

MISSISSIPPI HOME CORPORATION

**National Housing Trust Fund (HTF) Program
Application Workshop
October 3, 2019**

**735 Riverside Dr. / Jackson, MS / 601.718.4642 /
mshomecorp.com**



NATIONAL HOUSING TRUST FUND (HTF)



EQUAL HOUSING
OPPORTUNITY

STATUTORY BACKGROUND

- ▣ **Established under Title I of the Housing and Economic Recovery Act of 2008 (HERA), Section 1131**
- ▣ **Regulations at 24 CFR Parts 93**
- ▣ **State's Consolidated (Plan 24 CFR 91)**
- ▣ **HTF Annual Allocation Plan**
- ▣ **Distributed as Block Grants to States by Formula**
- ▣ **State's Allocation-\$3 million**
- ▣ **Federal Year 2016 First Year of the Program**
- ▣ **Administered by Housing Development & Urban Development (HUD)**



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PRIORITIES

- ▢ **MHC is designated as the state entity to administer the HTF Program for the State of Mississippi**
- ▢ **Make Awards and provide reporting and oversight**
- ▢ **Reduce homelessness and assist ELI families avoid paying disproportionate share of their income for housing.**
- ▢ **Address Affordable Rental Housing Needs for ELI households**
- ▢ **Address Critical Housing Needs for persons experiencing homelessness and persons with serious mental illness**



PRIORITIES

- ▢ **Make effort to ensure a geographic distribution**
- ▢ **Fund according to shortage or inadequate supply of rental housing for ELI households**
- ▢ **Affirmatively Further Fair Housing**
- ▢ **Complement existing Federal, State, and local efforts to increase and preserve the supply of decent, safe and sanitary affordable housing**



PERFORMANCE GOALS & BENCHMARKS

▣ Point Incentives to Developers

- a) Designate a minimum of 20% percentage of units for priority population**
- b) Designate a minimum of 10% percentage of units for special needs households**
- c) Incorporate Supportive Services (Beneficiaries)**



NATIONAL HOUSING TRUST FUND (HTF) OVERVIEW

- ▣ **Production, preservation, rehabilitation, or operation of rental housing (90% of Funds)**
- ▣ **Federal Affordable Housing Production Program**
- ▣ **Primarily Rental Program**
- ▣ **Deeper Income Targeting-**
 - 1) Extremely Low-Income Households (ELI)**
 - 2) ELI <30% AMI or**
 - 3) Households with income below federal poverty level (whichever is greater)**

**Federal Poverty guidelines published by the Department of Health and Human Services*



NATIONAL HOUSING TRUST FUND (HTF) OVERVIEW

▢ Lower Rent Requirements-

- 1) Rents for HTF designated units capped at 30% AMI or 30% of poverty level, whichever is greater
- 2) Rent Limits published annually by HUD

▢ Longer Affordability Period-

- 1) Minimum required HTF Affordability Period is 30 years
- 2) Subject to Repayment of Funds



ELIGIBILITY REQUIREMENTS

➤ Eligible Applicants-

1) Non-Profit Organizations

2) For-Profit Organizations



ELIGIBILITY REQUIREMENTS

➤ Eligible Activities- (Rental Only)

1) Construction

2) Rehabilitation

3) Homeownership (not applicable)



ELIGIBILITY REQUIREMENTS

➤ Eligible Property Type

- 1) Multi-Family Development
- 2) Single-Family Developments

➤ Eligible Tenants

- 1) Extremely Low-Income Households (ELI)



2019 HTF ALLOCATION

2019 ALLOCATION

\$3,000,000

FUNDING AVAILABILITY

\$2,700,000



MAXIMUM AWARD

- ▢ **Per applicant 1.5 million**
- ▢ **Structured as a Cash Flow Loan**
- ▢ **Awards subject to Underwriting & Subsidy Layering requirement**



FUNDS COMMITMENT

- ▣ **Written Agreement Executed**
- ▣ **Funds Committed within two years**
- ▣ **Construction & Rehabilitation**
expected to begin within 12 months of
the agreement date



COMPLIANCE OVERVIEW



AUDITS & PROCUREMENT

Gina Nelson



FAIR HOUSING & EQUAL OPPORTUNITY (FHEO)

Julie Brooks



SECTION 3

Jackie Cobbins



WHAT IS SECTION 3

Section 3 is a provision of the Housing and Urban Development (HUD) Act of 1968 set forth at **24 CFR Part 135** of the federal regulations, which states, to the greatest extent feasible, businesses and employers working on HUD-funded projects must make a **good faith** effort to train and employ low-income individuals living in the local area and make contract with businesses owned by or that employ Section 3 residents.

“Greatest Extent Feasible”



SECTION 3

Section 3 Resident

- A public housing resident
- A low- or very low-income residing in the area

Section 3 Business

- 51% or more owned by Section 3 residents
- At least 30% of its full-time employees are currently Section 3 residents, or were Section 3 residents within 3 years of the date of first hire



SECTION 3

Section 3 Business

- Provides evidence of a commitment to subcontract in excess of 25% of the dollars awarded of all subcontracts to business that meet one of the above qualifications.



SECTION 3

Requirement and Responsibilities

- Adopt a Section 3 Plan
- Implement procedures to notify Section 3 residents and businesses of trainings, employment, and contracting opportunities.
- Notify “potential” contractors of their responsibilities and require a written Section 3 plan prior to signing any contracts.



SECTION 3

Requirements and Responsibilities-Cont.

- Incorporate the Section 3 Clause in all solicitations and contracts.
- Document, document, document – Document actions taken to comply with Section 3
- Submit Section 3 Annual Summary Report – Form 60002



SECTION 3

ACTIONS OF GOOD FAITH EFFORT

- Advertise in local newspaper
- Placing a notice of commitments under Section 3 at the project site or where applications for training and employment are taken
- Contacting local job training centers, employment service agencies and community organizations



SECTION 3

ACTIONS OF GOOD FAITH EFFORT-Cont.

- Keeping a list of Section 3 area residents who apply on their own or by referral for available positions
- Selection of Section 3 area residents training and employment positions



PROPERTY & REHABILITATION STANDARDS

Derrick Lee



PROPERTY STANDARDS

- Regulation at 24 CFR 92.251
 - Projects must meet all applicable state and local codes, ordinances, and zoning requirements, the International Residential Code or International Building Code up project completion
 - all applicable codes and standards approved by the Southern Building Code Congress International, Inc.
 - Model Energy Codes, MHC or locally adopted codes, whichever is the most stringent
 - All rehabilitation of multi-family and single family dwellings that utilize HTF funds will meet requirements @ 24 CFR 93.301 (b).

PROPERTY STANDARDS

- MHC will adhere to HTF Rehabilitation Standards by adopting the **Minimum Design Quality Standards (MDQS)**
- Properties will be inspected accordance with HUD Physical Condition Standards and Inspection Requirements 5.701
- All properties should be decent, safe, sanitary and in good repair 5.703
- All units will meet the accessibility requirements at 24 CFR part 8, which implements section 504 of the Rehabilitation Act of 1973, and Titles II and III of the Americans with Disabilities Act, implemented at 28 CFR Parts 35 and 36 as applicable.
- Rental units must, at minimum, continue to meet Section 8 Housing Quality Standards on an annual basis throughout the Compliance Period.



DEVELOPMENT REQUIREMENT

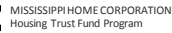
- **Construction & Rehabilitation expected to begin within 12 months of the agreement date**
- **Project Schedule must include estimated dates for start of construction and certificate of occupancy or substantial completion.**
- **Funds will be committed within twenty four months and construction or rehabilitation expected to begin within 12 months of the agreement date.**
- **Newly constructed units must also meet the current edition of the International Energy Conservation Code**



DEVELOPER BACKGROUND CHECK

- MHC will screen all developers to make sure that they have the proper experience to complete the development
- Background checks
- Debarment and suspension of Sub-Recipient
 - Excluded from or ineligible from participation in Federal Programs under Executive Order 12549 and OMB A-102
 - SAM.GOV database will be used for verifying





DEVELOPMENT NAME		DEVELOPMENT TYPE	STRUCTURE TYPE		
OWNERSHIP ENTITY	CONTACT PERSON	PHONE NUMBER	EMAIL ADDRESS		
SITE LOCATION (ADDRESS)	COUNTY	GPS COORDINATES	SCATTERED SITES		
			Number of Sites:		

DIRECTIONS TO THE SITE	
Provide detailed directions to the proposed site from Jackson, Mississippi. Please note that the site must be clearly marked and all boundaries of the physical site must be identified.	

NEIGHBORHOOD
<p>Describe the neighborhood where the site is located, noting other types of developments in the immediate area (<i>e.g. residential, commercial, industrial</i>) . Discuss the suitability of the site for the proposed/existing development.</p>

MHC USE ONLY

SITE CONDITIONSDescribe any existing structures (*shack, schoolhouse, mobile home, barn, etc*) or improvements on/near the site.

Are any structures on or adjacent to the proposed development in poor/dilapidated condition that will remain after completion of the proposed development? If yes, please explain.

Will the development involve rehabilitation, relocation, or demolition of any structure? If yes, please explain.

MHC USE ONLY**SITE CHARACTERISTICS**

Site is near or contains the following:				If yes, how many miles away?	Noise Pollution?			MHC Use Only
Railroad Tracks	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Major Highway	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Airport	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Industrial Area	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Landfill	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Utility Substation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

NEIGHBORHOOD SERVICES

Type of Service	Within 1/2 Mile	Within 1 Mile	Within 2 Miles	Within 3 Miles	MHC Use Only
Grocery Store	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Pharmacy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Bank or Credit Union	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Hospital or Medical Clinic	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

OTHER SERVICES

Type of Service	Within 1/2 Mile	Within 1 Mile	Within 2 Miles	Within 3 Miles	MHC Use Only
Shopping Facilities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Schools	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Parks and Recreational Facilities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Police Station	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Fire Station	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Public Transportation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Houses of Worship	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Other (Specify)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Other (Specify)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Other (Specify)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

PLEASE ATTACH PHOTOS OF SITE TO THIS FORM.

Prepared By: _____

Date: _____

Inspected By (MHC): _____

Date: _____

CAPITAL NEEDS ASSESSMENT

- CNAs are required at the time of application for projects that propose acquisition and property rehabilitation. CNAs are required after the Certificate of Occupancy has been issued for new construction projects, and projects where the rehabilitation includes the replacement or improvement of all major systems of structure to include the building envelope.
- Capital Needs Assessment/Physical Needs Assessment for multifamily rental housing projects of 26 or more total units.
- The CAN will be completed by a competent, independent third party, such as a licensed architect and or/ engineer
- The assessment will include a site visit and a physical inspection of the interior and of all units and structures.

PHYSICAL NEEDS ASSESSMENT

Name of Property:

Architect/Engineer Firm:

Address of Property:

Total No. of Rehab Units

SITE			
SCOPE ITEM	Scope Description	Est Cost	Cost Per Unit
Landscaping/Sprinklers			
Drainage			
Fences/Walks/Retaining Walls			
Amenities/Pool/Playground			
Mailboxes (Group)			
Driveways & Parking			
Security			
Other - Site	Subtotal (Site):	\$	\$
BUILDING COMMON AREAS			
SCOPE ITEM	Scope Description	Est Cost	Cost Per Unit
Basement/Storage			
Laundry Rooms			
Central Boiler, Chiller, Pumps, Incinerator			
Elevator			
Security	Subtotal (Building Common Areas):	\$	\$
New Common Building	1		
Other			

MHC HOUSING TRUST FUND PHYSICAL

NEEDS ASSESMENT FORM

BUILDING EXTERIOR			
SCOPE ITEM	Scope Description	Est Cost	Cost Per Unit
Foundation s/Piers/ Beams			
Balcony, Porch, Handrails, Steps			
Gutters & Downspouts			
Fire Escapes			
Paint			
Mailboxes (Individual)			
Garages & Carports			
Roofs, Dormers			
Fascia & Soffits			
Flashing, Eaves, Ventilators, Caps			
Chimneys			
Lighting			
Windows			
Doors (Exterior)			
Siding			
Patios			
Insulation			
Other			

Subtotal (Building Exterior):

\$

\$

REHABILITATION COST

Total Rehabilitation Estimated Costs : \$
Cost Per Unit: #DIV/0!

REPORTS ASSESSMENT

1. Hazardous material report testing for asbestos and lead based paint in the existing building. Plans and costs for removal are included.			
2. Report assessing the structural integrity of each building .			
3. Termite inspection report from a certified professional.			
4. Color photographs of exterior & interior of building.			

CERTIFICATION

I, the undersigned architect/engineer for the above -referenced development, hereby certify to the Mississippi Home Corporation (MHC) that all improvements for each building and each unit listed in the "Physical Needs Assessment" form are necessary to maintain a minimum of 15 years of affordable housing use. I further agree that , subsequent to this certification and prior to the final allocation of Housing Tax Credit s, I will furnish a certification that all necessary improvements have been made according to the Physical Needs Assessment.

Architect/Engineer Firm

By:

Printed Name: Date:

License:

Acknowledgment of Applicant

Signature :

Printed Name:

Date :

PROGRAM REQUIREMENTS

- .HTF assisted new construction projects must comply with (24 CFR 983.57 (e)).
 - Site and neighborhood standards do not apply to rehabilitation projects under HTF
 - However, if project-base vouchers are used in an HTF rehabilitation unit, the site and neighborhood standards for project –based vouchers will apply.
- Period of Affordability
 - Minimum period of Affordability for HTF assisted units is 30 years.
 - Projects willing to extend the affordability period beyond this minimum period by at least 5 years will receive preference.
 - Property Inspections will comply in accordance with 93.404 and guidelines of LIHTC (QAP).

DEBARMENT AND SUSPENSION

- MHC will screen all developers to make sure that they have the proper experience to complete the development
- Debarment and suspension of Sub-Recipient
 - Background checks
 - Excluded from or ineligible from participation in Federal Programs under Executive Order 12549 and OMB A-102
 - SAM.GOV database will be used for verifying



ENVIRONMENTAL

Shirley Thompson



HTF APPLICATION CYCLE

APPLICATION REQUIREMENT & SELECTION CRITERIA



UNDERWRITING & SUBSIDY LAYERING

Lisa Coleman



APPLICATION RATING FACTORS

&

UPDATES

Lillie Naylor



2019 HTF APPLICATION TIMELINE

Application Period (60 Days)

October 4, 2019-December 4, 2019

Deadline to Submit

December 4, 2019 @ 4:00 P.M.



THRESHOLDS

(1)	Eligible Applicant
(2)	Eligible Project Type/Activity
(3)	Financial Feasibility
(4)	Merits: Addressing State's Priority Housing Needs
(5)	Evidence of Affirmatively Furthering Fair Housing
(6)	Firm Commitment of Other Funding Sources
(7)	Implementation of Supportive Services
(8)	Applicants Experience
(9)	Certification of HTF Requirements
(10)	Readiness to Proceed



SCORING

(1) Geographic Diversity	Up to 15 pts
(2) Affordable Rent	15 pts
(3) Affordability Period for Rental Housing	10 pts
(4) Other Special Needs Housing	Up to 20 pts
(5) Development in High Opportunity Areas	Up to 10 pts
(6) Development Experience/Qualified Principal Member	Up to 10 pts
(7) Management Experience	Up to 10 pts
(8) Development Amenities	10 p t s
Total	100 pts



Reference: Handout
Program Bulletin #19-001

HTF APPLICATION

Kimberly Stamps/Lisa Coleman



APPLICATION SUBMISSION

MHC will start accepting applications after the workshop, beginning Oct 4th.

➡ **Application Submission**- Applications must be submitted through our on-line database and one (1) in hard copy form. Additional information cannot be submitted unless requested by MHC.

All applications must be submitted no later than December 4, 2019 by 4:00 pm: Late applications will not be ranked.
Mississippi Home Corporation, 735 Riverside Drive, Jackson, MS 39202.

➡ **Binders**-Applications must be submitted in a binder as outlined in the Table of Contents. Binders must be labeled.

➡ **Table of Contents**- All applications must include a table of contents all sections must be tabbed as per table of contents.

APPLICATION SUBMISSION



Application & Supporting Documentation- The application and supporting documentation must be included in the application package.

Applications with incomplete supporting documentation will not be considered for funding. Applicants will receive a letter of rejection and may re-submit during subsequent competitive processes.

All MHC forms and attachments must be submitted in its original format and include original signatures.

All documentation submitted with the application must be properly executed.



Forms required on organization letterhead- Affordability Statement; Special Needs Housing Commitment Certification and Long-Term Rental Assistance Commitment Certification.



QUESTIONS & DISCUSSION

CONTACT INFORMATION



Ben Mokry -601-718-4611/ben.mokry@mshc.com

Lisa Coleman -601-718-4657/lisa.coleman@mshc.com

Lillie Naylor -601-718-4658/lillie.Naylor@mshc.com

Kimberly Stamps-601-718-4638/kimberly.stamps@mshc.com

<https://www.mshomecorp.com/federal-programs/>



CONTACT INFORMATION



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