCS
  - Health & safety standards
  - Lead-based paint requirements per 24 CFR part 35

**Project Completion**

- Deadline = 4 years from date of commitment
  - ✓ One-year extension permitted with HUD approval
  - ✓ Project completion = Construction completed, property standards met, final draw disbursed, "Complete" in IDIS

**Other Federal Requirements**

- Nondiscrimination (92.350)
- Affirmative marketing & minority outreach (92.351)
- Environmental review (92.352) - see also Pre-commitment requirements
- Relocation, if project involves acquisition, demolition and/or rehabilitation (92.353)
- Davis-Bacon and labor requirements for projects w/ 12 or more HOME-assisted units (92.354)
- Lead-based paint (92.355) - see also Property standards requirements
- Conflict of interest (92.356)
- Violence Against Women Act (VAWA) (92.359)

**Leasing and Tenant Protections**

- Tenant selection policies
- Lease term = 1 year, unless mutually agreed
- Prohibited lease terms
- VAWA Requirements
  - ✓ Notice requirements
  - ✓ Bifurcation of lease requirements
  - ✓ Obligations under emergency transfer plan