
**Community Housing Development
Organization (CHDO)
Application for Certification**



Fiscal Year 2013-2014

COMMUNITY HOUSING DEVELOPMENT ORGANIZATION (CHDO)

APPLICATION FOR CERTIFICATION

One goal of the City of Gainesville is to build the capacity of local area non-profit organizations with a demonstrated interest in developing affordable housing within the incorporated areas of the City of Gainesville. The City of Gainesville will set-aside a minimum of 15% of its annual HOME allocation as approved by the U.S. Department of Housing and Urban Development (HUD), for projects that are owned, developed, and/or sponsored by Community Housing Development Organizations (CHDOs). CHDOs are private, non-profit, community-based organizations that meet certain requirements pertaining to their legal status, organizational structure, capacity, and experience to develop affordable housing in the community it serves.

Prior to committing HOME funds to CHDO projects, however, the City of Gainesville must certify that the organization meet specific qualifying criteria, which are outlined in the HOME regulations found at 24 CFR Part 92.2 on the HUD website www.hud.gov. *Please note that receiving CHDO Certification does not guarantee project funding.*

The CHDO Certification packet contains an application form and the instructions necessary to apply for CHDO Certification from the City of Gainesville. The application packet for CHDO Certification consists of the enclosed application form and various supporting documents that organizations must satisfy in order to be certified as a CHDO by the City of Gainesville. Applications must include sufficient information to allow the comprehensive review and analysis of the proposed project. This application is a tool utilized by the City of Gainesville to track the required certification documentation that must be submitted for CHDO certification. The completed application and the required documentation are maintained on file to confirm compliance with HUD regulations.

Please complete the applicant portion of this checklist. Include the requested information in the Attachments indicated and check-off the item in the checklist. Articles of Incorporation, By-Laws, Charters, Memorandums of Understanding, Contracts, Certifications and Resolutions must be signed and dated by the Board President or other authorized signor. The information contained in this checklist refers to the definition of Community Housing Development Organization (CHDO) in Subpart A, Section 92.2 of the HOME Final Rule.

Applicants must submit three (3) original copies of the application in the format and in the informational sequence indicated in the CHDO Certification Application packet. Completed applications may be submitted by: 1) **Certified/Express Mail**: City Housing & Community Development Division Office, Attn: CHDO Certification, PO Box 490, MS 22, Gainesville, Florida 32602-0490; or **Hand Delivery**: City Housing & Community Development Division Office, Attn: CHDO Certification, 306 NE 6th Avenue, Thomas Center B, Room 245, Gainesville, Florida. Applications submitted by fax or email are not acceptable and will be rejected by the City of Gainesville.

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Incomplete applications will not be considered. Please fully complete the application and supply all requested documentation for certification. An incomplete application package will significantly delay the consideration of your application. **The City of Gainesville reserves the right to reject any and all applications submitted.**

***Deadline to submit the CHDO Certification Application:
Thursday, March 5 2013 at 5:00 p.m. Local Time.***

The HCD office is here to assist your organization in completing the CHDO Certification application. Please do not hesitate to contact Jacqueline Richardson, HCD Manager at (352) 334-5026 for further assistance.

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City of Gainesville
Community Housing Development Organization (CHDO)
Application for Certification Packet

APPLICANT INFORMATION

Organization Name: _____

Executive Director: _____

Office Address: _____

Mailing Address: _____

Federal I.D.#: _____

DUNS#: _____

Board Chairperson/President: _____

Address: _____

Contact Person: _____

Phone: _____

Title: _____

Fax: _____

Email: _____

APPLICANT CHECKLIST

1. ORGANIZATION STATUS & MISSION

Regulatory Thresholds:

The nonprofit is organized under State or local laws, as evidenced by **Attachment A**:

- A Charter, OR
- Articles of Incorporation.

The nonprofit has a tax exemption ruling from the Internal Revenue Service (IRS) under Section 501(c) , as evidenced by **Attachment B**:

- A 501(c)(3) or (4) Certificate from the IRS, OR
- A group exemption letter under Section 905 from the IRS that includes the CHDO.

The nonprofit's primary purpose is the provision of low- and moderate income housing. As **Attachment C**, provide and highlight the appropriate area in your:

- Charter,
- Articles of Incorporation,
- By-laws, OR
- Resolutions.

Additional Considerations:

Strategic Plan:

The organization has produced a strategic plan that specifies an action plan for housing development, as provided in **Attachment D**.

2. BOARD COMPOSITION

Regulatory Thresholds:

At least 1/3 of board membership consists of residents of low-income neighborhoods, other low-income community residents, or elected representatives of low-income neighborhood organizations, as evidenced by:

- Completion of the Certification of Low Income Representation; **AND**

As **Attachment E**, highlight the relevant text in one of the following:

- By-Laws,
- Charter, OR
- Articles of Incorporation.

No more than one-third of the governing board members may be public officials (including any employees of the PJ) or appointed by public officials, and government-appointed board members may not, in turn, appoint any of the remaining the board members. Provide as **Attachment G** and highlight relevant areas in your organization's:

- By-laws,
- Charter, OR
- Articles of Incorporation.

Additional Considerations:

Board Representation. There is at least one Board member that resides in each of the organization's proposed CHDO geographic service area(s), as evidenced by:

- Completion of Certification of Board Status Form

Stability: There has been stability/continuity of board members over the last several years, as evidenced by:

- Completion of Certification of Board Status Form

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Development oversight: The board has a committee structure or other means of overseeing planning and development. Submit as **Attachment I:**

_____ Documentation of committee structures or other means of development oversight.

Board skills: Board members have professional skills directly relevant to housing development (e.g., real estate, legal,

architecture, finance, management), as evidenced by:

_____ Completion of Certification of Board Status Form

Decision-making: The board has the ability to make timely decisions. Submit as **Attachment J:**

_____ Board minutes from the past (6) six Months.

3. SPONSORSHIP/INDEPENDENCE

Regulatory Thresholds:

The CHDO is not controlled, nor receives directions from individuals or entities seeking profit from the organization, as evidenced by **Attachment K:**

_____ The organization's By-laws, OR

_____ A Memorandum of Understanding

Is the CHDO sponsored or created by a for-profit entity?

___ Yes ___ No

If yes, a CHDO may be sponsored or created by a for-profit entity, however:

The for-profit entity's primary purpose may not include the development or management of housing, as evidenced by **Attachment L:**

_____ In the for-profit organization's By-laws; **AND**

If sponsored or created by a for-profit entity, the CHDO is free to contract for goods and services from vendor(s) of its own choosing, as evidenced by **Attachment L-2:**

_____ By-laws,

_____ Charter, OR

_____ Articles of Incorporation.

If sponsored by a religious organization, the CHDO is a separate secular entity from the religious organization, with membership available to all persons, regardless of religion or membership criteria, as evidenced by

Attachment M:

_____ By-laws,

_____ Charter, OR

_____ Articles of Incorporation.

4. RELATIONSHIP/SERVICE TO THE COMMUNITY

Regulatory Thresholds:

The organization has a history of serving the community within which housing to be assisted with HOME funds is to be located, as evidenced by **Attachment N:**

_____ Statement signed by the Board President that details at least one year of experience in serving each community, OR

_____ For newly created organizations formed by local churches, service or community organizations, a statement signed by the Board President that details that its parent organization has at least one year of experience in serving each community for which Certification is sought.

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The organization provides a formal process for low-income, program beneficiaries to advise the organization in decisions regarding design, siting, development, & management of all HOME–assisted affordable housing projects. As **Attachment O**, highlight the relevant text in one of the following:
 The organization’s By-laws, OR
 Resolutions, **AND**
 A written statement of operating procedures approved by the governing body.

Additional Considerations:

Needs: Current plans are well grounded in an understanding of current housing conditions, housing needs, and need for supportive services, as evidenced by **Attachment P**:
 Narrative statement of any current plans with supporting analysis of the local housing market and housing needs of low-income households.

Relations: The organization has a positive reputation and a strong relationship with its community, as evidenced by **Attachment Q**:
 Supporting documentation

Local government relations: The organization has a strong relationship with the local government, as evidenced by **Attachment R**:
 Supporting documentation

5. FINANCIAL MANAGEMENT & CAPACITY

Regulatory Thresholds:

The organization conforms to the financial accountability standards of 24 CFR 84.21, “Standards for Financial Management Systems”, as evidenced by **Attachment S**:
 A notarized statement by the president or CFO; OR
 A certification from a CPA, OR
 A HUD approved audit summary.

No part of its net earnings inure to the benefit of any member, founder, contributor, or individual, as evidenced by **Attachment T**:
 A Charter, OR
 Articles of Incorporation

Additional Considerations:

As Attachment U, please respond in a narrative format AND include supporting documentation to the following questions:

Audit: Does the organization have an annual audit? Is the most recent audit current?

Audit findings: Were there management or compliance findings in the last two years? If yes, were the findings resolved?

Budgeting: Does the organization do annual budgeting of its operations and all activities or programs? Does it track and report budget versus actual income and expenses?

Reporting: Is financial reporting regular, current and sufficient for the board to forecast and monitor the financial status of the corporation?

Cash flow management: Does the organization know its current cash position and maintain controls over expenditures? If yes, how regularly does the organization experience cash flow problems?

Internal controls: Does the organization have adequate internal controls to ensure separation of duties & safeguarding of corporate assets? Is there sufficient oversight of all financial activities?

Procurement/Conflict of Interest: Does the organization have a conflict of interest policy governing employees and development activities, particularly in procurement of contract services and the award of housing units for occupancy?

Insurance: Does the organization maintain adequate insurance – liability, fidelity bond, workers comp, property hazard, & project?



<p>Financial stability:</p> <p>1) Does the current balance sheet and budget indicate sufficient funds to supports essential operations?</p> <p>2) To what extent does the organization have a diversified and stable funding base for operations? What revenue sources are predictable year-to-year?</p> <p>3) Does the CHDO have an established fundraising program for both capital & operational needs?</p>
<p>Portfolio Financial Condition: If the organization has a portfolio of properties, are they in stable physical and financial condition? Does it collect adequate management fees from the properties?</p>
<p>Liquidity: Does the organization have liquid assets available to cover current expenses? Does it have funds available for predevelopment expenses or equity investments required for development?</p>
<p>6. DEVELOPMENT CAPACITY</p>
<p>Regulatory Thresholds:</p>
<p>The organization has a demonstrated capacity for carrying out activities assisted with HOME funds, as evidenced by Attachment V:</p> <p>_____ Resumes and/or statements that describe the experience of key staff members who have successfully completed projects similar to those to be assisted with HOME funds. Please use the attached Experience Certification Form; AND List of Projects/Developments Completed within the past two years; OR</p> <p>_____ Contract(s) with consulting firms or individuals who have housing experience similar to projects to be assisted with HOME funds to train appropriate key staff of the organization. The contract shall include the training plan and activities to be accomplished. Please include attached Experience Certification Form and a copy of the executed contract.</p>
<p>Additional Considerations:</p> <p><i>As Attachment W, please respond in a narrative format AND <u>include supporting documentation to the following questions:</u></i></p>
<p>Portfolio: Does the organization's portfolio of projects/properties evidence competent management and oversight? Do the properties have adequate funding?</p>
<p>Previous Performance: Has the organization engaged in CHDO activities previously? Did it perform competently?</p>
<p>Management capacity: Does the current management have the ability to manage additional development activities? Does the organization have the capabilities to analyze alternative housing projects?</p>
<p>Procedures: Are the corporate lines of authority for development activities clear? Are policies & procedures in place governing development activities?</p>
<p>Project management: Does the organization have procedures for monitoring the progress of a project? Does it have the capacity to monitor project-level cash flow and schedule?</p>
<p>Personnel: Does the organization have staff who are assigned responsibilities for housing development? Are personnel policies and job descriptions clear?</p>
<p>Staff skills: How strong are staff in the following areas:</p> <p>_____ Legal/financial aspects of housing development</p> <p>_____ Management of real estate development</p> <p>_____ Oversight of design & construction management</p> <p>_____ Marketing, intake</p> <p>_____ Property management (if applicable)</p>
<p>Training: Are staff encouraged to obtain training and develop new skills? What is their potential for learning skills that they currently do not have?</p>
<p>Member involvement: Is the organization's membership active and in support of housing activities?</p>
<p>Use of Consultants: To what extent does the CHDO have access to and make use of qualified development consultants? How well do consultants interact with staff? Is the consulting focused on training staff?</p>
<p>Funding access: Does the organization have funds available as equity in housing development projects? Does the organization have the ability to raise funds for the capital requirements of a project? How strong are relationships with funders of housing? With lenders?</p>

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7. HOUSING AS PRIMARY PURPOSE

Regulatory Thresholds:

Certification is available only to organizations whose primary purpose is to provide and develop affordable housing. Please provide as **Attachment Y**, a copy of the following:

- _____ Copy of current fiscal year's full operating budget categorized by program;
- _____ Copy of 2009 and 2010 Return of Organization Exempt From Income Tax (Form 990); **AND**
- _____ Description of current and planned affordable housing activity.

CHDO CERTIFICATION APPLICATION

City of Gainesville Housing and Community Development

Certification of Experience

Please attach signed copies for each staff member or consultant whose experience should be considered for meeting the Experience/Capacity requirement. Please maintain a copy of this certification in your files. These certifications will be reviewed during monitoring visit by HUD.

Staff Member or Consultant _____

Mailing Address _____

Phone Number _____ Email _____

Project Name _____

Project Location _____

Project Type _____ Date of Occupancy _____

Sources of Funds _____

Description of Staff/Consultant Role in Project _____

Project References:

Name _____ Address _____ Phone _____

Name _____ Address _____ Phone _____

I certify that the information provided above is accurate and give my consent to contact references listed.

Signature

Date

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CHDO CERTIFICATION APPLICATION

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Certification of Low-Income Representation

Each board member representing the interests of low-income families in the Applicant's target community must complete this certification. Please maintain a copy of this certification in your files. These certifications will be reviewed during monitoring visit by HUD.

Board Member Name: _____

I certify that I am a current member in good standing of the governing board for _____ (name of the Applicant organization) and that I represent the interests of low-income families in the Applicant's target community. Please check and complete one of the following:

___ I am a low-income resident of _____, the Applicant's target community.

Note: In order to qualify under these criteria, the board member must be a low-income resident of a community that the CHDO is certified to serve. Low-income is defined as 80% or less of area median family income.

___ I am a resident of a low-income neighborhood in _____, the Applicant's target community.

In order to qualify under these criteria, the board member must live in a low-income neighborhood where 51% or more of the residents are low-income. The board member does not have to be low-income. Neighborhood means a geographic location designated in comprehensive plans, ordinances, or other local documents as a neighborhood, village, or similar geographical designation that is within the boundary but does not encompass the entire area of a unit of general local government; except that if the unit of general local government has a population under 25,000, the neighborhood may, but need not, encompass the entire area of a unit of general local government.

___ I am an elected representative of _____ (insert name of neighborhood organization), a low-income neighborhood organization within _____, the Applicant's target community.

In order to qualify under these criteria, the board member must be elected by a low-income neighborhood organization to serve on the CHDO Board. The organization must be composed primarily of residents of the low-income neighborhood and its primary purpose must be to serve the interests of the neighborhood residents. Such organizations might include block groups, neighborhood associations, and neighborhood watch groups. The group must be a neighborhood organization and IT MAY NOT BE THE CHDO ITSELF. If the board member is qualifying under these criteria, please attach copy of signed resolution from the neighborhood organization naming the individual as their representative on the CHDO.

Signature

Date

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CHDO CERTIFICATION APPLICATION

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Certification of Board Status

Applicants must complete the following Certification of Board Status and submit it along with their application for CHDO certification. Please list each board member by name, then place a check indicating the representation that member brings to the Board. Please list only current or approved board members. Do not list prospective board members who have not been approved to join the board. Minimum: (5) Members.

Board Member Name	No. Years Served	Category Represented	Occupation/Place of Employment	Area of Expertise

I certify that the above listing of current participating board members is accurate.

Signature

Date

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CHDO Certification

Certification Of Signatures & Address

The Board of Directors of _____ met on the _____ day of the _____ month of _____, and authorized the below named individuals to sign contracts, amendments, disbursement requests and other documents requiring such signatures as a part of the CHDO Certification program.

Name & Title (Printed): _____ Signature: _____

Name & Title (Printed): _____ Signature: _____

Name & Title (Printed): _____ Signature: _____

In addition, the following individuals have been authorized to service as the primary and secondary contacts for the organization for matters relating to the CHDO Certification Program.

Primary Contact

Secondary Contact

Name/Title: _____ Name/Title: _____

Phone _____ Phone: _____

Email: _____ Email: _____

The address to which all correspondence to the organization shall be sent is listed below:

Changes to authorized signatures, contact persons or address shall be made in writing to the City of Gainesville Housing and Community Development.

Signature of President _____ Date _____

Signature of Secretary _____ Date _____

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