

# 2024 ANNUAL ACTION PLAN DRAFT



DELAWARE STATE HOUSING AUTHORITY

18 The Green, Dover, DE 19901 | 302-739-4263 | 888-363-8808 | [destatehousing.com](http://destatehousing.com)

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# Executive Summary

## AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

### 1. Introduction

The Annual Action Plan, prepared and implemented by the Delaware State Housing Authority (DSHA), is a planning document required by the U.S. Department of Housing and Urban Development (HUD). Using the goals and strategies set forth in the Five-Year Consolidated Plan for Housing and Community Development 2020-2024 (Consolidated Plan 2020 - 2024), this Action Plan is designed to explain how DSHA plans to distribute funding for FY2024 (July 1, 2024, to June 30, 2025).

The overall goal of community planning and development programs is to support the development of viable communities by providing decent housing and a suitable living environment for low- and moderate-income persons. DSHA strives to make these opportunities accessible and affordable to communities and individuals, and to ensure that desired project outcomes are sustainable and measurable. The plan serves four major functions:

- It is the State of Delaware's application for federal funds available through the five HUD formula grant programs that are administered by DSHA;
- It is the annual planning document, built through public input and participation, for the five HUD formula programs and other related programs;
- It lays out the funding resources expected, the method of distribution, and the actions DSHA will follow in administering the HUD programs; and
- It provides accountability to citizens for the use of the funds and allows HUD to measure program performance.

DSHA anticipates receiving approximately \$9,427,971 in formula funding for the five-community planning and development programs administered by HUD for FY2024. The five formula programs governed by this Action Plan are:

- Community Development Block Grant (CDBG): \$2,752,623
- Emergency Solutions Grants (ESG): \$263,071
- HOME Investment Partnerships Program (HOME): \$3,000,000
- Housing Opportunities for Persons with AIDS (HOPWA): \$412,182
- Housing Trust Fund (HTF): \$3,000,095

The Annual Action Plan primarily focuses on the State's non-entitlement jurisdictions. The non-entitlement jurisdictions are areas, primarily rural, which do not receive any direct allocations from HUD for the five formula programs mentioned above. Rather, the State administers these funds on their behalf.

In Delaware, one other participating jurisdiction, the City of Wilmington, receives HUD funding for CDBG, HOME, ESG and HOPWA. Also, New Castle County receives HUD funding for three programs, CDBG, HOME and ESG. Finally, the City of Dover receives HUD funding for CDBG only. Therefore, the funds allocated to these participating jurisdictions are not covered by this Plan. It should be noted, however, that because DSHA's own housing and community development programs are operated on a statewide basis, and some federal programs such as the HTF and Low-Income Housing Tax Credits (LIHTC) are also funded on a statewide basis, there may be some discussion regarding these jurisdictions within the Annual Action Plan.

## **2. Summarize the objectives and outcomes identified in the Plan**

The following general goals and strategies are derived from DSHA's strategic planning and public participation process and identified as most effective for addressing Delaware's most pressing housing and community development needs. These strategies serve DSHA as targets for each year's Action Plan and activities. Not all strategies apply to all areas of the State as local conditions and residents determine how best to address the housing and community development needs of each community.

The State sets forth corresponding priorities, as outlined below, to address priority housing needs:

- Preserve and expand Delaware's stock of affordable rental housing;
- Help Delaware families achieve and sustain homeownership by providing homebuyer assistance and rehabilitation assistance for existing homeowners;
- Reduce the family and community impact of foreclosure via prevention and recovery programs;
- Provide resources for local communities to address community development needs; and
- Assist in ending homelessness and ensure that those at risk of homelessness have access to affordable, integrated, supportive housing options, including permanent supportive housing.

Strategies are provided for a wide range of issues and challenges identified in the Action Plan, including housing preservation, homeownership, providing permanent supportive housing for those at risk of homelessness, addressing barriers to affordable housing development, addressing lead-based paint hazards, promoting fair housing, revitalizing neighborhoods and many more.

## **3. Evaluation of past performance**

Specific details about past performance by DSHA are available through the DSHA's Consolidated Annual Performance Evaluation Report (CAPER) that is submitted annually to HUD. The FY2022 CAPER was submitted to HUD in December 2023. DSHA's most recent CAPER performance table is included as Appendix G, showing performance for Year 3 of the State's current five-year Consolidated Plan. The full FY2022 CAPER is available on DSHA's website at:

<http://destatehousing.com/FormsAndInformation/capers.php>

#### **4. Summary of Citizen Participation Process and consultation process**

Citizen participation in the Consolidated Planning process helps DSHA set forth issues that need to be addressed to improve conditions for individuals, families, and the communities in which they live. DSHA is continually looking for methods to broaden the citizen participation process. DSHA encourages and maintains an open relationship with a number of agencies, and provides them the opportunity to submit data, ideas and comments throughout the planning process. This process of intergovernmental cooperation and coordination is on-going. DSHA has been an active participant in or host of numerous groups on a variety of housing issues and needs, all of which informed the development of this Annual Action Plan.

DSHA interacts with representatives from Delaware governments, social service agencies, nonprofits, for-profit developers, and other stakeholders. DSHA specifically consults with the Housing Alliance Delaware (HAD), the coordinating entity for Delaware's Continuum of Care (CoC), regarding the use of ESG funds, performance standards for ESG supported programs, and CMIS (Community Management Information System) needs.

On July 1, 2024, a notification of a 30-day public comment period and the availability of the draft FY2024 Annual Action Plan was advertised in newspapers throughout the state and through DSHA's email newsletter, *Highlights*. The draft Plan was also made available on DSHA's website at [www.destatehousing.com](http://www.destatehousing.com) and in county and State offices throughout the state. A public hearing was held on July 18, 2024, at 1:00PM. Public comments and responses are included in Appendix A.

#### **5. Summary of public comments**

DSHA has not currently received any comments regarding the 2024 Annual Action Plan.

#### **6. Summary of comments or views not accepted and the reasons for not accepting them**

All comments were accepted.

#### **7. Summary**

Utilizing federal, state and other funding, the DSHA will pursue goals, strategies and policy priorities for a wide range of issues and challenges identified in this Annual Action Plan. These include: preservation and expansion of Delaware's stock of affordable rental housing; helping Delaware families achieve and sustain homeownership; reducing the family and community impact of foreclosure; providing access to affordable, integrated, supportive housing options, including permanent supportive housing to those at risk of homelessness; addressing barriers to affordable housing development; addressing lead-based paint hazards; promoting fair housing; revitalizing neighborhoods and many more.

**PR-05 Lead & Responsible Agencies - 91.300(b)**

**1. Agency/entity responsible for preparing/administering the Consolidated Plan**

The following are the agencies/entities responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

<b>Agency Role</b>	<b>Name</b>	<b>Department/Agency</b>
CDBG Administrator	DELAWARE	Delaware State Housing Authority
HOPWA Administrator	DELAWARE	Delaware State Housing Authority
HOME Administrator	DELAWARE	Delaware State Housing Authority
ESG Administrator	DELAWARE	Delaware State Housing Authority
HTF Administrator	DELAWARE	Delaware State Housing Authority

**Table 1 – Responsible Agencies**

**Narrative**

All HUD Community Development funds described in this Annual Action Plan for the State of Delaware are administered by the Delaware State Housing Authority.

**Consolidated Plan Public Contact Information**

Alexander Modeas  
Delaware State Housing Authority  
18 The Green, Dover, DE 19901  
302-739-4263  
alexander.modeas@delaware.gov

## **AP-10 Consultation - 91.110, 91.300(b); 91.315(l)**

### **1. Introduction**

In developing the FY2024 Annual Action Plan, DSHA used its 2020 Citizen Participation Plan and existing practices of consultation and participation in assessing needs and continuously evaluating its administration of federal programs through statewide and county-level meetings, public hearings, conventional notices, and web availability.

#### **Provide a concise summary of the state's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies**

DSHA is an active member of and convener of initiatives to enhance coordination between housing providers and private and governmental health, mental health, and service agencies. DSHA is an active member of:

- Behavioral Health Planning & Advisory Council
- Housing Committee of the State Council for Persons with Disabilities/Governor's Commission
- Continuum of Care Governance Board and Committees
- Delaware Correctional Reentry Commission
- Fair Housing Task Force
- Statewide Community Development Network
- Family Services Cabinet Council
- African American Task Force
- Childhood Lead Poisoning Prevention Advisory Committee
- Sussex Housing Group

Through our partnership programs, DSHA is also in regular contact with partners in the Department of Health and Social Services, Division of Developmental Disabilities Services, Division of Substance Abuse and Mental Health, Division of Services for Aging and Adults with Physical Disabilities, Department of Services for Children, Youth and their Families, and numerous health advocates.

#### **Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness**

As a small state, Delaware is fortunate to have one statewide Continuum of Care. DSHA is an active partner with the State's Continuum of Care.

**Describe consultation with the Continuum(s) of Care that serves the State in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS**

DSHA consulted with the Continuum of Care as well as the other ESG-funded jurisdictions in Delaware in planning to allocate ESG funds, develop shared performance standards and outcomes, and develop funding for the administration of CMIS. All three ESG jurisdictions in Delaware support CMIS and require grantee participation in CMIS. DSHA staff participate on the Continuum of Care Board and numerous committees, including Centralized Intake, Funders Committee, System Performance Committee, Service Solutions Committee, and Policy/Advocacy Committee.

**2. Agencies, groups, organizations, and others who participated in the process and consultations**

1	<b>Agency/Group/Organization</b>	DE HUD Entitlement Jurisdictions
	<b>Agency/Group/Organization Type</b>	Housing Other government - County Other government - Local
	<b>What section of the Plan was addressed by Consultation?</b>	Housing Need Assessment Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	DSHA uses ongoing and periodic consultation with local and county housing and community development agencies to improve coordination and outcomes of our programs and services.
2	<b>Agency/Group/Organization</b>	Private Developers
	<b>Agency/Group/Organization Type</b>	Housing
	<b>What section of the Plan was addressed by Consultation?</b>	Housing Need Assessment Market Analysis
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	DSHA uses ongoing and periodic consultation with housing developers to improve coordination and outcomes of our programs and services.



3	<b>Agency/Group/Organization</b>	Delaware Continuum of Care
	<b>Agency/Group/Organization Type</b>	Continuum of Care
	<b>What section of the Plan was addressed by Consultation?</b>	Housing Need Assessment Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	A DSHA staff person participates on the CoC board every other month and multiple staff members participate with the CoC quarterly. In addition, DSHA staff participates in CoC provider meetings and with the system performance committee to increase data integrity and use of data to measure and track the performance of the Delaware CoC.
4	<b>Agency/Group/Organization</b>	Delaware Department of Health and Social Services
	<b>Agency/Group/Organization Type</b>	Services - Housing Services-Elderly Persons Services-Persons with Disabilities Publicly Funded Institution/System of Care Other government - State
	<b>What section of the Plan was addressed by Consultation?</b>	Housing Need Assessment Homeless Needs - Chronically homeless Homelessness Needs - Veterans Homelessness Strategy Non-Homeless Special Needs

<p><b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b></p>	<p>DSHA and DHSS staff meets regularly on a number of issues. DSHA staff has been involved with DHSS staff on the Money-Follows-the-Person Grant since the application and have met quarterly to facilitate moving people from institutions into the community. DHSS and DSHA meet with other State agencies to coordinate on offender reentry issues in an effort to reduce recidivism and homelessness. Finally, DSHA runs a state funded Rental Assistance program and has a HUD 811 grant in collaboration with DHSS and meets regularly to discuss issues related to serving populations in these programs.</p>
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**Table 2 – Agencies, groups, organizations who participated**

**Identify any Agency Types not consulted and provide rationale for not consulting**

None

**Other local/regional/state/federal planning efforts considered when preparing the Plan**

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	Housing Alliance Delaware	The Annual Action Plan's priority on outcomes, CMIS, services that are targeted to prevent and end homelessness, and permanent supportive housing are all in line with the Continuum of Care's priorities and CoC Action Plan.
Delaware Housing Needs Assessment	DSHA	The Needs Assessment provided extensive information that was considered in the development of this Annual Action Plan.
Strategies for State Policies and Spending	State of Delaware	The Strategies for State Policies and Spending identify areas of the State that will be targeted (and not targeted) for expansion of State infrastructure and services (such as roads, public transportation, etc.). DSHA's programs reflect these goals where appropriate (for example, in programs relating to the construction of new rental housing).
Analysis of Impediments to Fair Housing Choice	All Delaware HUD entitlement jurisdictions	Many of the recommendations from the Analysis of impediments (AI) have been incorporated in past Annual Action Plans as well as this Annual Action Plan, especially the recommendation to incentivize various activities in impacted vs. non- impacted areas or Areas of Opportunity.
Community and Choice report	Housing Subcommittee of the Governor's Commission on Community-based Alternatives	The Community and Choice Report assessed housing needs for people with disabilities in Delaware and made broad recommendations to improve housing options in support of the effort to prioritize community-based care in Delaware.
LIHTC Qualified Allocation Plan (QAP)	DSHA	The QAP, prepared by DSHA, is well aligned with the goals of the strategic plan to encourage the preservation and new creation of affordable rental housing.

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
National Housing Trust Fund Allocation Plan (NHTF)	DSHA	The NHTF Allocation Plan, prepared by DSHA, informs the goals of the strategic plan to encourage the preservation and new creation of affordable rental housing for very low-income households and permanent supportive housing.

**Table 3 - Other local / regional / federal planning efforts**

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**AP-12 Participation - 91.115, 91.300(c)**

**1. Summary of citizen participation process/Efforts made to broaden citizen participation  
Summarize citizen participation process and how it impacted goal-setting**

A virtual public meeting was held on Tuesday, November 14, 2023, at 10 AM for the purpose of providing any interested citizens the opportunity to comment on proposed changes to the Delaware CDBG Program Guidelines for FY2024. No comments were received.

The draft Annual Action Plan was made available for public comment from July 1 – July 30, 2024. It was posted, along with related documents, on DSHA’s website and hard copies were made available in at least one location in each county. The public comment period was advertised in two statewide newspapers and extensively publicized via DSHA’s Highlights email list. A public hearing was held on the draft Annual Action Plan on July 18, 2024, at 1:00 PM.

**Citizen Participation Outreach**

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of Comments received	Summary of comments not accepted and reasons	URL (If applicable)
1	Public Hearing	Non-targeted/broad community	A virtual public hearing was held on November 14, 2023, to discuss changes to Delaware CDBG Program guidelines.	None	None	
2	Newspaper Ad	Non-targeted/broad community	Notice of first the virtual public meeting	None	None	
3	Public Hearing	Non-targeted/broad community	A public hearing was held on July 18, 2024, to discuss the draft Annual Action Plan.	None	None	

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of Comments received	Summary of comments not accepted and reasons	URL (If applicable)
4	Newspaper Ad	Non-targeted/broad community	Notice of availability of draft Annual Action Plan was posted in the Delaware News Journal and Delaware State News on July 1, 2024.	None	None	
5	Internet Outreach	Non-targeted/broad community	Availability of draft plan and notices of public hearings was advertised in DSHA's Highlights e-newsletter.	None	None	
6	Internet Outreach	Non-English Speaking - Specify other language: Spanish	Spanish language notice of draft plan and notices of public hearing were distributed via email to Spanish language media and non-profits who serve Spanish speakers.	None	None	
7	Internet Outreach	Targeted/broad community	Availability of draft plan and notices of public hearings were distributed to an email list (approx. 340 names) of persons/groups/firms who expressed interest or attended past DSHA hearings/meetings	None	None	

**Table 4 – Citizen Participation Outreach**

## Expected Resources

### AP-15 Expected Resources – 91.320(c)(1,2)

#### Introduction

HUD CDBG, HOME, ESG, HTF and HOPWA funds are leveraged by other federal and state funds. In addition to administering the HUD programs, DSHA is also Delaware's allocating agency for the Low-Income Housing Tax Credit (LIHTC) program, which provides funding for the creation and preservation of affordable rental housing. The state's housing trust fund, the Housing Development Fund (HDF), supported by annual allocations from the Delaware General Assembly, is also administered by DSHA. Finally, DSHA is also the state's housing finance agency and makes available mortgage loans, down payment and settlement assistance, and the Delaware First Time Homebuyer Tax Credit, a mortgage credit certificate, to low- and moderate-income homebuyers.

#### Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 5				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	\$2,752,623	\$50,000	0	\$2,752,623	\$0	Funds will be used for admin and planning, housing, public improvements, and public services. Since this is the last year of the 2020-2024 Con Plan, the remainder available is \$0.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 5				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	\$3,000,000	\$600,000	0	\$3,600,000	\$0	Funds will be used for Homebuyer Assistance, Homebuyer rehab, multifamily rental new construction, multifamily rental rehab, acquisition costs related to construction, CHDO operating grants, TBRA and administration. Since this is the last year of the 2020-2024 Con Plan, the remainder available is \$0.



Program	Source of Funds	Uses of Funds	Expected Amount Available Year 5				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HOPWA	public - federal	Permanent housing in facilities Permanent housing placement Short term or transitional housing facilities STRMU Supportive services TBRA	\$412,182	0	0	\$412,182	\$0	Funds will be used for Tenant-based Rental Assistance (TBRA). Since this is the last year of the 2020-2024 Con Plan, the remainder available is \$0.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 5				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
ESG	public - federal	Conversion and rehab for transitional housing Financial Assistance Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services Transitional housing	\$263,071	0	0	\$263,071	\$0	Funds will be used for financial assistance, rental assistance, shelter operations, rapid re-housing, homeless prevention and services. Since this is the last year of the 2020-2024 Con Plan, the remainder available is \$0.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 5				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HTF	public - federal	Acquisition Admin and Planning Homebuyer assistance Multifamily rental new construction Multifamily rental rehab New construction for ownership	\$3,000,095	0	0	\$3,000,095	\$0	Funds will be used to develop new and preserve existing affordable rental housing for very low-income and extremely low-income households. Since this is the last year of the 2020-2024 Con Plan, the remainder available is \$0.
LIHTC	public - federal	Multifamily rental new construction Multifamily rental rehab	\$3,360,000	0	0	\$3,360,000	\$0	Since this is the last year of the 2020-2024 Con Plan, the remainder available is \$0.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 5				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
Other	public - federal	Rental Assistance	\$1,000,000	0	0	\$1,000,000	0	Delaware was a grantee in the Section 811 Project Rental Assistance Demonstration (PRA Demo) program to project-base rental assistance in multifamily developments with other federal, state, or local financing. Since this is the last year of the 2020-2024 Con Plan, the remainder available is \$0.
Other	public - state	Homebuyer assistance	\$350,000,000	0	0	\$350,000,000	0	Down payment and Settlement Assistance through Preferred plus; First Time Homebuyer Tax Credit; Mortgage Assistance. Since this is the last year of the 2020-2024 Con Plan, the remainder available is \$0.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 5				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
Other	public - state	Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership Rapid re-housing (rental assistance) Other	\$8,250,000	0	0	\$8,250,000	\$0	The Housing Development Fund, a state-funded housing trust fund, supports the development and rehabilitation of affordable rental housing, homeowner rehabilitation, development of affordable homeownership units, and homelessness prevention and rapid rehousing. Since this is the last year of the 2020-2024 Con Plan, the remainder available is \$0.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 5				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
Other	public - state	Other	\$1,750,000	0	0	\$1,750,000	\$0	Note: program is temporarily paused to work with HAF allocation. The Delaware Emergency Mortgage Assistance Program is supported by a mix of state, local and private funds. It offers loans and financial assistance to homeowners at risk of default who have the ability to resume payments. Since this is the last year of the 2020-2024 Con Plan, the remainder available is \$0.
Other	public - state	Rental Assistance	\$8,000,000	0	0	\$8,000,000	\$0	The State Rental Assistance Program (SRAP) provides rental assistance to special populations in need of subsidy and supportive services to live independently in the community. Since this is the last year of the 2020-2024 Con Plan, the remainder available is \$0.

Table 5 - Expected Resources – Priority Table

**Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how**

## **matching requirements will be satisfied**

### **Community Development Block Grant**

HUD requires a one-for-one match on CDBG funds used for State administration in excess of \$100,000. DSHA will spend the maximum allowable funds in State administration for FY2024 and will match the funds in excess of \$100,000 with DSHA funds. We do not anticipate using any program income for administration; therefore, it will not require a match.

The FY2024 Delaware CDBG Program Guidelines require subgrantees to match their CDBG administration funds one-for-one with local administration funds. Kent and Sussex Counties will match their administration allocations, with at least those amounts in local funds.

No infrastructure projects have been applied for or recommended for funding for FY2024.

### **HOME Program**

To the extent that contributions from other resources to a development assisted with HOME funds do not meet matching requirements, DSHA will provide the remainder of the required match from non-federal sources. Contributions that have or will be counted as satisfying a matching requirement of another federal program may not be used to satisfy the matching requirement for the HOME Program.

As required, DSHA will make match contributions to housing that qualifies as affordable housing under the HOME Program. Except where the match requirement has been reduced, DSHA will provide match funds totaling not less than 25% of the HOME funds drawn from the State of Delaware's HOME Investment Trust Fund Treasury account for the appropriate period. Funds drawn for administration and Community Housing Development Organization (CHDO) operating expenses are not required to be matched.

### **Emergency Solutions Grants and Housing Opportunities for Persons with Aids Programs**

The State of Delaware anticipates receiving approximately \$263,071 in ESG funds and in FY2024 subgrantees will be required to match funds awarded. Further, matching funds are not required under HOPWA regulations, either for administration or recipients.

**If appropriate, describe publicly owned land or property located within the jurisdiction that may be used to address the needs identified in the plan**

Not applicable.

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## Annual Goals and Objectives

### AP-20 Annual Goals and Objectives – 91.320(c)(3)&(e)

#### Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Homebuyer Assistance	2020	2024	Affordable Housing	Delaware Non-Entitlement Areas Delaware State	Homebuyer Assistance	Emergency Mortgage: \$1,300,000 HDF: \$1,237,500 Homebuyer assistance: \$350,000,000	Homeowner Housing Added: 75 Household Housing Unit Direct Financial Assistance to Homebuyers: 1,000 Households Assisted
2	Affordable rental housing	2020	2024	Affordable Housing	Delaware Non-Entitlement Areas Delaware State	Affordable Rental Housing	HOME: \$2,400,000 HTF: \$2,400,076 LIHTC: \$3,360,000 HDF: \$6,187,500	Rental units constructed: 112 Household Housing Unit Rental units rehabilitated: 118 Household Housing Unit
3	Homeowner Rehabilitation	2020	2024	Affordable Housing	Delaware Non-Entitlement Areas Delaware State	Homeowner Rehabilitation	CDBG: \$2,752,623 HOME: \$600,000 HDF: \$412,500	Homeowner Housing Rehabilitated: 114 Household Housing Units

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
4	Homeless Assistance	2020	2024	Homeless	Delaware Non-Entitlement Areas Delaware State	Homelessness	ESG: \$263,071 HDF: \$412,500	Tenant-based rental assistance / Rapid Rehousing: 106 Households Assisted Homeless Person Overnight Shelter: 975 Persons Assisted Homelessness Prevention: 79 Persons Assisted
5	Permanent Supportive Housing	2020	2024	Affordable Housing Non-Homeless Special Needs	Delaware Non-Entitlement Areas Delaware State	Supportive Housing	HOPWA: \$412,182 HTF: \$600,019 Rental assistance: \$1,000,000 SRAP: \$8,000,000	Tenant-based rental assistance / Rapid Rehousing: 250 Households Assisted
6	Foreclosure Prevention and Recovery	2020	2024	Affordable Housing	Delaware Non-Entitlement Areas	Foreclosure Prevention & Recovery	Emergency Mortgage: \$450,000	Other: 200 Other

**Table 6 – Goals Summary**

**Goal Descriptions**

1	<b>Goal Name</b>	Homebuyer Assistance
	<b>Goal Description</b>	Assist low and moderate-income homebuyers in Delaware to achieve homeownership.

2	<b>Goal Name</b>	Affordable rental housing
	<b>Goal Description</b>	Create and preserve affordable rental housing through new creation (construction, adaptive re-use or conversion of unrestricted properties) or rehabilitation
3	<b>Goal Name</b>	Homeowner Rehabilitation
	<b>Goal Description</b>	Assist homeowners with substantial and emergency repairs.
4	<b>Goal Name</b>	Homeless Assistance
	<b>Goal Description</b>	Provide support to the state's homeless assistance system, including CMIS and administration, support for emergency shelters, homelessness prevention, and rapid rehousing.
5	<b>Goal Name</b>	Permanent Supportive Housing
	<b>Goal Description</b>	Via HOPWA, Section 811, and State Rental Assistance Program (SRAP), provide project- and tenant-based permanent supportive housing
6	<b>Goal Name</b>	Foreclosure Prevention and Recovery
	<b>Goal Description</b>	Assist homeowners at risk of foreclosure with prevention counseling, financial assistance, and post-resolution counseling.

## AP-25 Allocation Priorities – 91.320(d)

### Introduction:

Allocation priorities are reflective of the needs identified in the most recent Needs Assessment, the availability and range of funding sources, and the parameters of each specific funding source.

### Funding Allocation Priorities

	Homebuyer Assistance (%)	Affordable rental housing (%)	Homeowner Rehabilitation (%)	Homeless Assistance (%)	Permanent Supportive Housing (%)	Foreclosure Prevention and Recovery (%)	Non-housing Community development (%)	COVID-19 response (%)	Total (%)
CDBG	0	0	100	0	0	0	0	0	100
HOME	0	80	20	0	0	0	0	0	100
HOPWA	0	0	0	0	100	0	0	0	100
ESG	0	0	0	100	0	0	0	0	100
HTF	0	80	0	0	20	0	0	0	100
LIHTC	0	100	0	0	0	0	0	0	100
Other Emergency Mortgage	0	0	0	0	0	100	0	0	100
Other HDF	15	75	5	5	0	0	0	0	100
Other Homebuyer assistance	100	0	0	0	0	0	0	0	100
Other Rental assistance	0	0	0	0	100	0	0	0	100
Other SRAP	0	0	0	0	100	0	0	0	100

Table 7 – Funding Allocation Priorities

**Reason for Allocation Priorities**

Not applicable.

**How will the proposed distribution of funds will address the priority needs and specific objectives described in the Consolidated Plan?**

HUD funds are being targeted to priority housing needs, including homeowner rehabilitation, affordable rental housing, and homelessness and rapid rehousing. These funds will be leveraged by other state and federal funds. Additionally, other state and federal funds will address foreclosure prevention, homebuyer assistance, and permanent supportive housing needs.

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## AP-30 Methods of Distribution – 91.320(d)&(k)

### Introduction:

### Distribution Methods

<b>1</b>	<b>State Program Name:</b>	CDBG
	<b>Funding Sources:</b>	CDBG
	<b>Describe the state program addressed by the Method of Distribution.</b>	<p>DSHA's Community Development Block Grant (CDBG) program distributes CDBG and some HOME funds to eligible units of local government for community development activities including homeowner rehabilitation, demolition, infrastructure, sewer and water hookups, and public services. HOME funds are limited to homeowner rehabilitation. DSHA has prepared a CDBG-CV Grant mini-application form for COVID-19 related public service activities.</p>
	<b>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</b>	<p>DSHA provides the Application Review Panel, which is composed of persons with appropriate background and experience, the applications to evaluate. The Review Panel uses a point system with a maximum total of 100 points that may be received by an application, and with maximum total points achievable in the following categories: low- and moderate- income benefit (provided by DSHA staff) – 25 points; management capacity (provided by DSHA staff) – 5 points; targeting areas of minority concentration – 5 points; severity of need – 15 points; holistic impact of activity – 15 points; cost reasonableness – 15 points; leveraging of other resources – 15 points; and suitability/feasibility of work plan – 5 points. Applicants meet with the Review Panel to present their proposed projects. The Review Panel then scores the applications and makes funding recommendations to DSHA's Director for final approval.</p>

<p><b>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</b></p>	<p>Potential applicants can access the Delaware CDBG Program Guidelines and Application Package on the DSHA website at: <a href="http://destatehousing.com/Landlords/dv_cdbg.php">http://destatehousing.com/Landlords/dv_cdbg.php</a></p>
<p><b>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)</b></p>	<p>N/A</p>
<p><b>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</b></p>	<p>N/A</p>

<p><b>Describe how resources will be allocated among funding categories.</b></p>	<p>The State has priorities and set-asides for CDBG funding. The three priority funding categories are: Maintenance of Existing Housing, Infrastructure, and Emergency Activities. In the spring of 2020, the State amended its FY2019 and FY 2020 CDBG Program Guidelines to add COVID-19 Relief Related Public Service Activities for Low/Mod Income and Limited Clientele Persons as a priority through amendment requests for those years, and for the various FY2020 CDBG-CV grant programs.</p> <p>The Maintenance of Existing Housing priority has a set-aside of 60-90% of CDBG funds available for allocation to project activities that include: public services, rehabilitation of substandard residential properties; housing code enforcement, demolition of substandard structures; construction or rehabilitation of emergency/transitional/permanent supportive housing; relocation assistance as required under the Uniform Relocation Act, Delaware Code, and 24 CFR 570; substantial reconstruction of housing; and provision of housing-related services in conjunction with activities noted above.</p> <p>The Infrastructure priority has a set-aside of 10-40% of CDBG funds available for allocation to project activities that include: infrastructure such as the installation or improvement of water systems, sewer systems, streets, storm drainage systems, sidewalks, and all related activities; architectural/engineering studies for infrastructure; preparation of grant applications to other grantor agencies; acquisition of land for new housing development; clearance and site preparation for new housing development; installation or improvement of infrastructure benefiting service areas of at least 51 percent low- and moderate-income persons; and planning studies.</p> <p>The Emergency Activities (water, sewer, housing rehabilitation and demolition), which have a particular urgency has a set-aside of 0-7% of CDBG funds available for allocation to activities, excluding administrative costs.</p>
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		The State may supplement the CDBG scattered sites housing rehabilitation allocations with HOME housing rehabilitation funding. This is done by funding part of applicants' scattered sites housing rehabilitation activity funding requests with HOME program funds. This allows the State to use CDBG funds that would have gone towards scattered sites rehab but were replaced by HOME funds, to fund other CDBG-eligible activities, such as infrastructure.
	<b>Describe threshold factors and grant size limits.</b>	Within a single application or fiscal year, an applicant may seek funding for activities which address more than one community development need, as long as the total does not exceed the maximum allocation of \$1,200,000. The CDBG funds requested, either by themselves or in combination with other funds, must be sufficient to complete the proposed activities. An allocation to one community exceeding \$600,000 would have to be extremely competitive.
	<b>What are the outcome measures expected as a result of the method of distribution?</b>	Homeowner rehab funds will allow low-income homeowners to maintain and remain in their homes. Across all the eligible activities considered by this method of distribution, outcome measures will be: <ul style="list-style-type: none"> <li>• Number of People Assisted</li> <li>• Number of Housing Units Assisted</li> </ul> Number of Units Demolished: 0
<b>2</b>	<b>State Program Name:</b>	Delaware Emergency Solutions Grants (ESG) Program
	<b>Funding Sources:</b>	ESG

<p><b>Describe the state program addressed by the Method of Distribution.</b></p>	<p>ESG Funds will be utilized to provide funding for activities that comprehensively address the needs of people who are homeless. The statewide centralized intake system works to ensure that people who are homeless are able to access emergency shelters, homeless prevention services and rapid rehousing services in Delaware. Shelters, homeless prevention providers and rapid rehousing providers are encouraged to develop a plan for each individual and/or family that helps households stabilize and become more self-sufficient.</p>
<p><b>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</b></p>	<p>ESG funds are distributed on a competitive basis and proposals are rated based on a weighted score of 100 points with the following criteria:  Project Description and Services Plan (25 points); Description and Demonstrated Need (15 points); Community Commitment and Coordination (10 points); Organizational Capacity and Delivery (20 points); Program Outcomes (15 points); Cost Effectiveness (15 points).</p> <p>Using these criteria, applications are reviewed and rated by a review panel comprised of professionals with knowledge and experience in homeless issues and grant management.</p>
<p><b>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</b></p>	<p>N/A</p>

<p><b>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)</b></p>	<p>Applicants must be located in Kent and Sussex Counties and may be local governmental entities, nonprofit agencies, or faith-based organizations that provide direct services to homeless persons or persons at risk of becoming homeless. The funds are made available each year through a “Notice of Funding Availability”, which is mailed to interested parties and published in prominent newspapers statewide as well as posted to our website and e-mailed through our Highlights newsletter. Eligible applicants are units of general local government and private nonprofit organizations located or serving in Kent and Sussex Counties. Assistance may also be provided to religious organizations if the religious organizations agree to provide all eligible activities under this program in a manner that is free from religious influences in accordance to 24 CFR Part 576.23.</p> <p>The review panel will evaluate and rate all proposals based on the criteria listed above. The panel forwards its recommendations and comments to the DSHA Director. Past contractual performance may also be considered for respondents that have previously received funding. Final funding decisions are made by the DSHA Director.</p>
<p><b>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</b></p>	<p>N/A</p>

<p><b>Describe how resources will be allocated among funding categories.</b></p>	<p>Delaware expects to receive approximately \$263,071 in ESG funding in FY2024. Funds for the estimated allocation may be used for the following activities: Emergency Shelter Activities, Homeless Prevention Activities, and Rapid Re-Housing Activities. Taking into consideration the quality and number of applications received, priority in awarding ESG funds shall be given first to applications requesting funding assistance for the reimbursement of operating costs to emergency shelters. Second priority shall be given to quality proposals requesting funding assistance for eligible rapid re-housing activities and third priority shall be given to quality proposals requesting funding assistance for eligible homeless prevention activities.</p>
<p><b>Describe threshold factors and grant size limits.</b></p>	<p>Applications will be reviewed to ensure that DSHA’s thresholds are met. These factors include a Non-Discrimination Policy, Environmental Review Requirements, Drug and Alcohol Free Facilities, Homeless Representation and Participation on the Board, Relocation and Displacement Policy, Conflict of Interest Policy, Lead-Based Paint Requirement, and Confidentiality Requirement. Grant size limits do not apply.</p>
<p><b>What are the outcome measures expected as a result of the method of distribution?</b></p>	<p>The expected outcome measures that will be achieved from FY24 DSHA’s method of distribution will assist qualified homeless providers to accommodate the homeless needs of Kent and Sussex counties, provide funding for rapid re-housing activities for permanent supportive housing and provide emergency rental and financial assistance funding for homeless prevention activities. All recipients must report unduplicated counts of the number of homeless individuals and families assisted in the Community Homeless Management Information System (CMIS). This will continue to be required as part of the application process.</p>
<p><b>3 State Program Name:</b></p>	<p>HOME Program</p>
<p><b>Funding Sources:</b></p>	<p>HOME</p>

<p><b>Describe the state program addressed by the Method of Distribution.</b></p>	<p>The distribution of annually allocated HOME Program funds will be directly administered by DSHA through the application, approval, draw, construction, and monitoring processes in place for the state's Housing Development Fund (HDF) and Low-Income Housing Tax Credit (LIHTC) programs. DSHA may also utilize HOME Program funding to provide direct down payment assistance to eligible low-income homebuyers.</p> <p>When sufficient HOME funds are available, subgrants may be made to Kent and Sussex Counties to allow HOME funds to be utilized for single- family homeowner rehabilitation through the state's CDBG application and approval process. The counties may, via contract, administer homeowner rehabilitation projects. Any in-house application not previously approved for funding and all other applications received for the HDF and LIHTC programs may be reviewed for funding under the HOME Program. HOME funds will also be made available to eligible non- profits that are designated as Community Housing Development Organizations (CHDOs) under the Delaware HOME Program.</p>
<p><b>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</b></p>	<p>Applications for HOME Program funds for multi-family developments shall be made through a competitive process including both threshold criteria as well as scoring categories following the application and approval process in place for the HDF (Housing Development Fund) and/or LIHTC (Low-Income Housing Tax Credit) programs. The priority of the HOME funds is: to provide persons at or below 60% of Area Median Income for affordable rental housing; to provide gap financing for affordable rental housing; to construct building that provide accessibility following Universal Design, Fair Housing, ADA and Section 504 requirements; and to develop projects that emphasizes high energy efficiency and sustainability as well as the long-term feasibility of the proposed rental project.</p>

<p><b>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</b></p>	<p>All materials are on DSHA's website at <a href="http://www.destatehousing.com">www.destatehousing.com</a></p>
<p><b>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)</b></p>	<p>N/A</p>
<p><b>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</b></p>	<p>N/A</p>
<p><b>Describe how resources will be allocated among funding categories.</b></p>	<p>Funding categories for the HOME program will follow DSHA's QAP and/or the HDF application process. This includes funding for New Construction, Acquisition/Rehabilitation, Rental and Homeownership. Upon application submission and if projects pass the required thresholds, they will be scored and ranked. In FY2024, it is anticipated that \$3,000,000 will be allocated to the State of Delaware, of which fifteen percent is reserved for use by CHDOs for furthering affordable housing. CHDO operating expenses up to the maximum allowable under the HUD regulations may also be considered for funding under the HOME program. Ten percent of Delaware's HOME allocation, including program income may be used for administrative costs.</p>

<p><b>Describe threshold factors and grant size limits.</b></p>	<p>N/A</p>
<p><b>What are the outcome measures expected as a result of the method of distribution?</b></p>	<p>HOME funding, combined with the LIHTC Program or the HDF Program, will create additional rental housing units throughout the state. HOME funds, when used in conjunction with the HDF or LIHTC programs, will serve low-income households at or below 60% of the Area Median Income and the resulting units will remain affordable to low-income persons for at least 20 years.</p>
<p><b>4 State Program Name:</b></p>	<p>HOPWA</p>
<p><b>Funding Sources:</b></p>	<p>HOPWA</p>
<p><b>Describe the state program addressed by the Method of Distribution.</b></p>	<p>Through DSHA, HOPWA funds will be utilized to provide rental assistance to low-income people living with HIV/AIDS and their families in Kent and Sussex Counties, through a rental assistance voucher program in accordance with 24 CFR 574.300(a) &amp; (b). The goal of this program is to address the extensive HIV/AIDS housing gap by providing long-term housing opportunities, while using those supportive services already funded by the Ryan White CARE Act, Part B which include but are not limited to: medical case management, medical care and medications, dental and eye care, transportation, food services, and counseling.</p>

<p><b>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</b></p>	<p>Delaware HIV Consortium Inc., as the project sponsor, will receive referrals to the program by community-based HIV/AIDS case managers.</p>
<p><b>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</b></p>	<p>N/A</p>
<p><b>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)</b></p>	<p>N/A</p>
<p><b>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</b></p>	<p>DSHA has elected to select Delaware HIV Consortium (DHC) as the project sponsor without undertaking a competitive bid process in accordance with Title 24 CFR 574.3. DSHA will therefore, award its funding under the HOPWA grant to the Delaware HIV Consortium, the only statewide nonprofit agency that provides a tenant-based rental assistance program in Kent and Sussex Counties.</p>



<p><b>Describe how resources will be allocated among funding categories.</b></p>	<p>The State of Delaware anticipates receiving \$412,182 in HOPWA formula funds. Delaware HIV Consortium (DHC), as the project sponsor, will receive referrals to the program by community-based HIV/AIDS case managers. Categories available for funding include Tenant-Based Rental Assistance, Permanent Housing Placement, Short-Term Housing Assistance, Emergency Housing, Supportive Services and Project Sponsor Administration Costs. DSHA allocates a majority of funding towards the Tenant-Based Rental Assistance category</p>
<p><b>Describe threshold factors and grant size limits.</b></p>	<p>Delaware HIV Consortium Inc., as the project sponsor, will provide a written application to DSHA to ensure that DSHA's HOPWA thresholds are met. These factors include a Non-Discrimination Policy, Drug and Alcohol Free Facilities, Conflict of Interest Policy, Lead-Based Paint Requirements, and Confidentiality requirement. Grant size limits do not apply.</p>
<p><b>What are the outcome measures expected as a result of the method of distribution?</b></p>	<p>Delaware HIV Consortium Inc. operates Delaware's largest HOPWA- funded program and is currently operating a tenant-based rental assistance program in Kent and Sussex Counties. DHC provides rental assistance to low-income people and their families through a rental assistance voucher program in accordance with 24 CFR 574.300(a) &amp; (b). The goal of this program is to address the extensive HIV/AIDS housing gap by providing long-term housing opportunities, while utilizing those supportive services already funded by the Ryan White CARE Act, Part B which include but are not limited to, medical case management, medical care and medications, dental and eye care, transportation, food services, and counseling. DHC anticipates assisting 45 families with Tenant-Based Rental Assistance in FY2024.</p>
<p><b>5 State Program Name:</b></p>	<p>National Housing Trust Fund</p>
<p><b>Funding Sources:</b></p>	<p>HTF</p>

<p><b>Describe the state program addressed by the Method of Distribution.</b></p>	<p>Funds will be awarded to locally-driven projects that address the criteria outlined in the allocation plan, as well as the priority housing needs as identified in Delaware’s Consolidated Plan. Distribution will be made consistent with DSHA’s other affordable housing programs, including Community Development Block Grant (CDBG) program, State Housing Development Fund (HDF), HOME Investment Partnership Program (HOME), and the Low Income Housing Tax Credit (LIHTC) program. The distribution of annually allocated NHTF funds will be directly administered by DSHA through the application, approval, draw, construction, and monitoring processes in place for the State’s HDF and LIHTC programs, as specified in the NHTF Allocation Plan in Appendix I.</p>
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<p><b>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</b></p>	<p>Eligibility to apply for NHTF will be no more restrictive than required by NHTF regulations. Eligible applicants/recipients of NHTF funds may include nonprofit and for-profit developers and public housing agencies.</p> <p>Applicants will be assessed on experience and capacity and any other criteria as applied by DSHA, which may include the following:</p> <ul style="list-style-type: none"> <li>• Applicants must make acceptable assurances to DSHA that they will comply with the requirements of the NHTF program during the entire period that begins upon selection of the applicant to receive NHTF funds and ending upon the conclusion of all NHTF-funded activities.</li> <li>• Applicants must demonstrate their ability and financial capacity to undertake, comply, and manage the eligible activity.</li> <li>• Applicants must demonstrate their familiarity with the requirements of other federal, state, or local housing programs that may be used in conjunction with NHTF funds to ensure compliance with all applicable requirements and regulations of such programs.</li> <li>• Applicants must demonstrate their experience and capacity to conduct an eligible NHTF activity as evidenced by the ability to own, construct or rehabilitate, and manage and operate affordable multifamily rental housing development.</li> <li>• Applicants must demonstrate their ability to enter a commitment for NHTF funds and undertake eligible activities in a timely manner.</li> </ul> <p><b>Priorities</b></p> <p>Applicants will be assessed on the merits of the application meeting the priority housing needs established by the State.</p> <p>Any proposed use of NHTF to further affordable housing activities for the economically disadvantaged and special population groups must be consistent with Delaware’s Consolidated Plan.</p>
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	<p>As noted in the Consolidated Plan for 2020-2024, section SP-25 Priority Needs, affordable rental housing is Delaware’s first priority need. The Delaware Housing Needs Assessment and HUD data identify a critical need to develop new affordable rental housing, preserve existing affordable rental housing, and extend affordability restrictions. The Delaware Housing Needs Assessment identified affordable rental housing as a critical need for Extremely Low and Low-Income populations throughout the state. Section SP-25 Priority Needs of the Consolidated Plan also cites Permanent Supportive Housing as a high priority need in Delaware. Additional Supportive Housing is needed for persons with Disabilities, Persons with Alcohol or Other Addictions, and Persons with HIV/AIDS and their families.</p> <p>DSHA has also identified geographic areas for targeting different types of housing investments. As the NHTF will be used for rental housing, these maps as they apply to rental housing will apply to the NHTF. The new construction and rehabilitation of affordable rental housing is incentivized in Areas of Opportunity, neutral in Stable areas, and further concentration of subsidized rental housing is not encouraged in distressed areas.</p>
<p><b>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</b></p>	<p>n/a</p>
<p><b>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)</b></p>	<p>n/a</p>

<p><b>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</b></p>	<p>n/a</p>
<p><b>Describe how resources will be allocated among funding categories.</b></p>	<ol style="list-style-type: none"> <li>1. DSHA will reserve a minimum of 20% of Delaware’s 2024 NHTF allocation of \$3,000,095 for permanent supportive housing projects for chronically homeless persons with disabilities. Funding will be awarded through a request for proposal (RFP) process. If there are insufficient applicants or applicants that do not meet DSHA’s underwriting standards, DSHA NHTF funds will be directed to other NHTF eligible multifamily projects to create additional extremely low-income households. For 2024, the permanent supportive housing set-aside amount will be \$600,019.</li> <li>2. DSHA will allocate the remainder of its 2024 NHTF funds to affordable rental, multi-family projects in coordination with the HDF and LIHTC programs. HDF and NHTF may be awarded to permanent housing for special populations. For 2024, the amount available to multi-family projects will be \$2,400,076. If DSHA receives no applications for permanent supportive housing, DSHA will allocate all HTF funds to multi-family projects with units for extremely low-income households. If no applications are received for preservation without subsidy, DSHA may allocate all HTF funds to subsidized preservation projects.</li> </ol>

<p><b>Describe threshold factors and grant size limits.</b></p>	<p>The maximum per-unit subsidy limits for NHTF will be set at the Section 234 Basic Mortgage Limits established by HUD and also utilized under the HOME Program.</p> <p>Effective 01/01/2024, the following limits apply:</p> <p>0 Bedroom - \$181,488  1 Bedroom - \$208,049  2 Bedroom - \$252,994  3 Bedroom - \$327,293  4 Bedroom - \$359,263</p>
<p><b>What are the outcome measures expected as a result of the method of distribution?</b></p>	<p>This method of distribution will support Delaware’s Consolidated Plan goals to create additional affordable housing units. It is estimated that NHTF funds will assist approximately 1-2 supportive housing projects (approximately 10 units); approximately 1-2 LIHTC or HDF multifamily projects (approximately 20 units).</p>

**Table 8 - Distribution Methods by State Program**

## AP-35 Projects – (Optional)

Introduction:

#	Project Name

Table 9 – Project Information

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

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**AP-38 Project Summary**  
**Project Summary Information**

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**AP-40 Section 108 Loan Guarantee – 91.320(k)(1)(ii)**

**Will the state help non-entitlement units of general local government to apply for Section 108 loan funds?**

No

**Available Grant Amounts**

The state does not intend to apply for Section 108 loan funds.

**Acceptance process of applications**

Not applicable.

**AP-45 Community Revitalization Strategies – 91.320(k)(1)(ii)**

**Will the state allow units of general local government to carry out community revitalization strategies?**

No

**State’s Process and Criteria for approving local government revitalization strategies**

The State does not intend to allow units of general local government to carry out community revitalization strategies using guaranteed loan funds as described in 24 CFR part 570, subpart L.

## AP-50 Geographic Distribution – 91.320(f)

### Description of the geographic areas of the state (including areas of low-income and minority concentration) where assistance will be directed

In 2016, DSHA updated their Balanced Housing Opportunity maps using Market Valuation Analysis data from the *Delaware Housing Needs Assessment 2015 – 2020*, and new data from HUD identifying Racially/Ethnically Concentrated Areas of Poverty (R/ECAPS) and indicators of strong school proficiency. DSHA used these interactive maps to better understand the neighborhoods in Delaware and identify appropriate strategies to ensure equitable development.

- **Areas of Opportunity** are strong, high value markets, and offer economic opportunity, high performing schools, and supportive infrastructure. However, these same areas contain little or no affordable housing. New construction and preservation of affordable housing are prioritized and encouraged in these areas.
- **Stable Areas** are middle market areas where a balance of market-rate and subsidized housing is supported.
- **Distressed Areas** are highly distressed neighborhoods suffering from blight and concentrated poverty where strategies focus on stabilizing neighborhoods through increased homeownership, investment in existing homes and commercial areas, and people-based intervention strategies.

The current map, updated in 2019, is found on DSHA’s website at:  
<http://www.destatehousing.com/FormsAndInformation/datastats.php>.

Working with other jurisdictions, DSHA contracted with Reinvestment Fund to update the Market Valuation Analysis and updated the Balanced Housing Opportunity maps. An update to the overall housing needs for the State of Delaware was conducted in 2023 to provide current data on housing costs, affordability, and projected housing needs.

### Geographic Distribution

Target Area	Percentage of Funds
Delaware Non-Entitlement Areas	100
Delaware State	100

Table 10 - Geographic Distribution

### Rationale for the priorities for allocating investments geographically

100% of CDBG, ESG, and HOPWA will be used in non-entitlement areas. 100% of HOME funds will be used state-wide but primarily in non-entitlement areas. 100% of our federal and state reserves described in this plan will be used state-wide. 100% of HTF will be used state-wide.

Low Income Housing Tax Credit strongly incentivizes applications creating or preserving affordable

rental housing in Areas of Opportunity with up to 15 points awarded in the 2024 QAP.

HOME funds are used to fund gaps in LIHTC projects and thereby allocated to support the geographic objectives of LIHTC program.

State Housing Development Fund (HDF) – While it supports projects and activities state-wide, the HDF does allocate funds geographically as follows:

- Like HOME, HDF is used to fund gaps in LIHTC projects when necessary and thereby allocated to support the geographic objectives of the LIHTC program.
- HDF Homeownership Production Program prioritizes homeownership in Distressed Areas. Also, the amount of funding available per unit located in Distressed Areas is increased from \$35,000 to \$50,000.
- HDF Loans (non-LIHTC) ranks applications according to criteria. Rental applications located in Areas of Opportunity receive priority consideration.

Voucher Payment Standards have been increased in ZIP codes across Delaware that contain mostly Areas of Opportunity to help families with vouchers find housing in areas where there is less rental housing, but often higher rents. This applies to DSHA's Housing Choice Voucher program (HCV), Family Unification (FU) program, and State Rental Assistance Program (SRAP).

## Affordable Housing

### AP-55 Affordable Housing – 24 CFR 91.320(g)

#### Introduction:

<b>One Year Goals for the Number of Households to be Supported</b>	
Homeless	0
Non-Homeless	594
Special-Needs	0
Total	594

**Table 11 - One Year Goals for Affordable Housing by Support Requirement**

<b>One Year Goals for the Number of Households Supported Through</b>	
Rental Assistance	250
The Production of New Units	112
Rehab of Existing Units	232
Acquisition of Existing Units	0
Total	594

**Table 12 - One Year Goals for Affordable Housing by Support Type**

## **AP-60 Public Housing - 24 CFR 91.320(j)**

### **Introduction:**

As the public housing authority for Kent and Sussex Counties (excluding the City of Dover), DSHA owns and manages 290 units of public housing and 206 Rental Assistance Demonstration (RAD) LIHTC units at ten sites and administers 917 Housing Choice Vouchers (HCV) and 875 rental assistance vouchers through the State Rental Assistance Program (SRAP). A five-year physical needs assessment of the public housing sites and plans for capital expenditures are included in DSHA's annual Moving to Work (MTW) Action Plan. DSHA has a goal of converting 54 public housing sites to RAD by 2026. Improvements and major maintenance are planned on a five-year basis, developed by considering the physical needs assessment, high-priority needs, and need for efficiency and cost-effectiveness, as well as input from residents and the public.

Cutbacks in public housing operating funds continue to be a major challenge for PHAs in Delaware, including DSHA. MTW status has allowed DSHA to use funds from Housing Choice Voucher Program Reserves to invest in capital improvement projects at its public housing sites such as replacement of heating and addition of air-conditioning systems. Both the MTW Annual Plan and Annual Reports are available on DSHA's website.

### **Actions planned during the next year to address the needs to public housing**

Public housing continues to be eligible for the Delaware LIHTC program, and the LIHTC and Housing Development Fund have provided financing for the redevelopment of several public housing sites in recent years in Wilmington and Newark.

#### **DSHA Rental Assistance Demonstration (RAD) Project**

DSHA is in the process of converting all the authority's Public Housing developments to the Rental Assistance Demonstration (RAD) Program over the next five (5) years. Liberty Court was the first property converted to RAD in 2017 and was demolished and rebuilt. Construction activities ended in December 2018 and is now leased using project-based vouchers. DSHA also converted McLane Gardens, Peach Circle and Holly Square to RAD in August 2020, and renovation work is anticipated to be completed in approximately 18-19 months. Additional conversions to the RAD program in the next four years includes: Mifflin Meadows (2021-22), Clarks Corner & Laverty Lane (2022-23), Burton Village (2023-24 and Hickory Tree (2024-25). The current goal is to convert 54 public housing units to RAD by 2026.

### **Actions to encourage public housing residents to become more involved in management and participate in homeownership**

As a Moving to Work (MTW) agency, DSHA conducts an annual planning and reporting process on the

program and its outcomes. This process includes citizen participation, including public hearings, which are held at DSHA public housing sites, and release of draft plans and reports for public comment. DSHA actively seeks out resident participation in these processes, in day-to-day issues at its sites, and in the planning and delivery of community programs.

Case management to assist households to move to unassisted housing is a central part of DSHA's MTW program. This includes assessment of homeownership opportunities and referral to homeownership counseling when appropriate and when the household has identified homeownership as a goal.

Additionally, DSHA establishes escrow accounts for MTW households who are increasing their income by increased employment or education. As a household's tenant rent contribution increases, the difference is put into an escrow account and the household can access these savings when they exit the program. Since its inception in 1999, three hundred and fourteen (314) Delaware MTW households have purchased homes and 718 have either begun paying the full rent at their current unit or moved to another unit and paid the full rent. DSHA has awarded 160 educational scholarships to MTW participants.

**If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance**

Not applicable.

## **AP-65 Homeless and Other Special Needs Activities – 91.320(h)**

### **Introduction**

Annually, DSHA assists in funding the Housing Alliance Delaware (HAD), formerly the Homeless Planning Council of Delaware for its support of the CoC, HUD required CoC activities, and Delaware Community Management Information System (DE-CMIS – Delaware’s HMIS) administration. The Homeless Planning Council (HPC) has coordinated HUD applications for homeless funding for several years and in 2017 merged with another local housing agency to form Housing Alliance Delaware (HAD). This newly formed agency continues to be the lead applicant for the DE Continuum of Care (CoC), and lead agency for the CoC’s HMIS and coordinated entry systems.

In 2015, the Delaware CoC was established, encompassing stakeholders from throughout Delaware. This group, which is required by HUD for communities that receive HUD Continuum of Care funding, has a memorandum of agreement with Housing Alliance Delaware to:

- Manage the Homeless Management Information System,
- Manage the statewide coordinated entry system, and
- Coordinate the Delaware application for Continuum of Care Funding, including providing leadership on various activities required by HUD such as mandated policies and the Point-in-Time Count.

Delaware’s ESG jurisdictions have worked together and with the HAD to identify common goals, to:

- Reduce the length of time that persons are homeless Baseline: Average Length of time in emergency shelters or transitional housing for people **Benchmark:** 50 days or less
- Reduce the returns to homelessness after permanently housed Baseline after 1 year of being permanently housed: Singles in Shelter – 11%; Singles in Transitional Housing – 44%; Families in Shelter – 19%; Families in Transitional Housing – 0% **Benchmark:** No more than 10% return to homelessness within 2 years after permanently housed with rapid re-housing assistance
- Decrease the number of persons homeless Baseline: 128 families in FY2012 **Benchmarks** for Families: 100 homeless families in FY2023.

### **Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including**

#### **Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs**

Continuum of Care and other homeless service providers work closely with community agencies that encounter unsheltered homeless persons. Most service providers coordinate with our Coordinated Assessment managed by HAD. People who are homeless can call HAD, visit a state service center or call



211 to be connected to Coordinated Assessment where their shelter needs will be assessed, and they will be referred to a site that has available space and best meets their needs. Through coordinated assessment people are referred to shelter beds, rapid rehousing, and permanent supportive housing.

Additionally, Delaware's network of Code Purple shelters has grown substantially in the past few years and awareness of Code Purple has grown significantly. Code Purple shelters often encounter persons who would otherwise be unsheltered. These shelters are purposefully low-barrier/low-demand and providers seek to build relationships with those seeking shelter in order to make referrals and connections to other services. Several street outreach programs and day centers also operate in Delaware, specifically targeting unsheltered persons.

### **Addressing the emergency shelter and transitional housing needs of homeless persons**

Delaware's network of emergency shelters and transitional housing almost universally participates in the state's Community Management Information system (CMIS). The state's CoC also launched a coordinated assessment system in 2014 and makes ongoing improvements to this system to optimize efficiency, outcomes, and quality of care for consumers.

Delaware's homeless system, providers and funders have focused on building a greater inventory of permanent housing resources – permanent supportive housing and rapid rehousing. In an effort to use shelter beds more effectively, Delaware has developed scattered-site permanent supportive housing, tenant-based rental assistance for special populations, and prevention and rapid re-housing activities. Needs analysis suggest that Delaware has a sufficient stock of emergency shelter and transitional housing beds if people are able to move through shelters and into permanent housing in a short period of time. However, the lack of affordable housing and housing subsidies makes moving quickly through the shelter system impossible for many households. Until beds and subsidy can be expanded additional shelter beds are being created in Kent and Sussex Counties by those involved with Code Purple and other grass roots organizations. DSHA plans to continue to fund rapid rehousing programs using ESG and has expanded its state funding for rapid rehousing. DSHA is also working to create more affordable housing for extremely low-income households with high barriers to housing, using National Housing Trust Fund money along with HOME and our state Housing Development Fund (HDF). The HDF also is available to Emergency Shelter non-profits interested in building new shelters, acquiring and renovating properties to serve the homeless, or rehabilitating existing emergency shelters.

In addition to shelter-based programs, there are a significant number of non-shelter service providers that target their services to homeless persons or families. These non-shelter services include day centers, substance use treatment and counseling, mental health counseling, HIV/AIDS testing and treatment, food and clothing, case management, job training and placement, and medical care.

At the start of the COVID-19 pandemic, Delaware invested in expanded street outreach and significant expansion of non-congregate shelter for homeless households in hotels and motels. DSHA, along with the other HUD-funded jurisdictions in Delaware, was able to support this with CDBG-CV funding. In late

2020, New Castle County purchased and reopened as a shelter a large hotel in the county, now serving hundreds of individuals.

**Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again**

DSHA staff participate on the CoC, the CoC board, and chair the Systems Performance committee that monitors performance and sets performance targets. DSHA plans to work with the CoC and other providers and funders in the upcoming year to foster systems improvements that will allow Delaware to see a reduction in the period of time that individuals and families experience homelessness; create access to affordable housing units; and stabilize people so that they do not become homeless again.

In 2018, Delaware launched the new Home4Good funding program making available \$1.2 million in funding for homelessness activities and services. This is funded by a three-year commitment from the FHLBank Pittsburgh and leveraged by state Housing Development Fund (HDF) funding. Home4Good funding is targeted to homelessness prevention, rapid rehousing, diversion, and innovative new projects to build capacity. DSHA and the FHLBank worked together and with the CoC to structure these funding priorities around the priority activities in the Delaware CoC Action Plan to End Homelessness. During the pandemic, Home4Good funding was directed to emergency rental assistance before federal resources for this were announced, and existing grant agreements extended. Home4Good continues and while the funding amount has been reduced (it was originally a 3-year commitment), it will continue to support programs addressing homelessness. In FY2024, \$1.45 million will be available through the Home4Good grant program.

In addition to our involvement in the Continuum of Care and financial support of the CoC lead agency to carry out CoC support and planning, DSHA funding will specifically be available for or directly support through DSHA-operated programs:

- Rapid rehousing (ESG and Home4Good)
- Homelessness prevention and diversion (Home4Good)
- Capacity-building and new programs in the CoC (for example, legal services and associated prevention funding) (Home4Good)
- Tenant-based rental assistance for special populations, including people experiencing chronic homelessness, people with disabilities, youth exiting foster care, and family reunification (State Rental Assistance Program, VASH, Family Unification Program, Section 811 Mainstream Vouchers, Section 811 PRA Demo and LIHTC Set-Aside Units)
- Development and rehabilitation of emergency shelters, permanent supportive housing and

- transitional housing facilities (Housing Development Fund, Housing Trust Fund - PSH only)
- Emergency Rental Assistance (ERA) funding for households experiencing homelessness, with supportive services provided by the rapid rehousing agencies.

**Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs**

The Delaware State Rental Assistance Program (SRAP) is designed to serve low-income households who are eligible to receive continuing supportive services and who require affordable housing to live independently in the community. SRAP was first launched in 2011, and features rental subsidies administered by the Delaware State Housing Authority (DSHA) for populations referred by other agencies through agreements with DSHA. Once a household is housed through SRAP, case managers from DHSS, DSCYF, or an approved service provider continue to ensure that households have access to supportive services, as needed. For more on the SRAP program, please see AP-85 Other Actions.

DSHA is closely involved with the Delaware Correctional Reentry Commission, and co-chairs its Housing Subcommittee. With this subcommittee, DSHA and other agencies (Department of Corrections, Department of Health and Social Services, Housing Alliance Delaware, the Delaware Public Housing Authorities, and others) are working to improve policies and expand housing assistance capacity to improve housing outcomes for reentrants.

DSHA is also administering federal Emergency Rental Assistance (ERA) funding in Delaware and has invested in significant expansion of legal services for eviction prevention as well as Housing Stability Services targeted to help the most vulnerable households and those with other barriers to access ERA assistance. Through a network of 15 community partners throughout the state, households can get assistance submitting applications and with housing navigation and other needs. Delaware's ERA program has disbursed over \$70 million in emergency rental and utility assistance which has had a dramatic impact on reducing evictions in the state.

**AP-70 HOPWA Goals – 91.320(k)(4)**

<b>One-year goals for the number of households to be provided housing through the use of HOPWA for:</b>	
Short-term rent, mortgage, and utility assistance to prevent homelessness of the individual or family	0
Tenant-based rental assistance	45
Units provided in permanent housing facilities developed, leased, or operated with HOPWA funds	0
Units provided in transitional short-term housing facilities developed, leased, or operated with HOPWA funds	0
<b>Total</b>	<b>45</b>

## AP-75 Barriers to affordable housing – 91.320(i)

### Introduction:

**Strategy to Remove or Ameliorate the Barriers to Affordable Housing** (*Barriers to affordable housing*. The consolidated plan must describe the state's strategy to remove or ameliorate negative effects of its policies that serve as barriers to affordable housing, as identified in accordance with § 91.310.)

**Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment**

The *2020 Statewide Analysis of Impediments to Fair Housing Choice* (AI) includes following strategies for DSHA, Consortium partners, sub-grantees, and the Fair Housing Task Force. Over the next year, DSHA will focus on addressing impediments identified specifically for DSHA and actively participate in the Fair Housing Task Force.

### DSHA

- Develop project-based rental assistance to create new permanent supporting housing through LIHTC and other programs.
- Adopt preferences for persons with disabilities, at risk of institutionalization or recently left institutions, in Administrative Plans for housing authorities with no such preferences.
- Continue to increase supply of accessible units by incentivizing the inclusion of additional accessible units in LIHTC developments.

### DSHA, Consortium partners and/or Subgrantees - **Strategies with ‘\*’ extend to DSHA-subgrantees.**

- Prioritize CDBG and HOME funding and LIHTC tax credits for family developments in high-opportunity areas; further incentivize LIHTC family development in high-opportunity areas; Regularly review and report on performance.
- Develop inclusionary zoning (IZ) and/or housing trust funds programs in Kent County and cities of Wilmington, Newark, and Dover. Improve existing IZ and/or housing trust funds in New Castle and Sussex Counties to increase affordable family units in high-opportunity areas. \*
- Continue to extend affordability restrictions for properties with expiring subsidies through loan extensions, workouts, and buy-downs.
- Pilot “Right to Counsel” program for tenants facing eviction. This program can expand on eviction defense and appeals efforts recently launched through DSHA’s and FHLBank Pittsburgh’s Home4Good program.
- For municipalities with crime-free housing and nuisance ordinances, advocate for removal. \*
- Require all rental and homeownership applications be available in Spanish and that paper copies

are available for those without computer access. \*

- Ensure housing authorities have culturally competent translators available to their customers.
- Cap rental application fees and eliminate fees for voucher holders in accordance with best practices.
- Encourage landlords to follow HUD’s guidance on using criminal backgrounds to screen tenants.
- Encourage inclusive credit screening practices that do not rely on FICO scores.
- Study and make recommendations to improve Sussex County’s public transportation so members of protected classes can access jobs. Review public transportation in New Castle and Kent Counties to ensure access to job centers. \*
- Address racial disparities in water and sewer hookups, water quality, and utility costs in Sussex County by targeting CDBG funding for infrastructure to unincorporated communities of color where possible and with community support. \*
- Enact policies for periodic reviews of residency and other preferences for fair housing impacts.
- Explore selective use of payment standards based on Small Area Fair Market Rents, to expand housing choice specifically in zip codes of opportunity.
- Ensure written and oral briefing content for voucher holders address moves to opportunity.
- Explore creation of mobility counseling program to support moves to opportunity.
- Regularly encourage landlord/developers participate in voucher programs; use landlord listing service, DEHS.org, to increase units – particularly in high-opportunity areas.
- Develop model Affirmative Fair Housing Marketing Plan and expand affirmative marketing, including to Hispanic communities.

Fair Housing Task Force (FHTF) ***DSHA is an active member of FHTF.***

- Advocate for repeal of SB 400, requiring DSHA to notify state senators and representatives of tax credit, loan, or grant awards for affordable housing in their district.
- Improve protections for manufactured homeowners in leased land communities, including support to facilitate conversion of parks to cooperative or nonprofit ownership.
- Advocate change to Delaware Code to permit tenants to appeal decisions from Justice of the Peace Court to Superior Court.
- Establish minimum non-payment of rent threshold for evictions of \$100 and adopt a rule allowing tenant to cure by paying full amount owed up to and including date of trial.
- Revise state housing code and encourage jurisdictions to change definition of family to not have a numerical limit on number of unrelated persons who can live together in a unit.
- Expand Delaware Fair Housing Act’s Source of Income protections to include voucher holders.
- Advocate for legislation banning crime-free housing and nuisance ordinances.

Convene FHTF quarterly to address regional barriers.

## **AP-85 Other Actions – 91.320(j)**

### **Introduction:**

DSHA continues focusing on addressing obstacles to meet underserved needs, including lingering impacts of Covid-19 and housing affordability challenges.

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

DSHA administers the rental assistance portion of the program by utilizing its expertise associated with the Housing Choice Voucher program. Case managers from DHSS, DSCYF, and approved community service providers leverage existing funds (such as Medicaid) to provide medical, behavioral health, personal care, or case management services to participants during their tenancy, as desired.

Additionally, the Division of Substance Abuse and Mental Health (DSAMH) has recognized SRAP as a cost-effective and efficient means of meeting its obligations to create additional units of supportive but independent housing in the community as part of its Settlement Agreement with the U.S. Department of Justice. DSAMH has directed additional funds to the SRAP program specifically to serve DSAMH clients, increasing the total number of households that can be served through the program.

#### ***Delaware Section 811 PRA Demonstration Program Award***

In the summer of 2012, DSHA and the Delaware Department of Health and Social Services (DHSS) partnered to propose a Section 811 PRA Demo program in Delaware to create project-based rental assistance for people with disabilities in integrated settings with supportive services. Delaware's Section 811 PRA Demo program has further developed this established partnership by expanding the supportive housing system created with SRAP to include a stock of project-based units.

In 2013, Delaware was awarded a Section 811 PRA Demo grant of \$5.1 million, estimated to create and support 150 – 170 units of project-based rental assistance over 5 years. There are now over 100 units with Rental Assistance Contracts (RACs) with DSHA and over 50 units leased by eligible tenants. When units become available, property managers notify DSHA through an online system. Prospective eligible tenants are then referred and apply directly to the site.

#### ***Other Special Vouchers***

DSHA applied for and was awarded 50 new Delaware Section 811 Mainstream vouchers. DSHA is working with state and local partners to get the vouchers awarded to at-risk ELI homeless persons with disabilities. Through the American Rescue Plan, DSHA was awarded 40 Emergency Housing Vouchers (EHVs) and is working with the Continuum of Care and other PHAs to

implement these new vouchers in Delaware.

### ***Homeownership Rehab and Emergency Repair***

As described in other areas of the plan and reflected in the Resource Allocation tables, DSHA also allocates both state and federal (CDBG and HOME) resources to rehabilitation assistance for homeowners. This encompasses both major repairs through CDBG and HOME and emergency repairs funded through state resources. All these programs allow accessibility modifications as an eligible use and indeed this is a high need and frequent use. Major accessibility modifications are more often through the major repair program, while emergency repair programs often manage smaller accessibility modifications, especially those needed urgently.

### **Actions planned to foster and maintain affordable housing**

As described in other areas of the plan and reflected in the Resource Allocation tables, DSHA allocates both state and federal resources to maintaining affordable housing. Activities to maintain affordable owner-occupied housing include:

- Funding through the Housing Development Fund (HDF) for acquisition and rehabilitation of homes, providing emergency and larger repairs for existing homeowners;
- Grants for major rehabilitation via CDBG and HOME for existing homeowners in targeted areas;
- Assistance with emergency repairs for existing homeowners via HDF state funds;
- All these programs allow accessibility modifications as an eligible use. Major accessibility modifications are more often accomplished through the major repair program, while emergency repair programs often manage smaller accessibility modifications, especially those needed urgently; and
- Support for foreclosure prevention counseling and foreclosure prevention loans to homeowners in default.

Activities and programs to maintain affordable rental housing include:

- Set-aside in the LIHTC Qualified Allocation Plan (QAP) for rehabilitation and preservation of existing affordable rental housing, as well as the opportunity for existing unassisted housing to be converted to LIHTC-assisted housing in the new construction set aside;
- Loans available via HOME, NHTF and the HDF for rehabilitation and preservation of existing affordable housing;
- Loans and grants available through the HDF to make energy efficiency and accessibility improvements in nonprofit-owned affordable rental housing or emergency shelters, transitional housing, or permanent supportive housing facilities; and

NHTF - as outlined in the attached NHTF FY2024 Allocation Plan, DSHA will utilize its Housing Trust Fund



allocation to increase and preserve the supply of decent, safe, and sanitary affordable housing for extremely low-income (ELI) and very low-income households (VLI), including homeless families.

### **Actions planned to reduce lead-based paint hazards**

The Delaware Division of Public Health's (DPH) Lead Poisoning Prevention Program does not currently manage a HUD Lead Hazard Control Grant. The last HUD grant expired in December 2017 and resulted in 172 homes in Kent and Sussex Counties being repaired of lead paint hazards. There are no plans for the Delaware Division of Public Health to apply for another HUD Grant due to ongoing, severe staffing shortages in the Lead Poisoning Prevention Program.

These HUD Lead Hazard Control Grants are best managed by municipalities rather than the Lead Poisoning Prevention Program.

DPH will continue to reach out to municipalities in Delaware to encourage a municipality to apply for HUD Lead Hazard Control Grant funding.

The State of Delaware Community Development Block Grant program subgrantees use most of their CDBG funds each year for housing rehabilitation, and the Delaware State Housing Authority supplements those funds by allocating CDBG subgrantees HOME funds for additional housing rehabilitations. These two sources of rehab funding, combined, are used to rehabilitate approximately 150 units of substandard housing each year. These HUD-funded housing rehabilitations must follow State, HUD, and EPA regulations for using lead-safe work practices, and for reducing lead-based hazards. County rehab specialists, and rehab contractors, must be trained and certified in how to reduce lead-based hazards.

### **Actions planned to reduce the number of poverty-level families**

Affordable housing represents an effective wage subsidy for local employers and an immediate salary increase for wage earners, thus creating income that can be applied to other living expenses. DSHA will continue to provide a variety of affordable housing options for Delawareans in order to help them stretch their household budgets.

DSHA's MTW Program requires residents to work or be in school in order to receive a housing subsidy. The goal is to establish positive work and budget habits over the time in the program, which will serve the family as they transition to unsubsidized housing. We believe that MTW plays an important role in breaking the cycle of poverty by providing case management services and resources that help families succeed.

DSHA has been an active participant with The Continuum of Care and Housing Alliance Delaware (HAD) and has supported its facilitation, research and advancement of Delaware's homelessness systems. HAD coordinates the DE Continuum of Care applications, manages the DE-HMIS and works to coordinate

services and programs throughout the state to better meet the needs of homeless people and families, and improve the performance of the state's homeless assistance system.

DSHA's Housing Development Fund (HDF) regularly provides grants to anti-poverty activities, including security deposit loan programs to assist prospective renters to secure an apartment and build their credit, thereby preventing homelessness. DSHA's Qualified Allocation Plan (QAP) includes incentives for applicants that include appropriate social services for residents in their project plans. These services often include programs such as financial literacy, budgeting, childcare, GED and other educational opportunities, and homeownership counseling.

### **Actions planned to develop institutional structure**

DSHA will continue to foster collaboration between public and assisted housing providers, local communities, and private and governmental health, mental health, and service agencies to coordinate resources and develop consistent policies to achieve mutually beneficial goals and objectives.

- DSHA will continue to work with a strong network of partners to promote the real-time housing locator [DelawareHousingSearch.org](http://DelawareHousingSearch.org). The collective support of this service has significantly expanded its capacity to assist persons with limited English proficiency and persons with special needs access housing most appropriate for their needs. Because of the state-wide support, this service will also be a critical disaster recovery resource for Delaware, further increasing its value as a collective resource.
- DSHA will continue to improve the coordination of efforts across agencies and communities to support strategic neighborhood revitalization, community, and downtown development initiatives such as the Downtown Development Districts and Strong Neighborhoods Housing Fund programs.
- DSHA will continue to maximize the use of the state's growth management framework to encourage local communities to include affordable housing strategies in their planning initiatives and provide technical assistance with these activities.
- Delaware will continue to improve the availability of local and DSHA information online, including housing needs and demographic data, geographic targeting for DSHA programs, and the Delaware affordable rental housing preservation inventory. The availability of consistent data supports improved coordination and planning to address affordable housing needs.

### **Actions planned to enhance coordination between public and private housing and social service agencies**

Over the next year, DSHA will continue its work with a wide array of other state agencies, private and faith-based housing and service providers, and housing advocates to further the priorities and goals of is

Action Plan. These will include, but are not limited to, the following:

- City of Wilmington;
- City of Dover;
- Council of State Community Development Agencies (COSCEA);
- Delaware Commission of Veterans Affairs;
- Delaware Continuum of Care;
- Delaware Department of Health and Social Services;
- Delaware Department of Justice (DOJ);
- Department of Services for Children, Youth and Their Families;
- Delaware Department of Education and School Districts;
- Delaware Division of Human Relations;
- Delaware Division of Public Health (DPH);
- Delaware Division of Small Business Office;
- Department of Labor;
- Department of Natural Resources and Environmental Control;
- Department of Transportation;
- Fair Housing Task Force Committee;
- First State Community Action Agency;
- HealthBehavioral Health Planning and Advisory Council;
- Habitat for Humanity;
- Housing Alliance Delaware;
- HUD-approved housing counseling agencies;
- Kent, Sussex and New Castle counties;
- Delaware chapter of National Association of Housing and Redevelopment Officials (NAHRO);
- National Council of State Housing Agencies (NCSHA);
- Nonprofit housing development corporations;
- Office of State Planning Coordination;
- Other public housing authorities in Delaware;
- State Historic Preservation Office;
- Strong Communities;
- Work Force Investment Board; and
- University of Delaware.

DSHA's partnerships with the Departments of Health and Social Services (DHSS) and Services for Children, Youth and their Families (DSCYF) on the State Rental Assistance Program and Section 811 PRA Demo program and with the Delaware Department of Justice on foreclosure prevention and recovery via collaborative use of Delaware's National Mortgage Settlement funds are representative of our cooperative approach to addressing challenging problems. All of these programs and this approach will

continue in FY2024.

**Discussion:**

Other actions Continued in Appendix K.

## Program Specific Requirements

### AP-90 Program Specific Requirements – 91.320(k)(1,2,3)

#### Introduction:

#### Community Development Block Grant Program (CDBG)

#### Reference 24 CFR 91.320(k)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	50,000
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan.	0
5. The amount of income from float-funded activities	0
Total Program Income	50,000

#### Other CDBG Requirements

1. The amount of urgent need activities	0
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**HOME Investment Partnership Program (HOME)  
Reference 24 CFR 91.320(k)(2)**

1. A description of other forms of investment being used beyond those identified in Section 92.205 is as follows:

Not applicable. No other forms of investment beyond those identified in Section 92.205 are planned

2. A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:

The prorated amount of HOME Program funds in the form of second mortgage loans (or other loan positions as approved by DSHA) used for down payments and closing costs are subject to recapture when the initially-assisted homebuyer sells, rents or refinances the HOME-assisted property within the recapture period set forth as shown below:

Amount of HOME Funds Recapture Period

Less than \$15,000 - 5 years

\$15,000 to \$40,000 - 10 years

Over \$40,000 - 15 years

HOME mortgage loans shall be forgiven after expiration of the loan recapture period and/or period of affordability. If the HOME-assisted property is sold, rented, or refinanced during the recapture period, the amount of the repayment required shall be prorated by the number of full years the original HOME-assisted owner occupied the property. For example, a HOME-deferred mortgage in the amount of \$20,000 would have a recapture period of 10 years. If the property was sold 3 years and six months after the recapture period started, then 30 percent (3 full years/10-year recapture period) of the original \$20,000 HOME loan would be forgiven making the repayment amount due \$14,000.

Where the net proceeds (the sales price of the assisted property less loan repayment of DSHA approved superior debt and closing costs) is greater than the prorated balance due under the HOME mortgage loan, the balance of the HOME prorated mortgage loan shall be repaid to DSHA. However, where the net proceeds are less than the HOME mortgage loan, the amount of the net proceeds shall be repaid to DSHA. All repaid HOME mortgage funds shall be used to support other HOME-eligible activities. These recapture provisions shall be included in the note and mortgage evidencing and securing the HOME-funded mortgage loan.

3. A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds? See 24 CFR 92.254(a)(4) are as follows:

Not applicable. DSHA does not provide for acquisition of units with HOME funds.

4. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:

Not applicable. DSHA does not plan to use HOME funds to refinance existing debt.

**Emergency Solutions Grant (ESG)  
Reference 91.320(k)(3)**

1. Include written standards for providing ESG assistance (may include as attachment)
  1. Using the Centralized Intake System to evaluate individuals and families applying for or receiving rapid re-housing assistance.
  2. Conducting the initial evaluation required, including verifying income to determine eligibility for individuals applying for rapid re-housing assistance.
  3. Developing individualized housing and services plan to obtain or maintain permanent housing.
  4. Developing and coordinating services for individuals and families.
  5. Providing information and referrals to other providers that assists individuals and families to overcome barriers and obtain or maintain permanent housing
  6. Monitoring and evaluating program participant progress.
  7. Conducting re-evaluations of households to assist with achieving and maintaining independent living.
  
2. If the Continuum of Care has established centralized or coordinated assessment system that meets HUD requirements, describe that centralized or coordinated assessment system.

Delaware's statewide Centralized Intake began taking calls on January 6, 2015. People who are homeless can access the intake by calling 211, going to a State Service Center, or going to a

shelter. The staff at 211, the shelters, and State Service Centers sends referrals to the intake staff at the Delaware Homeless Planning Council (HPC). Intake staff then contact those who are homeless to identify the best solution for their homelessness. The Delaware system was overwhelmed early in the implementation by the number of people and lack of permanent housing options. In November of 2014, the Delaware Interagency Council on Homelessness convened a meeting of centralized intake stakeholders to discuss system improvements.

The Delaware HPC has since extended the hours during which centralized intake staff is available. They are streamlining placement of those who are homeless into available beds and no longer have a waitlist for emergency shelter. The CoC continues to work to improve the intake workers ability to identify optimum housing options, to ensure those options are available by right sizing our CoC, and to train provider staff to use HMIS modules that will allow for real-time availability of shelter and transitional beds. Although implementation of centralized intake has begun, it will take many years to optimize the system given the lack of affordable housing opportunities available to extremely low-income households who may have barriers such as criminal backgrounds, lack of good employment opportunities, poor landlord references, and/or poor credit histories.

3. Identify the process for making sub-awards and describe how the ESG allocation available to



private nonprofit organizations (including community and faith-based organizations).

ESG funds are distributed on a competitive basis and proposals are rated based on a weighted score of 100 points with the following criteria;

Project Description and Services Plan (25 points), Organizational Capacity and Past Performance (15 points), Matching Contributions (15 points), Participation in Continuum of Care (10 points), Participation in CMIS (10 points), Cost Effectiveness (15 points), and Community Commitment (10 points).

Using these criteria, applications are reviewed and rated by a Review Panel comprised of professionals with knowledge and experience in homeless issues and grant

management. Applicants may be local governmental entities, nonprofit agencies and faith based organizations that provide direct services to homeless persons or persons at risk of becoming homeless.

The funds are made available each year through a Notice of Funding Availability, which is mailed to interested parties and published in prominent newspapers statewide. Eligible applicants are units of general local government and private nonprofit organizations located in Kent and Sussex

Counties. Assistance may also be provided to religious organizations if the religious organizations agree to provide all eligible activities under this program in a manner that is free from religious influences in accordance to 24 CFR Part 576.23.

The review panel evaluates and rates all proposals based on the criteria listed above. The panel forwards its recommendations and comments to DSHA's Director. Final funding decisions are made by DSHA Director and at that time DSHA and the sub-recipient enter into a grant agreement.

4. If the jurisdiction is unable to meet the homeless participation requirement in 24 CFR 576.405(a), the jurisdiction must specify its plan for reaching out to and consulting with homeless or formerly homeless individuals in considering policies and funding decisions regarding facilities and services funded under ESG.

DSHA will contractually require ESG sub-recipients to document all consultations with homeless or formerly homeless individuals or families when making policies and decisions regarding any ESG funded activity. DSHA also requires that each non-profit include a homeless or previously homeless person on their Board of Directors.

5. Describe performance standards for evaluating ESG.

Other non-identifying information about program participants. For Domestic Violence Shelters, the

sub-recipients coordinate their household data directly with DSHA.

**Housing Trust Fund (HTF)**  
**Reference 24 CFR 91.320(k)(5)**

1. How will the grantee distribute its HTF funds? Select all that apply:

Applications submitted by eligible recipients

2. If distributing HTF funds through grants to subgrantees, describe the method for distributing HTF funds through grants to subgrantees and how those funds will be made available to state agencies and/or units of general local government. If not distributing funds through grants to subgrantees, enter "N/A".

N/A

3. If distributing HTF funds by selecting applications submitted by eligible recipients,

a. Describe the eligibility requirements for recipients of HTF funds (as defined in 24 CFR § 93.2). If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

DSHA HTF Allocation Plan includes the eligibility and regulatory changes required under the revised rule. Eligibility requirements including:

- Application Process
- Allocation Process
- Eligible Costs
- Operating Costs Assistance and Reserves
- Subsidy Limits
- Periods of Affordability
- Income Targeting
- Additional Requirements including
- HUD Regulations, Subsidy Layering Review, Underwriting, Site and Neighborhood Standards, Uniform Physical Conditions Standards, Environmental Review, Uniform Relocation Act, Lead Based Paint, Section 3, Minority, Women and Veteran Business Enterprises Outreach, and Affirmative Marketing and Fair Housing
- Rehab and Property Standards
- Commitment and Expenditure requirements
- Written policies, procedures, systems and DSHA reporting requirements

Financial Oversight, Asset Management and Compliance

b. Describe the grantee’s application requirements for eligible recipients to apply for HTF funds. If not distributing funds by selecting applications submitted by eligible recipients, enter “N/A”.

DSHA has two set-asides within our HTF Allocation Plan. One is for Permanent Supportive Housing of which we have a separate annual Notice of Funding Availability Application Process.

The second Application for HTF is for multi-family projects shall be made through the application and approval process in place for the HDF and/or LIHTC programs. All applications must contain a description of the eligible activities to be conducted with HTF funds as required in 93.200. All applications must also contain certification that housing assisted with HTF funds will comply with HTF requirements.

Upon application review by DSHA staff, a panel consisting of members of DSHA Housing Development Section, Policy and Planning Section, and any other DSHA employees with applicable experience will convene. Members of the Council on Housing will also be invited to participate. The panel will discuss each application received and its preliminary ranking. A consensus of all members present will determine the final ranking of the applications, along with funding level recommendations. Applications recommended for funding will be presented to the Director of DSHA for final approval.

c. Describe the selection criteria that the grantee will use to select applications submitted by eligible recipients. If not distributing funds by selecting applications submitted by eligible recipients, enter “N/A”.

Eligibility to apply for HTF will be no more restrictive than required by HTF regulations. Eligible applicants/recipients of HTF funds may include nonprofit and for-profit developers and public housing agencies.

Applicants must meet the HTF Tax Allocation Plan, DSHA, and all requirements set forth in 24 CFR 93.2 to be eligible for funding under the Action Plan. Developments must also meet the property standards set forth in the Tax Credit Allocation Plan and in 24 CFR 93.301.

Applications will be assessed with priority given to the applicants who prove highest proficiency in the following prioritized areas:

**A. Applicant Capacity (Priority Factor: Most Important)**

Applicants will be assessed on experience and capacity and any other criteria as applied by DSHA, which may include the following:

- Applicants must make acceptable assurances to DSHA that they will comply with the requirements of the HTF program during the entire period that begins upon selection of the applicant to receive HTF funds, and ending upon the conclusion of all HTF-funded

activities.

- Applicants must demonstrate their ability and financial capacity to undertake, comply, and manage the eligible activity.
- Applicants must demonstrate their 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.
- Applicants must demonstrate their experience and capacity to conduct an eligible HTF activity as evidenced by the ability to own, construct or rehabilitate, and manage and operate affordable multifamily rental housing development.
- Applicants must demonstrate their ability to enter into a commitment for HTF funds and undertake eligible activities in a timely manner.

### **B. Priority Housing Needs of the State (Priority Factor: Most Important)**

Applicants will be assessed on the merits of the application meeting the priority housing needs established by the State.

Any proposed use of HTF to further affordable housing activities for the economically disadvantaged and special population groups must be consistent with Delaware Consolidated Plan.

As noted in the Consolidated Plan for 2020-2024, section SP-25 Priority Needs, affordable rental housing is Delaware first priority need. The Delaware Housing Needs Assessment and HUD data identify a critical need to develop new affordable rental housing, preserve existing affordable rental housing, and extend affordability restrictions. The Housing Needs Assessment identified affordable rental housing as a critical need for Extremely Low and Low Income populations throughout the state.

Section SP-25 Priority Needs of the Consolidated Plan also cites Permanent Supportive Housing as a high priority need in Delaware. Additional Supportive Housing is needed for persons with Mental, Physical, and Developmental Disabilities, Persons with Alcohol or Other Addictions, and Persons with HIV/AIDS and their families.

As described under III. Geographic Distribution and Diversity, DSHA has identified geographic areas for targeting different types of housing investments. As the HTF will be used for rental housing, these maps as they apply to rental housing will apply to the HTF. The new construction and rehabilitation of affordable rental housing is incentivized in Areas of Opportunity, neutral in Stable areas, and further concentration of subsidized rental housing is not encouraged in distressed areas.

### **C. Leveraging (Priority Factor: Somewhat Important)**

Applications will be evaluated on the total sources of permanent financing, percentage of total project costs funded by HTF and DSHA sources, and the use of any other non-state or federal funding sources.

**D. Geographic Diversity (Priority Factor: Somewhat Important)**

HTF funds will be available to projects statewide; however, applications will be evaluated for consistency with the State certification to affirmatively further fair housing, all applicable Analysis of Impediments and compliance with the State Strategies for Policies and Spending (see Section III. Geographic Distribution and Diversity for details).

**E. Project-Based Rental Assistance (Priority Factor: Least Important)**

Applications will be reviewed for the extent to which the project has federal, state, or local project based rental assistance so that rents are affordable to extremely low-income families. HTF funds will be distributed consistently with DSHA other affordable housing programs and administered with the existing LIHTC and HDF programs.

**F. Duration of Affordability Period (Priority Factor: Least Important)**

In accordance with 24 CFR 93.302(d), all rental housing units receiving HTF funds must have an affordability period of not less than thirty (30) years. Applications may receive additional credit for showing financial feasibility of the project to extend beyond the 30-year period.

**G. Additional Evaluation Criteria (Priority Factor: Somewhat-Least Important)**

The following items will be taken into consideration by DSHA staff when determining the merits of an application for HTF funds:

1. Demonstrated need for the project.
2. Suitability of the project location.
3. Cost efficiency of the project.
4. Amount of loan per unit serving extremely low and very low-/low-income persons: Applications serving extremely low income families will be given priority to the extent possible to comply with statutory requirements. Please note, for 2019, only applications serving extremely low income families will be considered. Applications serving very low income families will be considered only if allowed by statutory requirements. Such determination will be announced prior to any announcement of funding opportunity.
5. Length of payback period.
6. Position of loan and how it is secured/length of repayment.
7. Source(s) of permanent financing (if appropriate).
8. Cash and non-cash equity participation of developer.

9. Evidence that alternate sources of financing have been utilized and/or exhausted.
10. Evidence that housing will be provided in neighborhoods where there is little very low-income housing available.
11. Extent to which the proposal will assist in revitalization of deteriorating neighborhood.
12. Extent to which any current DSHA loans to the applicant or affiliated parties are in good standing.

d. Describe the grantee's required priority for funding based on geographic diversity (as defined by the grantee in the consolidated plan). If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

HTF funds will be available to projects statewide; however, applications will be evaluated for consistency with the State certification to affirmatively further fair housing, all applicable Analysis of Impediments and compliance with the State Strategies for Policies and Spending DSHA has identified geographic areas for targeting different types of housing investments. As the HTF will be used for rental housing, these maps as they apply to rental housing will apply to the HTF. The new construction and rehabilitation of affordable rental housing is incentivized in Areas of Opportunity, neutral in Stable areas, and further concentration of subsidized rental housing is not encouraged in distressed areas.

e. Describe the grantee's required priority for funding based on the applicant's ability to obligate HTF funds and undertake eligible activities in a timely manner. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

Applicants will be assessed on experience and capacity and any other criteria as applied by DSHA, which may include the following:

- Applicants must make acceptable assurances to DSHA that they will comply with the requirements of the HTF program during the entire period that begins upon selection of the applicant to receive HTF funds, and ending upon the conclusion of all HTF-funded activities.
- Applicants must demonstrate their ability and financial capacity to undertake, comply, and manage the eligible activity.
- Applicants must demonstrate their 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.
- Applicants must demonstrate their experience and capacity to conduct an eligible HTF activity as evidenced by the ability to own, construct or rehabilitate, and manage and operate affordable multifamily rental housing development.
- Applicants must demonstrate their ability to enter into a commitment for HTF funds and

undertake eligible activities in a timely manner.

f. Describe the grantee's required priority for funding based on the extent to which the rental project has Federal, State, or local project-based rental assistance so that rents are affordable to extremely low-income families. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

Applications will be reviewed for the extent to which the project has federal, state, or local project based rental assistance so that rents are affordable to extremely low-income families. HTF funds will be distributed consistently with DSHA other affordable housing programs and administered with the existing LIHTC and HDF programs.

g. Describe the grantee's required priority for funding based on the financial feasibility of the project beyond the required 30-year period. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

In accordance with §93.302(d), all rental housing units receiving HTF funds must have an affordability period of not less than thirty (30) years. Applications may receive additional credit for showing financial feasibility of the project to extend beyond the 30-year period.

h. Describe the grantee's required priority for funding based on the merits of the application in meeting the priority housing needs of the grantee (such as housing that is accessible to transit or employment centers, housing that includes green building and sustainable development features, or housing that serves special needs populations). If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

Applicants will be assessed on the merits of the application meeting the priority housing needs established by the State.

Any proposed use of HTF to further affordable housing activities for the economically disadvantaged and special population groups must be consistent with Delaware Consolidated Plan.

As noted in the Consolidated Plan for 2020-2024, section SP-25 Priority Needs, affordable rental housing is Delaware first priority need. The Delaware Housing Needs Assessment and HUD data identify a critical need to develop new affordable rental housing, preserve existing affordable rental housing, and extend affordability restrictions. The Housing Needs Assessment identified affordable rental housing as a critical need for Extremely Low and Low-Income populations throughout the state.

i. Describe the grantee's required priority for funding based on the extent to which the application makes use of non-federal funding sources. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".



Applications will be evaluated on the total sources of permanent financing, percentage of total project costs funded by HTF and DSHA sources, and the use of any other non-state or federal funding sources.

4. Does the grantee's application require the applicant to include a description of the eligible activities to be conducted with HTF funds? If not distributing funds by selecting applications submitted by eligible recipients, select "N/A".

Yes

5. Does the grantee's application require that each eligible recipient certify that housing units assisted with HTF funds will comply with HTF requirements? If not distributing funds by selecting applications submitted by eligible recipients, select "N/A".

Yes

**6. Performance Goals and Benchmarks.** The grantee has met the requirement to provide for performance goals and benchmarks against which the grantee will measure its progress, consistent with the grantee's goals established under 24 CFR 91.315(b)(2), by including HTF in its housing goals in the housing table on the SP-45 Goals and AP-20 Annual Goals and Objectives screens.

Yes

**7. Maximum Per-unit Development Subsidy Amount for Housing Assisted with HTF Funds.**

Enter or attach the grantee's maximum per-unit development subsidy limits for housing assisted with HTF funds.

The limits must be adjusted for the number of bedrooms and the geographic location of the project. The limits must also be reasonable and based on actual costs of developing non-luxury housing in the area.

If the grantee will use existing limits developed for other federal programs such as the Low Income Housing Tax Credit (LIHTC) per unit cost limits, HOME's maximum per-unit subsidy amounts, and/or Public Housing Development Cost Limits (TDCs), it must include a description of how the HTF maximum per-unit development subsidy limits were established or a description of how existing limits developed for another program and being adopted for HTF meet the HTF requirements specified above.

The maximum per-unit subsidy limits for HTF will be set at the Section 234 Basic Mortgage Limits established by HUD and also utilized under the HOME Program.

Effective 06/04/2020, the following limits apply:

0 Bedroom - \$153,314

1 Bedroom - \$175,752

2 Bedroom - \$213,718

3 Bedroom - \$276,482

4 Bedroom - \$303,490

DSHA imposes these limits based on previous analysis and experience with LIHTC and HDF programs, including an extensive review of construction costs.

Analysis has shown that construction costs are not noticeably different between markets, nor do they vary greatly between Delaware three counties.

**8. Rehabilitation Standards.** The grantee must establish rehabilitation standards for all HTF-assisted housing rehabilitation activities that set forth the requirements that the housing must meet upon project completion. The grantee's description of its standards must be in sufficient detail to determine the required rehabilitation work including methods and materials. The standards may refer to applicable codes or they may establish requirements that exceed the minimum requirements of the codes. The grantee must attach its rehabilitation standards below.

In addition, the rehabilitation standards must address each of the following: health and safety; major systems; lead-based paint; accessibility; disaster mitigation (where relevant); state and local codes, ordinances, and zoning requirements; Uniform Physical Condition Standards; Capital Needs Assessments (if applicable); and broadband infrastructure (if applicable).

First, all buildings and projects that are newly constructed or are rehabilitated with HTF must first be built to the International Building Code adopted by the local municipality and County.

The International Building Codes enforced by each municipality and County include and address disaster mitigation.

The following building codes have been adopted by Delaware three counties:

Second, for HTF projects that will be rehabilitated, at a minimum the HUD Rehabilitation Standards - § 91.320(k)(5)(iv) and Â§ 93.301(b) will apply.

Third, all HTF projects must also meet DSHA minimum construction/ rehabilitation standards and all state and federal applicable codes. However, where DSHA minimum constructions/rehabilitation standards exceed the HUD standards, the most stringent standard will apply. (See Attachments A-D).

All applicants are responsible for complying with all building codes, rules, ordinances, and laws of all legal entities and authorities having jurisdiction over the project.

DSHA minimum construction/rehabilitation standards include additional details on what work is required, how that work should be performed (methods), and what materials should be used. DSHA minimum construction and rehabilitation standards include the following categories: 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 Uniform Physical Condition Standards (UPCS) as identified by HUD as applicable to HTF-assisted housing.

See Attachments for full rehab standard requirements

**9. Resale or Recapture Guidelines.** Below, the grantee must enter (or attach) a description of the guidelines that will be used for resale or recapture of HTF funds when used to assist first-time homebuyers. If the grantee will not use HTF funds to assist first-time homebuyers, enter “N/A”.

N/A

**10. HTF Affordable Homeownership Limits.** If the grantee intends to use HTF funds for homebuyer assistance and does not use the HTF affordable homeownership limits for the area provided by HUD, it must determine 95 percent of the median area purchase price and set forth the information in accordance with §93.305. If the grantee will not use HTF funds to assist first-time homebuyers, enter “N/A”.

Any limitation or preference must not violate nondiscrimination requirements in § 93.350, and the grantee must not limit or give preferences to students. The grantee may permit 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.

N/A

**12. Refinancing of Existing Debt.** Enter or attach the grantee’s refinancing guidelines below. The guidelines describe the conditions under which the grantee will refinance existing debt. The grantee’s refinancing guidelines must, at minimum, demonstrate that rehabilitation is the primary eligible activity and ensure that this requirement is met by establishing a minimum level of rehabilitation per unit or a required ratio between rehabilitation and refinancing. If the grantee will not refinance existing debt, enter “N/A.”

N/A

# Appendices

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A: Public Comments and Letters

B: Notice of Availability of Delaware Draft FY2024 Annual Action Plan

C: 2020 Revised Citizen Participation Plan

D: Areas of Opportunity & Minority Concentration Maps

E: DSHA and Regional Fair Housing Plan

F: Supplier Diversity Action Plan

G: DSHA's FY2022 CAPER performance table

H: HOME Program Manual

I: NHTF Allocation Plan

# Appendix A:

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- Public Comments and Letters of Support
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DSHA received no comments or responses  
to the FY 2024 draft plan

# Appendix B:

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- Notice of Availability of Delaware Draft FY2024 Annual Action Plan and Public Hearings
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## **NOTICE OF VIRTUAL PUBLIC MEETING**

The Delaware State Housing Authority (DSHA) will hold a virtual public meeting on Tuesday, November 14, 2023, at 10:00 a.m. for the purpose of providing any interested citizens the opportunity to comment on proposed changes to the Delaware Community Development Block Grant Program Guidelines for Fiscal Year 2024.

### **FY2024 CDBG Virtual Public Meeting**

Hosted by Nicole Starecheski

#### **Microsoft Teams Link:**

[https://teams.microsoft.com/l/meetup-join/19%3ameeting\\_NDU3Njg5N2ItODY2Ni00YmQ4LTg0OGUtNjBkOWI1MTkxMDlh%40thread.v2/0?context=%7b%22Tid%22%3a%228c09e569-51c5-4dee-abb2-8b99c32a4396%22%2c%22Oid%22%3a%22027c84e1-76b6-4886-be72-3cb0792ca5e2%22%7d](https://teams.microsoft.com/l/meetup-join/19%3ameeting_NDU3Njg5N2ItODY2Ni00YmQ4LTg0OGUtNjBkOWI1MTkxMDlh%40thread.v2/0?context=%7b%22Tid%22%3a%228c09e569-51c5-4dee-abb2-8b99c32a4396%22%2c%22Oid%22%3a%22027c84e1-76b6-4886-be72-3cb0792ca5e2%22%7d)

Tuesday, November 14, 2023 10:00 am | 1 hour | (UTC-04:00) Eastern Time (US & Canada)

Meeting ID: 249 244 847 530

Passcode: nwHP5B

Agenda: FY2024 CDBG Guidelines

#### **Join with a video conferencing device.**

979352250@t.plcm.vc

Video Conference ID: 116 129 213 2

#### **Join through call in (audio only).**

+1 302-504-8986 ext. 856864625#

Phone Conference ID: 856 8664 625#

The period for receiving written comments on the Guidelines will close at 4:00 p.m. on Wednesday, November 29, 2023. Written comments can be submitted via e-mail to [Nicole.Starecheski@delaware.gov](mailto:Nicole.Starecheski@delaware.gov). You may view the proposed Guidelines at DSHA's website [http://www.destatehousing.com/Landlords/dv\\_cdbg.php](http://www.destatehousing.com/Landlords/dv_cdbg.php).

This federally-funded program will provide funds to support Community Development activities in eligible communities in Kent and Sussex Counties. Accommodations are available in reading this Notice for anyone with disabilities by calling DSHA at 302-739-4263 or 888-363-8808. TTY/ ASCII/ VOICE/ VCO users may utilize the Telecommunications Relay Service (TRS) at 800-676-3777. Questions on this Notice should be directed to Nicole Starecheski at 302-739-0232 or via e-mail at [Nicole.Starecheski@delaware.gov](mailto:Nicole.Starecheski@delaware.gov).





**Notice of Availability and Public Hearing**  
**Delaware Draft FY2024 Annual Action Plan**

The Delaware State Housing Authority (DSHA) announces the availability for public review and comments on the draft FY2024 Annual Action Plan.

The Annual Action Plan serves as the housing planning document of the State, and as an application for funding under the following U.S. Department of Housing and Urban Development (HUD) Community Planning and Development programs: Community Development Block Grant (CDBG), Emergency Solutions Grants (ESG), HOME Investment Partnerships (HOME), Housing Opportunities for Persons With AIDS (HOPWA), and the National Housing Trust Fund (NHTF).

The period for receipt of public comment on the draft FY2024 Annual Action Plan shall be from July 1, 2024, through July 31, 2024. Interested parties can also obtain reasonable access to records of State expenditures for housing during the preceding five years at DSHA's Dover office from 8:00 a.m. to 4:00 p.m., Monday through Friday.

The draft FY2024 Annual Action Plan shall be available for public review on DSHA's website at <http://destatehousing.com/FormsAndInformation/capers.php> and hard copies are available upon request from [olga@destatehousing.com](mailto:olga@destatehousing.com) or 302-739-4263.

A Public Hearing will be held to obtain the views of interested citizens on housing and community development needs and comments on the draft Annual Action Plan. Both oral and written comments will be accepted and recorded at the hearing and a summary of the comments and DSHA's response will be attached to the final Annual Action Plan submitted to HUD.

DSHA will hold a public hearing on Thursday, July 18, 2024, at 1:00 PM at the Liberty Court Community Room, 1289 Walker Road, Bldg. CC, Dover, DE 19904. This meeting is open to the public to review the documents and answer questions.

Please submit all written comments to Alexander Modeas, Delaware State Housing Authority, 18 The Green, Dover, DE 19901, or via e-mail at [alexander.modeas@delaware.gov](mailto:alexander.modeas@delaware.gov) no later than 5:00 PM, July 31, 2024.

If you have a vision, hearing, or physical impairment that requires accommodation either in the reading of this notice or at the public hearing, DSHA will provide appropriate assistance. To schedule assistance, please call 302-739-4263, ext. 215 between the hours of 8:00 a.m. and 4:00 p.m., Monday through Friday. TTY/ASCII/VOICE/VCO users may utilize the Telecommunications Relay Service (TRS) by calling 800-676-3777.



### For publication on or before Monday, July 1, 2024. Proof of publication requested.

# Appendix C:

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- Citizen Participation Plan, 2020 Revision
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# State of Delaware Citizen Participation Plan for Housing and Community Development Funding

This plan may be obtained in alternative languages, upon request. Este plan se puede obtener en diferentes language, a pedido.

## Background

The Delaware Citizen Participation Plan (CPP) contains policies and procedures for public involvement in the Department of Housing and Urban Development's (HUD) Consolidated Plan process in accordance with 24 CFR 91. The following entitlement grant programs of the U.S. Department of Housing and Urban Development (HUD) are consolidated into a single planning and application process:

- Community Development Block Grant (CDBG) covering Kent and Sussex County, except for the City of Dover;
- HOME Investment Partnerships Program (HOME) covering the State of Delaware;
- Emergency Solutions Grant (ESG) covering Kent and Sussex County;
- National Housing Trust Fund (NHTF) covering the State of Delaware; and
- Housing Opportunities for Persons with Aids (HOPWA) covering Kent and Sussex County.

This document contains the following information:

- Citizen participation;
- Public information and assistance;
- Public notices, hearings and comment periods;
- Access to information and records;
- Annual Performance Report and Citizen Participation Evaluation;
- Complaint procedures; and
- Amendment procedures.

## The Consolidated Plan

The Consolidated Plan is a planning document that addresses identified needs in the areas of housing, homelessness, and community and economic development. The plan is developed by the Delaware State Housing Authority and specifies programs and resources to be used to provide access to affordable quality housing, a suitable living environment, and expanded economic opportunities.

DSHA ensures that the Consolidated Planning process conforms to federal and state regulations regarding citizen participation. DSHA encourages public participation in the development and revision of all the included documents (24 CFR § 91.115(a)(2)(i)). The CPP applies to the following documents that are part of the Consolidated Plan process:

- Consolidated Plan, required every five years;
- **Analysis of Impediments (AI);**

- Substantial Amendment to Consolidated Plan, as needed;
- Annual Action Plan, required every year; and
- Consolidated Annual Performance Evaluation Report, required every year.

The Consolidated Plan includes:

- Descriptions of the current conditions for housing, living environments, and economic opportunity in the state for low- and moderate-income people;
- Development needs and how grant funds received will address those needs;
- The amount of assistance the state expects to receive from each program;
- Planning and application information;
- The range of activities that may be done;
- Prioritization of the activities to be undertaken;
- Benefits to those who are low to moderate income;
- Plans and assistance to those who might be displaced as a result of any activity funded by these programs; and
- Family income limits determining eligibility, established by HUD on an annual basis and posted at <https://www.huduser.gov/portal/datasets/il.html>.

## Consultation

When preparing the Consolidated Plan or its subsidiary documents, DSHA will actively consult with public and private agencies that provide housing, health, and social services in order to ensure that the interests and needs of all groups are being adequately addressed. This consultation may occur through regional and interest forums, interviews conducted with such organizations (especially those that provide services to special needs populations and those at risk of homelessness), on-line events, and incorporation of data and reports produced by such organizations into the Consolidated Plan. DSHA will actively consult with:

- State, county, and local governmental departments and leadership;
- Public Housing Authorities operating in the State;
- Local, regional and state-based non-profit, philanthropic, and faith-based organizations serving vulnerable populations, including those at risk of homelessness, members of protected class populations, and those working to affirmatively further fair housing;
  - Fair Housing Assistance Program (FHAP);
  - Fair Housing organizations;
  - Non-profit organizations that receive funding under the Fair Housing Initiative Program (FHIP); and
  - Other public and private fair housing service agencies operating in Delaware.
- Industry, business, and civic organizations and leaders; and
- Delaware Continuum of Care.

## **Citizen Participation**

The State of Delaware's Citizen Participation Plan (CPP) outlines the requirements and incentives for public involvement in the process of identifying needs, priorities, and the allocation of HUD funds in Delaware. The objectives of the CPP are to ensure the timely and accessible involvement of the citizens of Delaware, units of local government, public agencies, and other interested parties in the drafting, implementation, and assessment of the Analysis of Impediments (AI); the Five-Year Consolidated Plan (Consolidated Plan) and the Annual Action Plan, any substantial amendments to the Plan, and the Consolidated Annual Performance Evaluation Report (CAPER). All citizens are encouraged to participate, particularly:

- Persons with disabilities;
- Persons living in public housing or utilizing housing vouchers;
- Communities of color;
- Persons with limited English proficiency and non-English speaking residents;
- Persons of low- to moderate-income;
- Public and private agencies that provide assisted housing, health services, and social services; and
- Households living in slums, areas of blight, and in areas where CDBG funds are proposed to be used.

DSHA shall employ communications means designed to reach the broadest audience possible. Meaningful citizen participation is critical to agencies creating and implementing federally funded programs. These resources represent federal revenue generated by the taxpayers of Delaware. It is through this process that citizens, particularly persons of low- and moderate-income, those living in areas with blight or other disadvantaged conditions, units of local government, and other interested parties express themselves and the needs of their communities to DSHA, which administers the funds.

## **Encouraging Public Participation**

### **Notice of the Process and Public Comment Period**

Notification of the Citizen Participation processes for the Consolidated Plan and related processes and plans is distributed through a broad variety of print, electronic, and personal media. Notification is sent out prior to the public comment period onset, and at least two weeks prior to scheduled hearing dates. Notification shall consist of, but not be limited to:

- Posting dates, times, and locations on the DSHA website at: [www.destatehousing.com](http://www.destatehousing.com);
- Publishing legal ads in newspapers with state-wide circulation;
- Sending emails via DSHA's mass email list (Highlights);
- Postings on social media accounts, such as Facebook or Twitter;
- Sending notifications to local governments, public agencies, participating non-profits, member organizations, and others throughout Delaware;

- Asking groups serving low-moderate income people, non-English speaking people, or people with disabilities to post or distribute information to their clientele;
- Sending personal invitation emails to public officials and other interested parties in and around the state.

**Table 1: Citizen Participation Requirements**

Activity/Product	Frequency	Due Date	Citizen Participation Period	Public Hearings (minimum)
Consolidated Plan	Every 5 years	May 15	30 days	2: one prior to publishing draft plan and one during public comment period
Assessment of Fair Housing (AFH)	Every 5 years	October 4 (prior to Consolidated Plan due date)	30 days	1
Annual Action Plan	Every year	May 15	30 days	1
Amendments to Consolidated or Annual Action Plan	As needed	--	30 days	1
Consolidated Annual Performance Evaluation Report (CAPER)	Every year	September 30	15 days	--
Amendment to AFH	As needed	--	30 day	--

### Access to information and records

The state shall provide adequate information to citizens, public agencies, and interested parties, as well as reasonable access to records on the proposed and actual use of public funds, including, but not limited to:

- The amount of funds expected to be made available for the coming year, including grants and anticipated program income;
- The range of activities that may be undertaken with those funds;
- Information related to the Analysis of Impediments (AI) , including HUD-provided data and other supplemental information, summary information, and purpose and content of the AI;
- The estimated amount of those funds proposed to be used for activities that will benefit low- and moderate-income persons;
- The proposed activities likely to result in displacement and the applicants’ plans, consistent with the policies developed under 24 CFR 570.606(b) for minimizing displacement of persons as a result of its proposed activities;
- The types and levels of assistance the applicant plans to make available to persons displaced by funded activities, even if the applicant expects no displacement to occur; and

- The method(s) by which interested parties can learn more about the plan and its impacts, and make comments or complaints prior to its adoption.

DSHA will provide citizens, public agencies, and other interested parties with reasonable and timely access to information and records relating to the Consolidated Plan and associated documents, and the use of assistance under the covered programs during the preceding five years. All access to records produced by these activities is subject to the federal Freedom of Information Act (FOIA) and DSHA's FOIA policy, adopted February 1, 2011. To access program information contact: Deborah Whidden, Public Information Officer, Phone: 888.363.8808 or 302.739.4263, DeborahW@destatehousing.com.

### **Public Meetings/Hearings with Reasonable Accommodation**

Citizen participation in the five-year planning process is encouraged through regional public hearings held in fully-accessible locations at accessible hours of the day convenient to the actual and potential beneficiaries of the program.

DSHA will make reasonable and consistent efforts to publicize local events, and will provide reasonable accommodation in response to requests received prior to each event. For example, in locations where people with hearing impairments or a significant number of non-English speaking residents are planning to attend, appropriate interpreters will be made available subject to at least five working days' advance request.

In the event of a local, state or federally declared disaster or emergency where public places may be closed to the public or in-person participation may not be feasible or large gatherings may be considered a public health risk, DSHA may opt to conduct public hearings and meetings virtually via conference call or live web-streaming with the ability to ask questions and provide comment in real time. Accommodations will be made for persons with disabilities and non-English speaking persons upon request.

During the public meeting or hearing, the relevant plan or document will be presented by DSHA staff and the public will be encouraged to comment. Supplementary information may also be presented.

Comments collected from public meetings and hearings will be included in an appendix of the plan or document and DSHA will openly consider all comments. DSHA will provide a response to all comments submitted.

### **Other Communication Techniques**

DSHA may employ other participatory techniques to disseminate the plan/document and solicit public comments at the discretion of the planning staff. These techniques may include:

- Surveys - online, paper or intercept surveys may be used;
- Public forums – focus groups, charrettes, small group meetings, etc.;
- Webinars;
- Virtual meeting or hearings



- **Television or telecom**
- Chatrooms and conference calls; and
- Interactive mapping.

All comments received from such participatory techniques shall be treated in the same manner as comments received during public meetings/hearings.

## Comments

Prior to the adoption of the Consolidated Plan or any of the related documents, DSHA will make available the draft plan and Executive Summary for public review and comment. Availability of the draft documents and the public comment period will be announced via the methods stated in the Notice of the Process section. The Notice will also state the address, e-mail, and phone number to which comments can be submitted.

During the public comment period, the public is encouraged to examine the available document and submit their comments regarding their concerns, disagreements, preferences, or suggestions. DSHA will openly consider any comments from individuals or groups received during the public comment period. A summary of the written and oral comments will be included in the final document, along with the state's response to the comments.

**In the event of an local, state, national emergency, the following alternatives may be instituted:**

**1. The public comment and display period for the Consolidated Plan or Annual Action Plan may be shortened to no less than five days.**

**2. Draft documents for public comment and review will be made available on the DSHA website at <https://www.Destatehousing.com>. Copies of the draft documents will be mailed or e-mailed upon request, if possible**

**3. Public meetings may be held as virtual meetings using local cable access television or other online platforms for public viewing with the option for real-time questions to be presented.**

## Language Access Plan

In accordance with DSHA's Language Access Plan (LAP), updated October 2016, interpretive services will be made available upon request, with consideration for advance notice of five (5) working days, as needed. These services include:

- Written translation of pertinent documents or segments/summaries of documents, including media releases;
- Access to bi-lingual staff or contracted interpretation services in person, on the phone, and at public meetings; and
- Access via DSHA's primary website, DeStateHousing.com, to relevant brochures, media releases, and document summaries.

## Complaints

As a part of the state CPP, DSHA shall inform citizens of the complaint procedure and what constitutes a legitimate complaint. A written complaint or grievance is a formal notification of a concern, allegation, or protest to a proper authority. A formal complaint will be considered filed at the time it is delivered to the appropriate authority's office. Citizens should provide enough information to permit an investigation. The complaint should include the following information:

- Identification of project and project location;
- The reason for the complaint (hearsay and innuendo will not be considered valid);
- Sufficient data to substantiate any claims or charges. If possible, supporting documentation should be included; and
- If desired, citizens may propose a solution or resolution to the problem.

### 1. Local Activities

A member of the public with a complaint or grievance regarding a local project that utilized HUD funds shall first file a complaint with an appropriate elected official or local government office. Subgrantees (local governments and non-profits) shall be required to address the complaint and provide DSHA with a copy of the complaint and their response. Subgrantees should attempt to respond within fifteen days where applicable.

If the complainant feels the response from the local jurisdiction is unsatisfactory, he or she may appeal to DSHA to review the complaint for resolution. Additional information may be requested at that time. Every effort will be made to provide a full response within thirty days.

If valid and sufficient data has been provided to substantiate the complaint, an investigation will be conducted. The extent of an investigation depends on the scope and depth of the issues involved. Some investigations may include examining a set of circumstances; others may involve examining local policies and procedures.

### 2. State Programs

If the complaint is more appropriately directed toward a state program issue, the same procedure will be followed except all communications will be between the state and the complainant.

DSHA will work to continuously find ways to encourage participation beyond that of just comments and complaints. Public recommendations and suggestions of possible alternate public involvement techniques that encourage a shared vision of change for the community and the review of program performance are welcome and will be seriously considered. A strategy currently in place is the use of DSHA's website as an additional forum for notification and information gathering for interested parties.

## Citizen Participation Requirements for Local Governments Receiving Funds from the State

Units of general local government must provide for and encourage citizen participation as prescribed in 24 CFR 570.486. All applicants for HUD funds are required to adhere to the requirements in this CPP. In addition, local governments and agencies/organizations that apply for and utilize specific funding programs must adhere to the stipulations in Table 2 below.

**Table 2: Requirements for Local Governments**

Program	Public Hearing	Public Notification Minimum	Other
CDBG	1	7 days	Community Development Survey
HOME			CHDOs must have and implement Tenant Participation Plan

### **Amendment Procedures**

The Consolidated Plan, and Annual Action Plan are to be amended any time there is a significant change. The following are considered significant amendments (24 CFR § 91.115(c)(1)):

- The elimination of a goal or activity originally described in the plan;
- The addition of a goal or activity not originally described in the plan;
- Change in criteria used to rate and rank applications;
- Significant changes in funds allocated to program components;
- Receipt of any additional federal funds; and/or
- Change in purpose, scope, location, or beneficiaries of activities described in the plan.

The public notification process is the same as the Consolidated Plan, and DSHA will employ communications means designed to reach the broadest audience with the following exceptions:

- An agency may decide a public meeting or hearing is not necessary or practical. A public hearing will be scheduled upon request of 20 or more individuals;
- If a public meeting or hearing is held, notification is made in the same way as a Consolidated Plan hearing;
- If a public meeting or hearing is not conducted, notification to the public of the draft amendment and opportunity for public comment will be made through:
  - Paid advertisements in the newspaper with the largest statewide circulation
  - Press releases sent to state-wide Delaware media outlets
  - Mail (hard copy or electronic) to all persons who previously indicated interest in the planning process or who are affiliated with a business or organization typically involved with programs covered by the Consolidated Plan;
- The affected program, in cases of amendments of a program-specific nature, will be the responsible entity for the public involvement process. However, in every case, amendment information will be posted on the DSHA website;

- A 30-day comment period after the draft plan is complete will be observed. An additional 15-day comment period will be held if significant changes are made as a result of the public process; and/or
- A summary of the comments or views received, and a summary of any comments or views not accepted and the reasons why, will be attached to the substantial amendment of the Consolidated Plan in accordance with 24 CFR § 91.115 (c)(3).

A minor location change is not a substantial amendment, so long as the purpose, scope and intended beneficiaries remain essentially the same. Capital funds applied to a different portion of a project (i.e. rehabilitation in place of acquisition) do not constitute a substantial amendment.

### **Adoption of the Citizen Participation Plan**

The draft CPP will be made available upon request, for public inspection at DSHA branch offices, county offices in all three counties, and on DSHA's website. Public comment period notification will be provided through legal notices, news releases, and direct mailing to interested parties and consumer advocates. Comments will be accepted in both written and oral format and may be submitted by mail, fax, or email. Comments received will be considered prior to its adoption. The CPP will be considered adopted if, after publication, comments received were considered and incorporated as necessary. Upon adoption, another notice will be placed in news media with state-wide circulation and the CPP Plan will be made available at Delaware State Housing Authority offices, Policy & Planning Section, 18 The Green, Dover, DE 19901, 302-739-4263 or via the website at [www.destatehousing.com](http://www.destatehousing.com).

This CPP is hereby made a part of the State of Delaware Five-Year Consolidated Plan and is subject to all citizen comments. This CPP may be amended to reflect comments received during the Five-Year Plan hearing process.

### **Adopted April, 2020**

*Included with DSHA FY 2020 Annual Action Plan as a Substantial Amendment to the DSHA 2020 – 2024 Consolidated Plan, submitted April 13, 2020.*

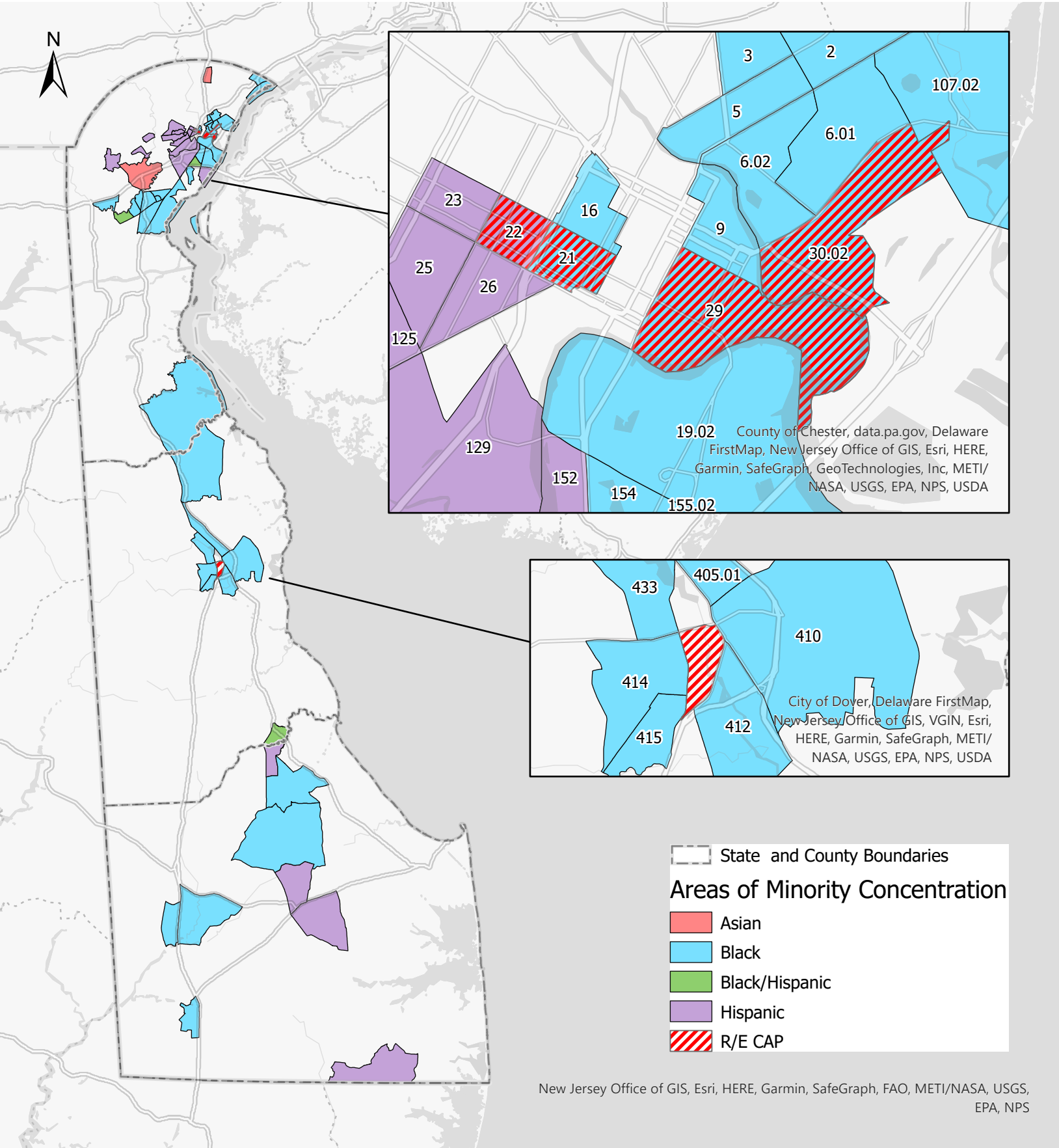
# Appendix D:

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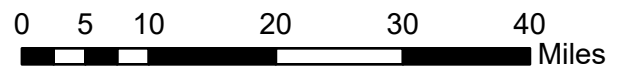
- FY24 Areas of Opportunity and Minority Concentration Maps
-

# Areas of Minority Concentration

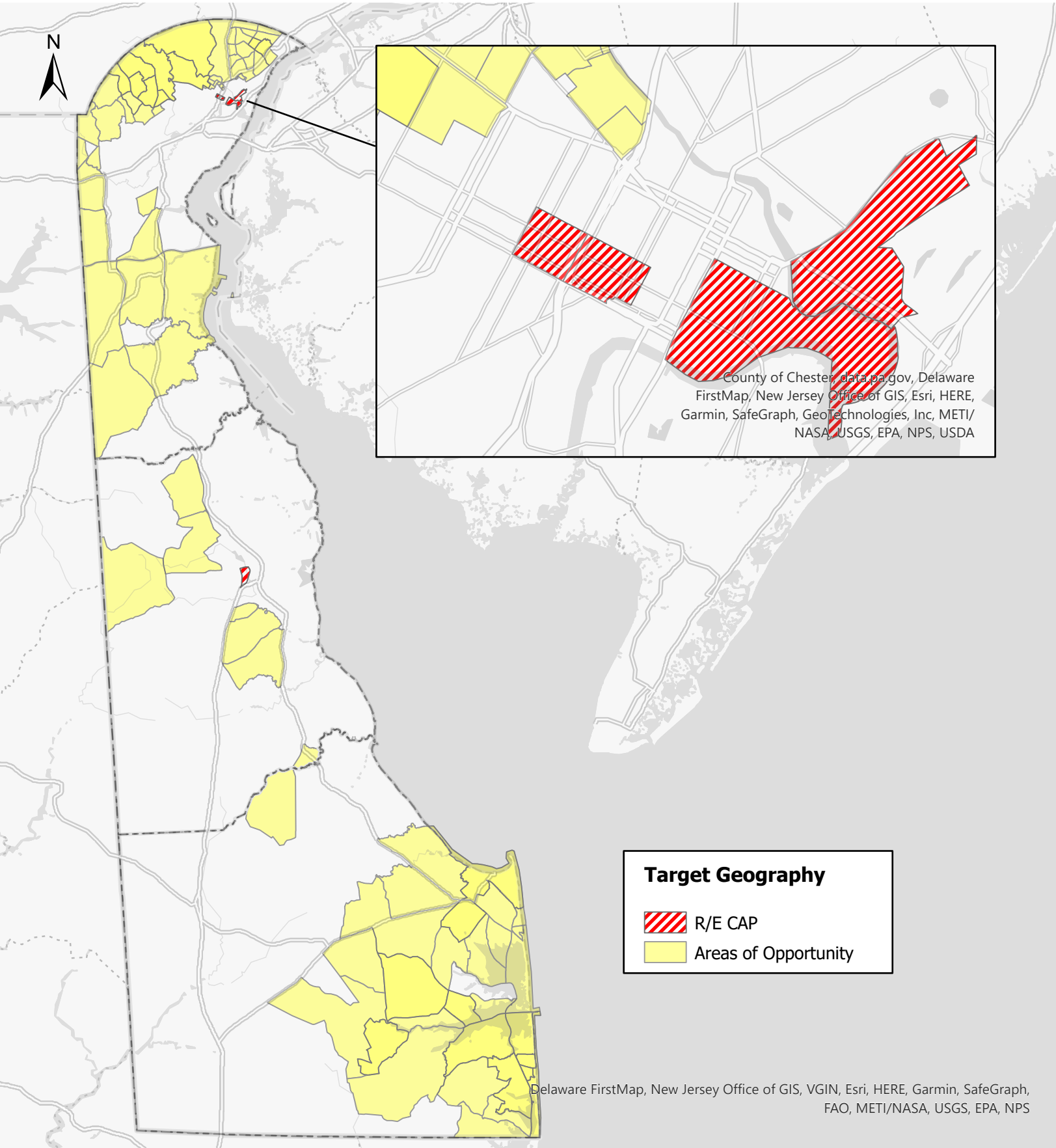
Census Tracts identified as areas of concentration of minority households as compared to the Racially/Ethnically Concentrated Areas of Poverty (R/E CAPs).



New Jersey Office of GIS, Esri, HERE, Garmin, SafeGraph, FAO, METI/NASA, USGS, EPA, NPS





# Areas of Opportunity

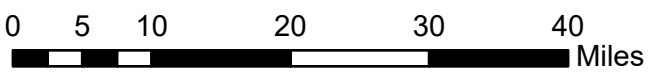


County of Chester, data.pa.gov, Delaware FirstMap, New Jersey Office of GIS, Esri, HERE, Garmin, SafeGraph, GeoTechnologies, Inc, METI/NASA, USGS, EPA, NPS, USDA

**Target Geography**

-  R/E CAP
-  Areas of Opportunity

Delaware FirstMap, New Jersey Office of GIS, VGIN, Esri, HERE, Garmin, SafeGraph, FAO, METI/NASA, USGS, EPA, NPS



# Appendix E:

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- DSHA and Regional Fair Housing Plan



# Statewide Analysis of Impediments to Fair Housing Choice FINAL FY2021

## GOAL #1: Increase Supply of Affordable Housing in High-opportunity Areas

Strategies	Counties - Cities	PHAs	Task Force	State	Other Entities
<p><b>1. Prioritize CDBG and HOME funding and further incentivize LIHTC for family units in high-opportunity areas.</b></p> <ul style="list-style-type: none"> <li>• <u>City of Newark/Newark Housing Authority (NHA)</u> June 2020, NHA began a redevelopment with LNWA to rebuild 54 Low Income Public Housing units under HUD’s Section 18. This development will also increase the number of units from 54 to 64.</li> <li>• <u>DSHA</u> supported the creation of 46 units in high-opportunity areas through LIHTC incentives and Housing Development Funds.</li> </ul>	X			X	
<p><b>2.a. Explore creating inclusionary zoning (IZ) and/or housing trust fund programs in Kent County and Cities of Wilmington, Newark, and Dover.</b></p> <ul style="list-style-type: none"> <li>• See Goal 1. Strategy 3. City of Newark/Newark Housing Authority Rental Workgroup recommendations.</li> <li>• <u>City of Wilmington</u> is working with City Council to explore IZ options.</li> </ul>	X				
<p><b>2.b. Improve existing IZ programs and/or housing trust funds in New Castle and Sussex Counties to increase affordable family units in high-opportunity areas.</b></p> <ul style="list-style-type: none"> <li>• <u>City of Wilmington</u> is working with Council to explore higher density options.</li> <li>• <u>Sussex County</u> June 2021, County Council approved a Housing Trust Fund with an initial allotment of \$500,000. The fund will assist: affordable housing developers and service providers with pre-development costs through a 0% interest loan; and, homebuyers with down-payment and settlement costs in the form of a 0% pro-rated forgivable mortgage.</li> </ul>	X				

**GOAL #1: Increase Supply of Affordable Housing in High-opportunity Areas – Cont’d.**

Strategies	Counties - Cities	PHAs	Task Force	State	Other Entities
<p><b>3. Change existing building and zoning codes to expand housing options to better fit housing needs, such as accessory dwelling units, multifamily housing, and smaller lot sizes.</b></p> <ul style="list-style-type: none"> <li>• <u>African American Task Force (AATF) IE Subcommittee</u> Recommended DSHA conduct a study on ways that General Assembly can address supply of and access to affordable housing in all its forms. <i>Presented to Full AATF July 19<sup>th</sup> but not voted until further DSHA input.</i></li> <li>• <u>City of Newark/Newark Housing Authority</u> June 2020, City Council approved 80-unit rental development in downtown, expanding existing supply and helping alleviate the high demand for rental housing. The city provided a density bonus for smaller units, and parking waiver.</li> <li>• <u>City of Newark/Newark Housing Authority</u> Since April 2020, NHA has been active on the City’s Rental Workgroup to determine housing needs within Newark. Several recommendations were approved by City Council and include: inclusionary zoning; set-aside for affordable housing in new construction; fee-in-lieu; density bonus; and incorporating deed restrictions to ensure affordability.</li> <li>• <u>City of Dover</u> Dover updated its Zoning Ordinance to relax setback and bulk standards to develop different styles of housing in Downtown Development District. Several incentives including waivers and tax abatement are provided for affordable housing in this area.</li> <li>• See Goal 1 Strategy 2b. City of Wilmington.</li> <li>• <u>Sussex County Government</u> October 2019, County Council approved Ordinance 2684 that establishes Administrative Approval Process for Manufactured Home-Type Structures, Garage Studio Apartments (i.e. ADU) and Manufactured Home-Type Structures in an Emergency or Hardship Situation. This drastically reduces the cost, time, and procedural burden on applicants pursuing these special use exceptions.</li> </ul>	X			X	X
<p><b>4. Encourage counties/cities to waive or reduce fees for affordable housing.</b></p> <ul style="list-style-type: none"> <li>• See Goal 1 Strategy 3. City of Newark/Newark Housing Authority</li> <li>• See Goal 1 Strategy 3. City of Dover</li> <li>• <u>City of Wilmington</u> The City is not in a financial position to reduce fees but is exploring ways to increase affordable housing that does not disrupt the tax base.</li> </ul>	X				

**GOAL #1: Increase Supply of Affordable Housing in High-opportunity Areas – Cont’d.**

Strategies	Counties - Cities	PHAs	Task Force	State	Other Entities
<p><b>5. In an effort to eliminate policies that perpetuate segregation, New Castle County will continue to prioritize its HOME funds for family affordable units in high-opportunity areas.</b></p> <ul style="list-style-type: none"> <li><u>New Castle County</u>: HOME applications will include language and definition of “high-opportunity” areas as well as non-impacted areas and list “high opportunity” locations.</li> </ul>	X				
<p><b>6. Repeal Senate Bill 400, which requires DSHA to notify state senators and representatives of tax credit, loan, or grant awards for affordable housing development in their district.</b></p>			X	X	X

**GOAL #2: Preserve the Existing Stock of Affordable Rental Housing**

Strategies	Counties - Cities	PHAs	Task Force	State	Other Entities
<p><b>1. For municipalities with complaint-driven code enforcement, revise to require regular inspections to reduce displacement and fear of retaliation by landlords against tenants.</b></p>	X				
<p><b>2. Continue extending affordability restrictions for properties with expiring subsidies through loan extensions, workouts, and buy-downs.</b></p> <ul style="list-style-type: none"> <li><u>City of Wilmington</u>: The City of Wilmington currently negotiates with developers to extend affordability through re-syndication.</li> <li><u>DSHA</u> In FY20, two affordable developments with expiring contracts were re-syndicated – ensuring affordability of 149 units for an additional 30 years.</li> </ul>				X	

**GOAL #3: Prevent displacement of Black and Hispanic low- and moderate-income residents**

Strategies	Counties - Cities	PHAs	Task Force	State	Other Entities
<p><b>1. Improve protections for manufactured homeowners in leased land communities including support for their conversion to cooperative or nonprofit ownership.</b></p> <ul style="list-style-type: none"> <li>The Office of the Manufacture Housing Ombudsperson was launched in 2019 within the Delaware Department of Justice (DOJ) to resolve disputes between home owners and community owners. A legal fund also established via a fee collected. DOJ administers the fund and CLASI provides representation.</li> </ul>	X			X	
<p><b>2. Pilot a “Right to Counsel” program for low-income tenants facing eviction. This program can expand upon eviction defense and appeals efforts recently launched with funding through DSHA and Federal Home Loan (FHL) Bank of Pittsburgh’s Home4Good program.</b></p> <ul style="list-style-type: none"> <li><u>Senate Bill 101: Right to Council</u> Provides civil legal assistance to households facing eviction. <i>General Assembly tabled in 151<sup>st</sup>.</i></li> <li><u>AATF IE Subcommittee Recommendation</u> Recommendation related to Right to Council, establishing minimum arrears, and creating pre-filing diversion program. <i>Presented to Full AATF July 19<sup>th</sup> but no vote until further development.</i></li> <li><u>Sussex County</u> September 2020, County awarded CLASI \$50,000 through the CDBG-CV1 CARES ACT funding to provide legal representation to tenants facing eviction.</li> <li><u>DSHA</u> Through the Home4Good program, DSHA also provided funding to expand legal services for eviction prevention and test new program models identified as priorities in the Continuum of Care Action Plan, such as housing locators.</li> </ul>			X	X	X
<p><b>3. Advocate change to Delaware Code to permit tenants to appeal decisions from Justice of the Peace Court to Superior Court and from there, to appellate courts.</b></p>			X	X	X

**GOAL #3: Prevent displacement of Black and Hispanic low- and moderate-income residents, Cont'd.**

Strategies	Counties - Cities	PHAs	Task Force	State	Other Entities
<p><b>4. Establish minimum non-payment of rent threshold for evictions of \$100 and adopt a rule allowing tenants to cure by paying full amount owed up to and including date of trial.</b></p> <ul style="list-style-type: none"> <li>• <u>Senate Bill 101: Right to Council</u> Establishing \$500 threshold. <i>General Assembly tabled in 151<sup>st</sup>.</i></li> <li>• <u>AATF IE Subcommittee Recommendation</u> Recommendation related to Right to Council, establishing minimum arrears, and creating pre-filing diversion program. <i>Presented to Full AATF July 19<sup>th</sup> but no vote until further development.</i></li> </ul>			X	X	X

**GOAL #4: Increase Community Integration for Persons with Disabilities**

Strategies	Counties - Cities	PHA	Task Force	State	Other Entities
<p><b>1. Develop project-based rental assistance to create new permanent supportive housing through LIHTC and other financing programs, which is currently allowed and incentivized but lack ongoing rental assistance.</b></p> <ul style="list-style-type: none"> <li>• <u>DSHA</u> Made project-based rental assistance available in recent NOFAs for the Housing Trust Fund and Housing Development Fund. Also established a pre-development loan product with the HDF specifically to support supportive housing projects.</li> <li>• There is a \$1 M increase to the SRAP budget in the Governor’s recommended budget. Exploring project-basing SRAP is one of the possible uses.</li> <li>• Delaware’s homeless system, providers and funders have focused on building a greater inventory of permanent housing resources – permanent supportive housing and rapid rehousing. In an effort to use shelter beds more effectively, Delaware has developed scattered-site permanent supportive housing.</li> </ul>				X	X

**GOAL #4: Increase Community Integration for Persons with Disabilities, Cont'd.**

Strategies	Counties - Cities	PHA	Task Force	State	Other Entities
<p><b>2. Adopt preferences for persons with disabilities, at risk of institutionalization or recently left institutions, in Administrative Plans for PHAs with no such preferences.</b></p> <ul style="list-style-type: none"> <li>• <u>DSHA</u> Adopted preferences for the elderly and disabled in its Federal Subsidy Programs. Their State Rental Assistance Program (SRAP) provides housing assistance for individuals exiting or in the danger of being placed into institutions.</li> <li>• <u>NCC</u> NCC admin plan currently allows for elderly and disabled preferences for the HCV waiting list</li> </ul>		X			
<p><b>3. Revise State Housing Code and encourage other jurisdictions to change the definition of family so it does not limit the number of unrelated persons who can live together in a unit.</b></p>	X		X	X	X
<p><b>4. Continue to increase the supply of accessible units by continuing to incentivize additional accessible units in LIHTC developments.</b></p> <ul style="list-style-type: none"> <li>• <u>DSHA</u> In FY20, 43 additional accessible units were completed over the required 5% or 19 units for a total of 62 units.</li> </ul>				X	

**GOAL #5: Ensure Equal Access to Housing for Persons with Protected Characteristics, Lower-income, and Experiencing Homelessness**

Strategies	Counties - Cities	PHAs	Task Force	State	Other Entities
<p><b>1. Expand Delaware Fair Housing Act’s Source of Income protections to include voucher holders.</b></p> <ul style="list-style-type: none"> <li>• <u>Senate Bill 90: Source of Income Protections</u></li> <li>• <u>AATF IE Subcommittee Recommendation</u> General Assembly should pass Senate Bill 90, which prohibits landlords from discriminating against tenants with housing vouchers. <i>Presented to Full AATF July 19<sup>th</sup> but no vote until further development.</i></li> </ul>			X	X	X
<p><b>2. For municipalities with crime-free housing and nuisance ordinances, advocate for removal; advocate for legislation banning such ordinances.</b></p> <ul style="list-style-type: none"> <li>• <u>AATF IE Subcommittee Recommendation</u> General Assembly should pass legislation banning municipal “crime-free” housing and nuisance ordinances. <i>Presented to Full AATF July 19<sup>th</sup>. With significant debate, there was no vote as it required more information/education.</i></li> </ul>	X		X	X	X
<p><b>3. Require all rental and homeownership applications be available in Spanish and ensure paper copies are available for those without computer access.</b></p> <ul style="list-style-type: none"> <li>• <u>City of Wilmington</u> Provides all documents related to rental and homeownership applications in Spanish and encourages landlords to do the same.</li> <li>• <u>DSHA</u> Provides rental assistance applications in Spanish.</li> <li>• <u>NCC</u> Provides waiting list applications and associated rental documents in Spanish</li> </ul>	X	X		X	
<p><b>4. Ensure housing authorities have culturally competent translators available to their customers.</b></p> <ul style="list-style-type: none"> <li>• <u>City of Wilmington</u> The Wilmington Housing authority provides translation services to customers.</li> <li>• <u>DSHA</u> Provides translation services for Spanish via culturally competent translators.</li> <li>• <u>NCC</u> provides translation services to customers via 3 staff members</li> </ul>		X			
<p><b>5. Cap rental application fees and eliminate fees for voucher holders in accordance with best practices.</b></p> <ul style="list-style-type: none"> <li>• <u>DSHA</u> Does not charge rental application fees at any of its RAD-LIHTC developments.</li> <li>• <u>NCC</u> - N/A</li> </ul>		X	X	X	X

**GOAL #5: Ensure Equal Access to Housing for Persons with Protected Characteristics, Lower-income, and Experiencing Homelessness, Cont'd.**

<p><b>Strategies</b></p>	<p>Counties - Cities</p>	<p>PHAs</p>	<p>Task Force</p>	<p>State</p>	<p>Other Entities</p>
<p><b>6. Encourage landlords to follow HUD’s guidance on the use of criminal backgrounds in screening tenants.</b></p> <ul style="list-style-type: none"> <li>• <u>AATF IE Subcommittee Recommendation</u> General Assembly should pass joint resolution encouraging landlord and third-party tenant screening companies to review and revise tenant screening practices to include following HUD’s guidance on use of criminal backgrounds and eliminating the reliance on FICO scores. <i>Presented to Full AATF July 19<sup>th</sup> but no vote until further development.</i></li> <li>• <u>AATF IE Subcommittee Recommendation</u> General Assembly should pass joint resolution to request a study of the relationship between tenants’ criminal backgrounds and housing outcomes. <i>Presented to Full AATF July 19<sup>th</sup> and voted yes to adopt.</i></li> <li>• <u>DSHA</u> Provides landlords with best practices for screening criteria for HCV via landlord information packets.</li> </ul>		<p>X</p>	<p>X</p>	<p>X</p>	<p>X</p>
<p><b>7. Encourage inclusive credit screening practices that do not rely on FICO scores.</b></p> <ul style="list-style-type: none"> <li>• See Goal 5 Strategy 6 - AATF IE Subcommittee Recommendation.</li> </ul>			<p>X</p>	<p>X</p>	<p>X</p>
<p><b>8. Convene Fair Housing Task Force (FHTF) on a quarterly schedule to implement recommendations in the AI that are regional in nature.</b></p> <ul style="list-style-type: none"> <li>• Dec to March – Established structure to share administrative burden and dedicated ongoing regional collaboration.</li> <li>• March to present – Meeting monthly and will transition to quarterly Fall 2021.</li> </ul>	<p>X</p>	<p>X</p>	<p>X</p>	<p>X</p>	<p>X</p>



## GOAL #6: Expand Access to Opportunity for Protected Classes

<b>Strategies</b>	Counties - Cities	PHAs	Task Force	State	Other Entities
<p><b>1. Study and make recommendations to improve Sussex County’s public transportation so members of protected classes can access jobs. Review public transportation options in New Castle and Kent Counties to ensure sufficient access to job centers.</b></p>	X			X	X
<p><b>2. Address racial disparities in water and sewer hookups, water quality, and utility costs in Sussex County by targeting CDBG funding for infrastructure and public utility improvements to unincorporated communities of color where possible, and with community support.</b></p>	X			X	X

## GOAL #7: Reduce Barriers to Mobility

Strategies	Counties - Cities	PHAs	Task Force	State	Other Entities
<p><b>1. Enact policies for periodic reviews of residency and other preferences for fair housing impacts.</b></p> <ul style="list-style-type: none"> <li>• <u>DSHA</u> reviews and modifies its Administrative Policy periodically and when there are changes in HUD Regulations.</li> <li>• <u>NCC</u> reviews Admin policies annually and adjusts via Annual plan</li> </ul>		X			
<p><b>2. Explore selective use of payment standards based on Small Area Fair Market Rents, to expand housing choice specifically in zip codes of opportunity.</b></p> <ul style="list-style-type: none"> <li>• <u>DSHA</u> uses SAFMR for New Castle County (SRAP/FUP/811).</li> <li>• <u>NCC</u> uses the HUD assigned SAFMR</li> </ul>		X			
<p><b>3. Ensure both written and oral briefing content for voucher holders addresses moves to opportunity; expand content as needed.</b></p> <ul style="list-style-type: none"> <li>• <u>DSHA</u> provides voucher participants with this information in the briefing packets provided during the issuance of vouchers.</li> <li>• <u>NCC</u> provides this information to clients during briefing sessions.</li> </ul>		X			
<p><b>4. Explore creation of mobility counseling program to support moves to opportunity.</b></p>		X			
<p><b>5. Regularly encourage landlord/developer participation in voucher programs; encourage use of the landlord listing service <i>DelawareHousingSearch</i> to increase units in high-opportunity areas.</b></p> <ul style="list-style-type: none"> <li>• An Advisory Group of State, County, local governments, advocacy organizations, and non-profits continue to support DEHS. In FY20, the group successfully worked to add new landlord increasing the number of landlords by 5% over the prior year and increased its inventory to 28,000 units.</li> <li>• <u>NCC</u> refers all landlords to post their units on Delawarehousingsearch.org</li> <li>• <u>NCC</u> hired Housing Locator, through DSHA grant, to engage and recruit landlords with units in high-opportunity areas and familiarize them with our programs</li> </ul>		X			X
<p><b>6. Develop model Affirmative Fair Housing Marketing Plan and expand affirmative marketing, including to Hispanic communities.</b></p> <ul style="list-style-type: none"> <li>• <u>City of Wilmington</u> updated their HOME application, requiring an affirmative marketing plan and completed neighborhood site standards questionnaire.</li> <li>• <u>DSHA</u> updates Affirmative Fair Housing Marketing Plans for Public Housing developments as they convert to RAD-LIHTC format.</li> </ul>		X			

## Additional Housing Activities and Issues

### Education and Training

**The Fair Housing Task Force continues to hold general fair housing education events or training for target audiences regarding specific fair housing issues.**

#### DSHA

- Partnered with U of D's Institute of Public Administration to provide a webinar for local officials on 'Anticipating Housing Needs in Your Community During the COVID-19'. Information on local policies and strategies to mitigate housing problems was provided to 45 attendees. Strategies included: loosening regulations for accessory dwelling units; revisiting definition of 'family' and occupancy limits; and, repealing crime-free ordinances.
- Partnered with New Castle County to present the *2020 Statewide Analysis of Impediments to Fair Housing Choice* to DSHA's Council on Housing Policy Committee
- Facilitated FH training for all DSHA employees in accordance with DSHA FH Employee Training Plan.

#### City of Newark/Newark Housing Authority

- June, the Planning and Development Department arranged a training for Planning Commissioners on local land use laws, including fair housing issues. The training was open to all citizen committee members, including Council and the general public.

#### City of Wilmington

- April 2021, hosted FH training for 83 housing providers, other service providers and key city staff.

#### DE-NAHRO

- May 2021 - Hosted a free three-part webinar series on the *2020 Statewide Analysis of Impediments to Fair Housing Choice*. The sessions provided an overview of the AI's key findings and recommendations, as well as its impact on local communities, and how upcoming Federal and State legislation will impact the Housing Sector.

#### HOND

- April 2021 - Hosted the Fair Housing Law Observance Symposium "Fulfilling the Promise" which include a presentation of the *2020 Statewide Analysis of Impediments to Fair Housing Choice* followed by a group discussion of the AI's key findings and recommendations.

#### Sussex County

- September 2019 – Hosted two fair housing trainings presented by Enterprise Community Partners. The first training was held for elected and appointed officials and the second was for county and local municipal staff.

#### Delaware Continuum of Care (CoC)

- February 2021 – Hosted fair housing training in partnership with CLASI for case managers, housing providers, and service providers.

## Need for Inclusive Communication and Engagement

FHTF identified need to actively engage community members, stakeholders, and historically underrepresented groups especially impacted by discriminatory housing policies, to provide their voice and input to influence outcomes.

### Partners/Potential Partners:

- H.O.M.E.S. Campaign <https://www.homecampaignde.org/>
- Southern Delaware Alliance for Racial Justice <https://sdarj.org/>
- League of Women Voters of Delaware <https://www.lwv.org/local-leagues/lwv-delaware>
- League of Women Voters of Sussex County <https://my.lwv.org/delaware/sussex-county-delaware/about-league>

## Need to Align FHTF with Related Policy Efforts

FHTF identified need to support and partner with existing groups and initiatives underway with similar goals to complement and leverage one another's efforts and amplify impact.

### Homelessness

- House Bill 235: Homeless Bill of Rights  
*General Assembly tabled in 151<sup>st</sup>.*
- AATF IE Subcommittee Recommendation  
General Assembly should pass a Bill of Rights to protect persons experiencing homelessness. *Presented to Full AATF July 19<sup>th</sup> with yes vote and adopted.*

### Partners/Potential Partners:

- African American Task Force
- Housing Alliance Delaware <https://www.housingalliancede.org/sussex-housing-group>
- Sussex Housing Group <https://www.housingalliancede.org/sussex-housing-group>
- WILMAPCO Environmental Justice [www.wilmapco.org/tj](http://www.wilmapco.org/tj)
- ACLU Delaware <https://www.aclu-de.org/>

## Data and Information

FHTF identified need to use data to measure, visualize, and communicate their communities' unmet housing needs to inform policy at the state, and local level. Work with partners to find meaningful data and speak with one voice.

- Prepared a summary of crime-free or crime abatement and nuisance ordinances (CANOs) in Delaware municipalities and fair housing concerns for the AATF – Infrastructure and Environment Subcommittee.
- Researching other states legislation regarding housing reforms, as well as the data, advocacy, groups and resources that made the housing reform successful.

# Appendix F:

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- Supplier Diversity Action Plan
-

General Order No. 593 Revising DSHA's  
Supplier Diversity Action Plan

WHEREAS, Governor's Executive Order No. 29, Council on Housing Resolution No. 398, and existing U.S. Department of Housing and Urban Development regulations provide the framework for the Supplier Diversity Action Plan; and

WHEREAS, the Delaware State Housing Authority (DSHA) desires to revise its Supplier Diversity Action Plan to ensure that minority, veteran, and women business enterprises are afforded full, equitable, and fair opportunities to compete for DSHA purchasing dollars; and

WHEREAS, this Supplier Diversity Action Plan updates and replaces DSHA's previous Supplier Diversity Action Plan effective 8/1/10.

NOW THEREFORE BE IT ORDERED AS FOLLOWS:

1. The attached DSHA Supplier Diversity Action Plan is adopted effective 8/27/12.
2. All substantive revision to the Supplier Diversity Action Plan will be accomplished via a subsequent General Order.

  
\_\_\_\_\_  
Anas Berri Addi  
Director

  
\_\_\_\_\_  
Date

Delaware State Housing Authority (DSHA)  
Supplier Diversity Action Plan

Purpose and Definitions

- The purpose of DSHA's Supplier Diversity Action Plan is to ensure that minority, veteran and women owned business enterprises are afforded full, equitable, and fair opportunities to compete for DSHA purchasing dollars.
- A minority, veteran and women owned business enterprise means a for profit business which is at least 51 percent owned and managed by a minority, veteran, or women business enterprise certified by the state Office of Supplier Diversity (OSD)
- The definition of a minority follows that of the U.S. Census Bureau.
- The definition of a veteran is an individual who has served in the United States military or has served in the National Guard of the United States for six months and has received a discharge other than a dishonorable discharge.
- This DSHA Supplier Diversity Action Plan has been drafted in accordance with Governor's Executive Order No. 14, Council on Housing Resolution No. 398, and U.S. Department of Housing and Urban Development (HUD) requirements, as well as, the Governors Executive Order No. 29 which provides the inclusion of Service Disabled Veterans and Veteran Business enterprises in the State of Delaware Supplier Diversity initiatives.

Scope of Plan

- The scope of DSHA's Supplier Diversity Action Plan includes all direct procurement accomplished by the agency, both federal and non-federal. For specific HUD requirements see in particular legislative mandates (Attachment C), including 24 CFR Part 85.36, 24 CFR Part 92.351, and HUD CPD Notice 2010-005.
- It is recognized that DSHA reporting of its supplier diversity efforts will necessarily be a combination of expenditures in both the state system and DSHA's internal accounting system.
- DSHA will also encourage its partners in non-direct assistance programs to also provide opportunities for minority, veteran and women owned business enterprises, consistent with the intent of Council on Housing Resolution No. 398.

- Subcontractor data will be solicited on contracts as applicable.
- For procurements under the competitive spending thresholds, DSHA will solicit at least 1 certified MBE/WBE/VBE as available.

DSHA Liason/Contact

- Michael T. Miles, Contract Procurement Officer, is the appointed liaison/contact for minority, veteran, and women business enterprises contracting.

Attachments

- A: Governor's Executive Order No. 14
- B: Governor's Executive Order No. 29
- C: Council on Housing Resolution No. 398
- D: Federal Requirements



#### Supplier Diversity Outreach Efforts

- DSHA will participate in annual state events such as the Governor's Enterprise Conference and the Delaware Economic Development Office's Diversity Summit, and will research the opportunities to organize similar type events to the state's housing providers consistent with the intent of Council on Housing Resolution No. 398.
- DSHA will disseminate information on state supplier diversity initiatives to its contractors, and vendors who contact DSHA seeking business opportunities.
- DSHA will provide links to the Office of Supplier Diversity (OSD) on DSHA's website.
- DSHA will identify and recruit minority veteran, and women business enterprises for certification by the Office of Supplier Diversity (OSD).
- DSHA will also consult the OSD Directory in its own procurement.

#### Reporting

- DSHA will track the participation of minority veteran, and women business enterprises, and annually evaluate DSHA's efforts. HUD goals are currently 5 percent participation of Minority and Women Business Enterprises, and 3% participation of service disabled veterans.
- DSHA submits HUD Form 2516 on contractor/subcontractor MBE/WBE activity by federal fiscal year basis in October for HUD Public Housing and Community Planning and Development programs.
- A copy of DSHA's annual evaluation of all DSHA programs will provided to OSD on a state fiscal year basis.

#### Procurement Procedures

- For procurements paid through the state financial system, notices for proposals/bids will be posted on the state central portal [www.bidsidelaware.gov](http://www.bidsidelaware.gov), as well as DSHA's web site [www.delstatehousing.com](http://www.delstatehousing.com), and qualified MBE/WBE/VBE contractors will be notified using the State MBE/WBE/VBE Directory.
- For procurements paid through DSHA's internal financial system, notices for proposals/bids will be posted on DSHA's web site, and qualified MBE/WBE/VBE contractors will be notified using the State MBE/WBE/VBE Directory.
- Notices for all procurements will encourage proposals from minority, veterans and women business enterprises.

# Appendix G:

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- FY2022 CAPER Chart
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**Comparison of the proposed versus actual outcomes for each outcome measure submitted with the consolidated plan and explain, if applicable, why progress was not made toward meeting goals and objectives. 91.520(g)**

Categories, priority levels, funding sources and amounts, outcomes/objectives, goal outcome indicators, units of measure, targets, actual outcomes/outputs, and percentage completed for each of the grantee’s program year goals.

Goal	Category	Source / Amount (5 year plan estimates)	Indicator	Unit of Measure	Expected – Strategic Plan	Actual – Strategic Plan	Percent Complete	Expected – Program Year	Actual – Program Year	Percent Complete
Affordable rental housing	Affordable Housing	HTF: \$2,382,433 / HOME: \$2,250,029 / LIHTC \$12,500,000 / HTF: \$2,684,189	Rental units constructed	Household Housing Unit	625	241	39%	112	151	121%
			Rental units rehabilitated	Household Housing Unit	1000	175	0.00%	118	0	
COVID-19 response	To Prevent, prepare for and respond to the Corona virus	CDBG \$260,000/CDBG CV: \$1,694,967/HOPWA: \$45,703 / ESG: \$2,101,301	Tenant-based rental assistance / Rapid Rehousing	Households Assisted	100	78	78.00%			
			Public Service Activities for LM income housing benefit	Households Assisted	0			910		
			Homeless Person Overnight Shelter	Persons Assisted	3000	979	33%			
			Homelessness Prevention	Persons Assisted	500	373	75%		168	
			Other	Other	0	0				

Goal	Category	Source / Amount	Indicator	Unit of Measure	Expected – Strategic Plan	Actual – Strategic Plan	Percent Complete	Expected – Program Year	Actual – Program Year	Percent Complete
Foreclosure Prevention and Recovery	Affordable Housing	Emergency Mortgage: \$8,750,000	Other	Other	3500	320	9.14%	200	0	
Homebuyer Assistance	Affordable Housing	Emergency Mortgage: \$3,000,000 / HDF: \$250,000/ Other: \$149,000,000	Homeowner Housing Added	Household Housing Unit	0	54		75	0	.
			Direct Financial Assistance to Homebuyers	Households Assisted	3750	3692	98%	1000	1617	162%
Homeless Assistance	Homeless	ESG: \$1,170,000 / HDF: \$1,250,000	Tenant-based rental assistance / Rapid Rehousing	Households Assisted	375	555	148%	45	135	300%
			Homeless Person Overnight Shelter	Persons Assisted	3750	1927	51%	955	974	101%
			Homelessness Prevention	Persons Assisted	500	173	35%	100	155	155%
Homeowner Rehabilitation	Affordable Housing	CDBG: \$7,500,000 / HOME: \$320,000 / HDF: \$2,500,000	Homeowner Housing Rehabilitated	Household Housing Unit	1500	299	20%	195	157	81%

Non-housing Community development	Non-Housing Community Development	CDBG: \$5,000,000	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit	Persons Assisted	250	0	0.00%			
			Buildings Demolished	Buildings	25	0			0	
			Housing Code Enforcement /Foreclosed Property Care	Household Housing Unit	100	0				
			Other: Administration	Other	5	2	40%		4	20.00%
<b>Goal</b>	<b>Category</b>	<b>Source / Amount</b>	<b>Indicator</b>	<b>Unit of Measure</b>	<b>Expected – Strategic Plan</b>	<b>Actual – Strategic Plan</b>	<b>Percent Complete</b>	<b>Expected – Program Year</b>	<b>Actual – Program Year</b>	<b>Percent Complete</b>
Permanent Supportive Housing	Affordable Housing Non-Homeless Special Needs	HOME: \$14,500,000 /LIHTC \$12,500,000 / Other \$21,000,000	Tenant-based rental assistance / Rapid Rehousing	Households Assisted	0	1194	43%	250	380	152 %
			Other (SRAP)	Other	3500	1491	43%		649	

**Table 1 - Accomplishments – Program Year & Strategic Plan to Date**

# Appendix H:

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- HOME Program Manual
-

**STATE OF DELAWARE**  
**DELAWARE STATE HOUSING AUTHORITY**



**HOME INVESTMENT**  
**PARTNERSHIPS PROGRAM**  
**PROGRAM MANUAL**

**APRIL 1999**  
**REVISED MARCH 2019**



**The Delaware State Housing Authority does not discriminate on the basis of race, color, creed, national origin, sex, religion, marital status, disability, age, familial status, or sexual orientation in the provision of services.**

**Delaware State Housing Authority is an equal opportunity employer.**

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**VIII. Attachments**

- A. Recapture Provisions for Homebuyers
- B. Questionnaire for CHDO Certification
- C. CHDO Operating Grant Application
- D. Subsidy Layering Guidelines
- E. Supplier Diversity Action Plan

## **I. INTRODUCTION**

### **A. Purpose**

The HOME Investment Partnerships Program (HOME Program) allocates funds to eligible states and local governments to provide affordable housing. The U.S. Department of Housing and Urban Development (HUD) allocates funds by formula to eligible participating jurisdictions for use in providing affordable rental and homeownership housing through the acquisition, rehabilitation, and new construction of housing, and tenant-based rental assistance. Annually, approximately \$3,000,000 is allocated to the State of Delaware, of which at least 15% is reserved for use by Community Housing Development Organizations (CHDOs) for furthering affordable housing.

### **B. Administration**

The HOME Program for the State of Delaware is administered by the Delaware State Housing Authority (DSHA). The mission of DSHA is to efficiently provide, and to assist others to provide, quality, affordable, housing opportunities and appropriate supportive services to low- and moderate-income Delawareans.

### **C. Program Design**

The Delaware HOME Program is designed to be consistent with the Delaware Consolidated Plan and to benefit very low- and low-income persons and families in obtaining affordable housing through new construction and rehabilitation of existing housing stock. DSHA will conduct a statewide program in the distribution of HOME funds.

## **II. DISTRIBUTION OF HOME FUNDS**

### **A. Eligible Activities**

HOME Program funds will be used to further affordable housing for very low- and low-income persons and families and special population groups. Eligible activities under Delaware's HOME Program are:

1. Permanent and Transitional Housing (no emergency shelters or emergency repair programs) including:
  - a. New construction of single and multi-family housing.
  - b. Rehabilitation, conversion, or reconstruction of single and multi-family housing.
  - c. Acquisition, demolition and other costs related to construction that are eligible under HOME Program regulations.
2. Deferred second (or other loan position as approved by DSHA) mortgage loans to homebuyers subject to the recapture provisions as contained in Attachment A hereto.

- a. Mortgage loans shall be at 0% interest and shall not require payments except in the event of sale, rental or refinancing of the property. The loans shall be forgiven at the end of the period of affordability provided all HOME Program and DSHA requirements have been met.
  - b. The HOME acquired property must remain the principal residence of the assisted family throughout the recapture period and may not be rented. The assisted property shall meet the Property Standards of 24 CFR Part 92, § 92.251 and all applicable State and local housing quality standards and codes.
  - c. The purchase price and appraised value of the assisted property may not exceed the lesser of the Federal Housing Administration's single-family mortgage limits under Section 203(b) of the National Housing Act for the type of assisted housing or other limits as established by HUD.
  - d. The loans may be used for downpayments and closing costs associated with the sale of the property.
  - e. In order to be eligible for a loan, an applicant must have satisfactorily completed a DSHA-approved homeownership counseling program or must be enrolled in such a program and be making satisfactory progress as determined by DSHA in its sole discretion.
  - f. Participants in DSHA's Scattered Site Public Housing Homeownership Program (PHHP) shall receive priority for all HOME Program mortgage loans. If there are no potential PHHP applicants who may utilize available funds, DSHA may allow non-PHHP participants to apply. Other applicants seeking HOME Program mortgages that are not in the PHHP may be required to apply for all other available State second mortgage assistance such as the SMAL Program if funds are available. Participants qualifying for an USDA/Rural Development mortgage may be required to apply for USDA/Rural Development assistance.
  - h. Applications for loans will be made on and in accordance with standard Universal Residential Loan Application forms as provided by Freddie Mac or Fannie Mae.
  - g. Loans shall be approved by the Director of DSHA and may not exceed \$20,000 in HOME Program funding or such other reasonable amount approved by the Director. DSHA may limit the number of loans issued in any fiscal year.
3. Administration costs incurred by DSHA subject to a limit of 10% of the total federal fiscal year allocation and 10% of any program income during the fiscal year.
  4. Operating expenses of CHDOs up to the maximum allowable under HUD regulations of a federal fiscal year allocation of HOME funds made available to Delaware provided that:

- a. The CHDO has been designated as a CHDO by DSHA and is not a prospective CHDO, and DSHA has reserved or intends to reserve CHDO set aside funds for the CHDO. A CHDO must reapply for CHDO certification annually or each time additional CHDO funds are committed to the organization by completing the CHDO Questionnaire in Attachment B. CHDOs must complete and submit an application for an Operational Expense Grant (Attachment C) to DSHA for review and approval for each year of funding requested.
- b. If funds for operating expenses are provided to a CHDO that is not also receiving a portion of the 15% CHDO set aside for developments, then DSHA must enter into a written agreement with the CHDO that provides that the CHDO is expected to receive CHDO set aside funds within 24 months of receiving the funds for operating expenses, and specifies the terms and conditions upon which this expectation is based. DSHA in its sole discretion shall determine if the expectation is reasonable.
- c. The operating expense is incurred in accordance with a written agreement as specified in 24 CFR Part 92, § 92.300 and § 92.504.
- d. Operating expenses are defined as reasonable and necessary costs for the operation of a CHDO. Such costs include salaries, wages, other employee compensation and benefits; employee education, training, and travel; rent; utilities, communication costs; taxes; insurance; and equipment, materials and supplies. No indirect operating expenses may be charged by a CHDO, and no capital expenditures over \$1,000 will be allowed. These funds may not be used to pay operating expenses of a CHDO acting as a subrecipient or contractor under the HOME Program.
- e. A CHDO may not receive HOME Funding from all HOME funding sources for any fiscal year in an amount which provides more than 50% or \$50,000, whichever is greater, of the CHDO's total operating expenses in that fiscal year. DSHA will limit the amount of State of Delaware HOME funding for operating expenses that a CHDO may receive for any fiscal year as follows:  
  
First Year: A CHDO may receive 100% of the funding for the estimated fiscal year operating expenses up to \$50,000.  
Second Year: After the first year, DSHA will evaluate the CHDO's performance and use of CHDO set aside funds to determine the amount of future-operating funds that may be reserved for the CHDO. A CHDO must reapply for each fiscal year's funding.
- f. Any reserved operating funds for CHDOs not committed by DSHA within 12 months of HUD signing the grant agreement may be released for other eligible activities.

- g. All funds provided for CHDO operating expenses shall be in the form of a grant and will be approved by the Director. A grant agreement outlining the uses of the operating funds and other HOME Program and DSHA requirements will be executed by the CHDO and DSHA.

**B. Consistency with Consolidated Plan**

Any proposed use of HOME Program funds to further affordable housing activities for the economically disadvantaged and special population groups must be consistent with Delaware's Consolidated Plan.

**C. Method of Distribution**

The distribution of annually allocated HOME Program funds will be directly administered by DSHA through the application, approval, draw, construction and monitoring processes in place for the State's Housing Development Fund (HDF) and Low-Income Housing Tax Credit (LIHTC) programs. DSHA may also utilize HOME Program funding to provide direct downpayment assistance to eligible low-income homebuyers. When sufficient HOME funds are available, subgrants may be made to Kent and Sussex Counties to allow HOME funds to be utilized for single-family homeowner rehabilitation through the State's CDBG application and approval process. The counties via contract may administer homeowner rehabilitation projects. Any in-house application not previously approved for funding and all other applications received for the HDF and LIHTC programs may be reviewed for funding under the HOME Program.

Application for HOME Program funds for multi-family developments shall be made through the application and approval process in place for the HDF and/or LIHTC programs. The following specific items will be taken into consideration when determining the merits of an application for HOME funds:

1. Organization's past performance.
2. Demonstrated need for the development.
3. Suitability of the development location.
4. Cost efficiency of the development.
5. Amount of loan per unit serving very low-/low-income persons:
  - a. Rental units: 80% of HOME funds may benefit persons with incomes  $\leq$  60% of the median income and the remaining 20% of HOME funds must benefit persons with incomes  $\leq$  50% of the median income.
  - b. Owner-occupied units: 100% of HOME funds must benefit person with incomes  $\leq$  80% of the median income.
6. Length of payback period.
7. Position of loan and how it is secured/length of repayment.
8. Source of permanent financing (if appropriate).

9. Percentage of total development cost funded by HOME/DSHA.
10. Cash and non-cash equity participation of developer.
11. Evidence that alternate sources of financing have been utilized/exhausted.
12. Evidence that housing will be provided in neighborhoods where there is little very low-/low-income housing available.
13. Extent to which proposal will assist in revitalization of deteriorating neighborhood.
14. Extent to which current DSHA loans to the applicant or affiliated parties are in good standing.

**D. Forms of Assistance**

DSHA may provide HOME Program funds to developers or sponsors in the forms below:

1. Interest-bearing loans or advances
2. Non-interest-bearing loans or advances
3. Deferred payment loans or grants
4. Other forms of assistance approved by HUD

Grants may be made only to nonprofits and only when a project demonstrates unusually strong very low-income orientation and is cost effective and not financially viable without a grant. The income mix of the persons to be served, as well as the financial viability of the project will influence interest rates and repayment schedules of loans.

**D. Geographic Areas of HOME Program Funding**

DSHA anticipates an equal distribution of HOME Program funds between the three counties in Delaware. The actual commitment of HOME funds will be dependent upon an evaluation of the quality of and timing in which applications are received.

**III Set Aside for CHDOs**

DSHA will reserve a minimum of 15% of Delaware's annual HOME Program allocation for use by CHDOs. The 15% set aside must be used for affordable housing to be developed, owned or sponsored by the CHDOs, and all CHDO activities must be consistent with the State's Consolidated Plan.

**A. Selection of CHDOs**

1. All CHDOs must meet the definition of such agencies as delineated in 24 CFR Part 92, § 92.2.
2. All nonprofit agencies wishing to be designated as a potential CHDO under DSHA's HOME Program must submit the CHDO Questionnaire as

contained in Attachment B and supporting documentation. DSHA will review the application and information and advise the agency if it has met the requirements or additional information is required. DSHA may refer organizations wishing to meet the criteria for becoming a CHDO to HUD designated local Intermediary Technical Assistance Providers as appropriate.

3. Agencies that will qualify as CHDOs will be invited to submit applications for furthering affordable housing. DSHA will then designate one or more agencies as CHDOs for the CHDO set aside of the HOME Program provided the criteria established in the appropriate application are met. Any potential DSHA designated CHDO that has not made application for or utilized the State CHDO set aside for development of affordable housing within two years of designation will be required to reapply for CHDO designation. A CHDO must also reapply for CHDO certification prior to the commitment of subsequent CHDO project funds to the organization by completing the CHDO Questionnaire in Attachment B. DSHA may additionally require any CHDO to reapply for designation upon the event of a material change in the structure of the CHDO or at such other time as required by HUD.
4. Nonprofit agencies based in New Castle County, Delaware, which have been designated as a CHDO by DSHA and have not lost such designation, may remain a CHDO under the State's HOME program provided all other HOME Program requirements are met. DSHA will accept no new applications for CHDO designations from nonprofit agencies based in New Castle County, Delaware.

#### **B. Forms of Assistance to CHDOs**

DSHA may provide assistance to CHDOs in any of the following forms:

1. Interest-bearing or non-interest-bearing loans or advances
2. Deferred payment loans or grants
3. Up to 10% of the HOME funds reserved for the use of CHDOs may be used for project specific technical assistance and site control loans or project specific seed money loans consistent with the requirements of 24 CFR Part 92, § 92.301. Loans shall not exceed \$45,000 and will be approved by the Director of DSHA.
4. Other forms of assistance approved by HUD

#### **C. Eligible CHDO Activities for Set Aside Funds**

CHDOs may use HOME funds for the new construction of affordable housing and the reconstruction, conversion or rehabilitation of single or multifamily housing for very low/low-income persons and special population groups and the related costs associated with these activities that are eligible under 24 CFR Part 92, § 92.205 and § 92.206. Acquisition related to these activities will also be considered. CHDO activities undertaken with HOME funds must be project

specific and must be consistent with the objectives of the State's Consolidated Plan.

CHDOs may not use HOME funds for homeowner rehabilitation, tenant-based rental assistance, project administration or any other activity prohibited under 24 CFR Part 92, § 92.214. When a CHDO is acting in the capacity of a HOME subrecipient, it may not also receive HOME funds to own, develop, or sponsor housing funded through the sub recipient activity the CHDO administers.

**D. Geographic Distribution of CHDO Set Aside Funds**

It is anticipated that funds reserved for the use of CHDO projects will be mostly utilized in Kent and Sussex counties as the City of Wilmington and New Castle County also have CHDO funding available. However, the actual disbursement of CHDO funds will be based upon an evaluation of the quality of the applications and the timing in which requests for funds are received.

**E. Preferences for CHDOs Utilizing USDA Rural Development Funding**

In competition for HOME Program funds set aside for CHDO developments, DSHA will give a preference to CHDOs who are applying for USDA Rural Development Section 515 financing and/or Rental Assistance.

**IV. Other HOME Requirements**

**A. Affordability Periods**

1. Rental properties shall be retained as affordable housing as set forth in 24 CFR Part 92, § 92.252 and for a period as indicated below:

RENTAL HOUSING ACTIVITY	MINIMUM PERIOD OF AFFORDABILITY IN YEARS
Rehabilitation or acquisition of existing housing per unit amount of HOME funds	
Under \$15,000	5
\$15,000 - \$40,000	10
Over \$40,000 or rehabilitation involving refinancing	15
New construction or acquisition of newly constructed housing	20



2. Owner-occupied housing shall be retained as affordable housing as set forth in 24 CFR Part 92, § 92.254 and for a period as may be determined by DSHA (or such other longer period as determined by HUD) for rehabilitated units not involving purchase.
3. When HOME funds are used in connection with other State, Federal, or private funds, the period of affordability for the HOME funds may be the longest period required by any funding source, but shall be no less than 20 years for HOME funds used in connection with the HDF unless DSHA determines a lesser affordability period is appropriate.

**B. Subsidy Amounts**

The minimum average per unit subsidy per project (except for rental security deposits) shall not be less than \$1,000 per HOME-assisted unit. The maximum average per unit subsidy per project may not exceed 240% of the limits established under Section 221(d)(3)(ii) (nonprofit mortgagors) of the National Housing Act for elevator-type projects.

**C. Site Requirements**

1. New Construction: The site for new construction projects shall:
  - a. Not be located in an area of minority concentration unless,
    - 1).Sufficient, comparable opportunities exist for housing for minority families, in the income range to be served by the proposed project, outside areas of minority concentration; or
    - 2).The project is necessary to meet overriding house needs which cannot otherwise feasibly be met in that housing market area;
  - b. Not be located in a racially mixed area, if the project will cause a significant increase in the proportion of minority to non-minority residents in the area; and
  - c. Promote greater choice of housing opportunities and avoid undue concentrations of assisted persons in areas containing a high proportion of low-income persons.
2. Rehabilitation: Sites for multi-family rehabilitation projects shall promote greater choice of housing opportunities and avoid undue concentrations of assisted persons in areas containing a high proportion of low-income persons.

**D. Match Requirements**

1. To the extent that contributions from other resources to a development assisted with HOME funds do not meet matching requirements, DSHA will provide the remainder of the required match from non-federal sources. Contributions that have or will be counted as satisfying a matching requirement of another federal program may not be used to satisfy the matching requirement for the HOME Program.

2. As required, DSHA will make match contributions to housing that qualifies as affordable housing under the HOME Program. Except where the match requirement has been reduced, DSHA will provide match funds totaling not less than 25 percent of the HOME funds drawn from the State of Delaware's HOME Investment Trust Fund Treasury account for the appropriate period. Funds drawn for administration and Community Housing Development Organization (CHDO) operating expenses are not required to be matched.
3. Matching contributions required under the HOME Program may be made as a cash contribution from non-federal sources or may be made as the grant equivalent of a below-market interest rate loan to housing that qualifies as affordable under the HOME Program from either the State of Delaware Housing Development Fund (HDF) or the non-bond portion of the State's Affordable Rental Housing Program (ARHP). The present discounted cash value of the difference in the interest rate for the HDF or ARHP loans, versus the appropriate market rate for that type of development, will be counted as a match. Match contributions made in a federal fiscal year exceeding the match liability for that year will be carried over and applied to future fiscal years' match liability.
4. DSHA will maintain a match log of all HOME Treasury funds drawn and the appropriate match requirement. The log will be updated at least quarterly and will track expenditures and match contributions.

**E. Subsidy Layering**

Prior to commitment of HOME Program funds to a project, DSHA will evaluate the project in accordance with the Subsidy Layering Guidelines as contained in Attachment D and will not invest any more HOME funds in combination with other federal assistance than is necessary to provide affordable housing. These guidelines are designed to ensure the participants in a project do not receive excessive HUD subsidies by combining HOME funds with other federal assistance.

**V. Affirmative Marketing**

- A. DSHA and the owner of a HOME-assisted project shall follow the affirmative marketing procedures and requirements of this section for projects containing five or more HOME-assisted housing units. The affirmative marketing procedures shall remain in effect for the period of affordability as set forth in 24 CFR, Part 92, § 92.252, and § 92.254.
- B. Methods for informing the public, owners, and potential tenants about federal fair housing laws and affirmative marketing policies shall include, but not be limited to the use of the equal Housing Opportunity logotype or slogan in press releases, solicitations for owners or tenants, and written communications to fair housing and other groups.

### **C. Owner Requirements**

The owner, or any designee of the owner involved in the marketing of housing, shall follow the methods indicated in Section B above and shall:

1. Market and rent all housing in accordance with Fair Housing Laws;
2. Display Fair Housing posters in all offices involved in the marketing of housing and on the HOME-assisted project site;
3. Develop an Affirmative Fair Housing Marketing Plan (AFHMP) using the current Form HUD-935.2A, to be reviewed and accepted by DSHA prior to the issuance of a proceed order for a HOME-assisted project. The affirmative marketing procedures in the plan shall describe the intended use of commercial media, community contacts and any special outreach activities. Where there is another Federal funding source involved in the HOME-assisted project requiring affirmative marketing procedures (HUD, USDA, etc.), then the other Federal agency shall review and approve the AFHMP as required by the other Federal agency. The owner shall provide a copy of the approved AFHMP to DSHA.

### **D. Record Keeping**

The owner shall maintain records as indicated below and provide copies to DSHA when requested.

1. Copies of all advertisements placed for vacancies;
2. Copies of all brochures and signs advertising the affordable housing;
3. Photographs of all site signs and fair housing posters (on site);
4. Listings of community contacts made as special outreach efforts and copies of letters mailed to community contacts or notes made if a contact involved a site visit or meeting.
5. Records of the owner's nondiscrimination hiring policy and records indicating the composition of the owner's sales staff including race, color, age, sex, and handicapped status.
6. Records of persons occupying the housing before and after construction including family size, race, income, sex of head of household, handicapped status, and rent levels.

### **E. Monitoring Affirmative Marketing**

1. DSHA shall assess the effectiveness of all owners' affirmative marketing activities on an annual basis after project completion to determine if the objectives of the plans are being met.
2. Records will be kept by DSHA of the assessment and any corrective actions deemed necessary.

3. Owners failing to meet objectives of their AFHMP shall be notified in writing of such failure and what corrective actions are necessary. If, within a reasonable amount of time, but no longer than 180 calendar days, the owner does not take corrective actions as indicated by DSHA, then the owner may be subject to all of the following actions:
  - a. Resubmission of an amended AFHMP;
  - b. Withholding of additional HOME, State, or Federal funds for the HOME-assisted project if the project is incomplete;
  - c. Disbarment from participation in future State administered affordable housing programs;
  - d. Application by the State to HUD to have the owner disbarred from participation in Federal programs, and
  - e. Prosecution under local, State, or Federal fair housing laws.

## **VI. MINORITY, WOMEN AND VETERAN BUSINESS ENTERPRISES OUTREACH PROGRAM**

### **A. Statement of Policy**

1. It is the policy of the Delaware State Housing Authority to insure the inclusion, to the maximum extent possible, of minorities, women and/or veterans, including, without limitation, real estate firms, construction firms, appraisal firms, management firms, financial institutions, investment banking firms, underwriters, accountants, and providers of legal services, in all contracts entered into by DSHA with such persons or entities, public and private, in order to facilitate the activities of DSHA to provide affordable housing authorized under the National Affordable Housing Act or any other federal housing law applicable to DSHA.
2. As part of its MBE/WBE outreach program and in accordance with the requirements of the Governor's Executive Orders No. 14 and No. 29, DSHA and other State agencies have adopted Supplier Diversity Action Plans. DSHA's Plan is included as Attachment E. The Supplier Diversity Action Plan updates and replaces DSHA's previous Minority and Women Business Enterprise Program and will assist minority, women and/or veteran business enterprises (M/W/VBE) in obtaining opportunities to compete for both DSHA and federal purchasing dollars and contracting opportunities. DSHA has mailed out to contractors solicitations and posted information on its web site encouraging both contractors and subcontractors to become listed as a certified M/W/VBE enterprise in the State's Office of Supplier Diversity (OSD) directory. DSHA utilizes the OSD directory in its own solicitations for work and services and directs HOME project contractors to use the OSD directory for their needs.
3. DSHA coordinates its efforts with the services provided by the OSD. A listing of services available can be found at <http://gss.omb.delaware.gov/osd/> and include, but are not limited to, notification of business events, certification as a M/W/VBE, bid and contracting opportunities and training information.

**B. Program Oversight**

The Administration Section (Admin) of DSHA is the office with oversight responsibilities for promoting the M/W/VBE Outreach Program. Mr. Mike Miles, Contract Procurement Officer, has overall direct responsibility for the Program. Admin's duties include the promotion of the M/W/VBE Outreach Program along with the collection, distribution and monitoring of information as necessary for the successful operation of the program.

**C. Identifying MBEs/WBEs**

1. Admin conducted surveys at the start of the HOME Program to establish a listing of MBE/WBE contractors/subcontractors, vendors, and professional firms. The survey method included: direct mailings to known MBE/WBE groups and minority and women's organizations, obtaining MBE/WBE listings maintained by local, state and federal agencies and placing advertisements regarding the survey in local media.
2. In June of 2012, the Office of Supplier Diversity was established as the State office responsible for ensuring that minority, women and veteran businesses are afforded full and equal access to State procurement opportunities related to the provision of commodities, services and construction. All firms on the prior listing of DSHA MBE/WBE contractors were contacted and strongly encouraged to contact the OSD and become certified.
3. DSHA may periodically sponsor conferences or seminars and develop informational and documentary materials on contract/subcontract opportunities for M/W/VBEs in order to facilitate their inclusion in contracts for affordable housing.

**D. Monitoring**

1. DSHA shall require all contractors, when entering into contracts to further affordable housing, to submit monitoring forms for themselves and their subcontractors.
2. DSHA shall collect and maintain records and statistical data on the use and participation of M/W/VBEs as contractors/subcontractors in all HUD-assisted program contracting activities.
3. DSHA shall evaluate, on a yearly basis, the contract participation of M/W/VBEs in HUD-assisted program activities and shall take such steps as necessary to assure the participation of M/W/VBEs.

**E. Solicitation Procedures**

1. Whenever DSHA solicits bids or proposals for work involving DSHA or HUD-assisted projects it shall:
  - a. In all bid notices or requests for proposals (RFPs) include language such as, "Bids are especially invited from minority business enterprises, women business enterprises and veteran business enterprises,"

- b. Advertise in two newspapers of general local circulation of the project area for all bids and RFPs and
  - c. Post all bids and RFPs on the DSHA website and on the State's Bid Solicitation Directory at <http://bids.delaware.gov/>.
- 2. DSHA shall require all contractors involved in HUD-assisted projects, when soliciting proposals and or bids from subcontractors to include language such as, "Bids are especially invited from minority, women and veteran business enterprises" in solicitations. Contractors shall also keep records of M/W/VBEs participation and solicitation including copies of all advertisements.
- 3. DSHA shall advise contractors at pre-bid and preconstruction meetings to contact the OSD in order to facilitate the inclusion of M/W/VBEs in the contractors' proposal or bid.

## **VII SEVERABILITY**

If any section, subsection, paragraph, phrase or clause of the Program Manual for the State of Delaware HOME Investment Partnerships Program shall be declared invalid for any reason whatsoever, such decision shall not affect the remaining portions of the Program Manual which shall continue in full force and effect; and to this end the provisions of this Program Manual are hereby declared to be severable.

## ATTACHMENT A

### RECAPTURE PROVISIONS FOR HOMEBUYERS

#### I. Deferred Second Mortgage Loans for Downpayments and Closing Costs

- A. The prorated amount of HOME Program funds in the form of second mortgage loans (or other loan position as approved by DSHA) used for downpayments and closing costs are subject to recapture when the initially assisted homebuyer sells, rents or refinances the HOME assisted property within the recapture period set forth in the following chart:

Amount of HOME Funds	Recapture Period
Less than \$15,000	5 years
\$15,000 to \$40,000	10 years
Over \$40,000	15 years

HOME mortgage loans shall be forgiven after expiration of the loan recapture period and/or period of affordability. If the HOME assisted property is sold, rented or refinanced during the recapture period, the amount of the repayment required shall be prorated by the number of full years the original HOME- assisted owner occupied the property. For example, a HOME deferred second mortgage in the amount of \$20,000 would have a recapture period of 10 years. If the property was sold 3 years and six months after the recapture period started, then 30% (3 full years/10 year recapture period) of the original \$20,000 HOME loan would be forgiven making the repayment amount due \$14,000.

- B. Where the net proceeds (the sales price of the assisted property less loan repayment of DSHA approved superior debt and closing costs) is greater than the prorated balance due under the HOME mortgage loan, the balance of the HOME prorated mortgage loan shall be repaid to DSHA. However, where the net proceeds are less than the HOME mortgage loan, the amount of the net proceeds shall be repaid to DSHA. All repaid HOME mortgage funds shall be used to support other HOME-eligible activities.
- C. These recapture provisions shall be included in the note and mortgage evidencing and securing the HOME funded second mortgage loan.

## ATTACHMENT B

DELAWARE STATE HOUSING AUTHORITY  
Questionnaire For  
Community Housing Development Organization  
(CHDO) Certification

The purpose of this questionnaire to provide the Delaware State Housing Authority (DSHA) with information necessary to determine if a nonprofit organization qualifies as a CHDO under the State of Delaware's HOME Program. Organizations which have been named as a CHDO under another participating jurisdiction's program (i.e., New Castle County or the City of Wilmington) do not automatically qualify as a CHDO under the State of Delaware's HOME Program.

The questionnaire is designed to be sufficiently comprehensive and precise to address all information necessary for a nonprofit organization to be evaluated as a CHDO by DSHA. However, DSHA reserves the right to ask for additional information during the review process, should it be deemed necessary.

Please complete the following questionnaire form and attach all required documentation. Incomplete or missing information will delay any decision on designation as a CHDO by DSHA. Feel free to provide any additional pertinent information as an attachment to the questionnaire.

All questions concerning this questionnaire and the completed questionnaire should be addressed to:

Susan Eliason  
Director of Housing Development  
Delaware State Housing Authority  
18 The Green  
Dover, DE 19901  
302-739-4263 or [susane@destatehousing.com](mailto:susane@destatehousing.com)



QUESTIONNAIRE FOR  
COMMUNITY HOUSING DEVELOPMENT ORGANIZATION  
(CHDO) CERTIFICATION

Name of Organization: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

Contact Person: \_\_\_\_\_

Telephone: \_\_\_\_\_

E-mail: \_\_\_\_\_

Date: \_\_\_\_\_

INSTRUCTIONS:

In order to qualify as a CHDO under federal regulations governing the HOME Program, a nonprofit organization must meet the requirements contained in this questionnaire.

- It is necessary to submit at least one document to meet each pertinent requirement in Sections I–V (Section V is for religious organizations only).
- Check the appropriate box after each requirement for the evidence being submitted.
- Highlight the pertinent text in each document and label it with the requirement number (i.e., IV,B,(1)).
- Assemble your documents in the numerical order of the requirements as closely as possible.

NOTE: Should a document contain multiple information, it is only necessary to send one copy of that document and highlight the applicable sections.

CHDO QUESTIONNAIRE

I. LEGAL STATUS

- A. The nonprofit organization is organized under State or local laws, as evidenced by:

\_\_\_\_\_ Charter, OR  
\_\_\_\_\_ Articles of Incorporation

- B. No part of its net earnings inure to the benefit of any member, founder, contributor, or individual, as evidenced by:

\_\_\_\_\_ a Charter, OR  
\_\_\_\_\_ Articles of Incorporation

- C. Has a tax exemption ruling from the Internal Revenue Service (IRS) under Section 501(c) (3) or (4) of the Internal Revenue Code of 1986, as evidenced by:

\_\_\_\_\_ a 501 (c) (3) or (4) Certificate from the IRS; OR

Is classified as a subordinate of a central organization non-profit under section 905 of the Internal Revenue code, as evidenced by:

\_\_\_\_\_ a group exemption letter from the IRS that includes the CHDO

- D. Has among its purposes the provision of decent housing that is affordable to low- and moderate-income people, as evidenced by a statement in the organization's:

\_\_\_\_\_ Charter,  
\_\_\_\_\_ Articles of Incorporation  
\_\_\_\_\_ By-laws, OR  
\_\_\_\_\_ Resolutions

II. CAPACITY

- A. Conforms to the financial accountability standards of 24 CFR, Part 84, §84.21, "Standards for Financial Management Systems", as evidenced by:

\_\_\_\_\_ a notarized statement by the president, or chief financial officer of the organization;  
\_\_\_\_\_ a certification from a Certified Public Accountant; OR  
\_\_\_\_\_ a HUD approved audit summary.

B. Has a demonstrated capacity for carrying out activities assisted with HOME funds, as evidenced by:

\_\_\_\_\_ resumes and/or statements that describe the experience of key paid staff members who have successfully completed projects similar to those to be assisted with HOME funds. Consultants or volunteers may not be used to meet the demonstrated capacity requirement.

C. Has a history of serving the community where housing to be assisted with HOME funds will be used, as evidenced by:

\_\_\_\_\_ a statement that documents at least one year of experience in serving the community; OR

\_\_\_\_\_ for newly created organizations formed by local churches, service or community organizations, a statement that documents that its parent organization has at least one year of experience in serving the community.

The CHDO, or its parent organization must be able to show one year of serving the community from the date the participating jurisdiction provides HOME funds to the organization. In the statement, the organization must describe its history (or its parent organization's history) of serving the community by describing activities which it provided (or its parent organization provided), such as, developing new housing, rehabilitating existing stock and managing housing stock, or delivering nonhousing services that have had lasting benefits for the community, such as counseling, food relief, or childcare facilities. The statement must be signed by the president of the organization.

### III. ORGANIZATIONAL STRUCTURE

A. Maintains at least one-third of its governing board's membership for residents of low-income neighborhoods, other low-income community residents, or elected representatives of low-income neighborhood organizations as evidenced by the organization's:

\_\_\_\_\_ By-Laws,  
\_\_\_\_\_ Charter, OR  
\_\_\_\_\_ Articles of Incorporation

Under the HOME Program, for urban areas, the term, "community", is defined as one or several neighborhoods, a city, county, or metropolitan area. For rural areas, "community" is defined as one or several neighborhoods, a town, village, county, or multi-county area (but not the whole state).

- B. Provides a formal process for low-income, program beneficiaries to advise the organization in all of its decisions regarding the design, siting, development, and management of all HOME-assisted affordable housing projects, as evidenced by:

\_\_\_\_\_ the organization's By-laws,  
\_\_\_\_\_ Resolutions, OR  
\_\_\_\_\_ a written statement of operating procedures approved by the governing body

- C. A CHDO may be chartered by a State or local government; however, the State or local government may not: (1) provide its employees to the CHDO as staff or officers; and (2) appoint more than one-third of the membership of the organization's governing body. In turn, the board members appointed by the State or local government may not appoint the remaining two-thirds of the board members. The CHDO must provide evidence that no more than one-third of the governing board members are public officials. Such evidence will be specified by the organization's:

\_\_\_\_\_ By-Laws,  
\_\_\_\_\_ Charter, OR  
\_\_\_\_\_ Articles of Incorporation

- D. If the CHDO is sponsored or created by a for-profit entity, the for-profit entity may not appoint more than one-third of the membership of the CHDO's governing body, and the board members appointed by the for-profit entity may not, in turn, appoint the remaining two-thirds of the board members, as evidenced by the CHDO's:

\_\_\_\_\_ By-Laws,  
\_\_\_\_\_ Charter, OR  
\_\_\_\_\_ Articles of Incorporation

#### IV. RELATIONSHIP WITH FOR-PROFIT ENTITIES

- A. Is not controlled, nor receives directions from individuals, or entities seeking profit from the organization, as evidenced by:

\_\_\_\_\_ the organization's By-laws, OR  
\_\_\_\_\_ a Memorandum of Understanding (MOU)

- B. A Community Housing Development Organization may be sponsored or created by a for-profit entity, if:

- (1) the for-profit entity's primary purpose does not include the development or management of housing, as evidenced:

\_\_\_\_\_ in the for-profit organization's By-laws

AND;

(2) the CHDO is free to contract for goods and services from vendor(s) of its own choosing, as evidenced in the CHDO's:

- \_\_\_\_\_ By-laws,
- \_\_\_\_\_ Charter, OR
- \_\_\_\_\_ Articles of Incorporation

AND;

(3) the officers and employees of the for-profit entity may not be the officers or employees of the CHDO, and the CHDO may not use office space of the for-profit entity, as evidenced by:

- \_\_\_\_\_ the organization's By-laws, OR
- \_\_\_\_\_ a Memorandum of Understanding (MOU)

#### V. RELIGIOUS ORGANIZATIONS

Organizations that are religious or faith-based are eligible, on the same basis as any other organization, to participate in the HOME program, however all such organizations must comply with the requirements of 24 CFR, Part 92, §92.257. Organizations that are directly funded under the HOME program may not engage in inherently religious activities, such as worship, religious instruction, or proselytization, as part of the assistance funded under the HOME program, nor may an organization discriminate against a program beneficiary or prospective program beneficiary on the basis of religion or religious belief as evidenced by:

- \_\_\_\_\_ the organization's By-laws, OR
- \_\_\_\_\_ a Memorandum of Understanding (MOU)

Organization Name: \_\_\_\_\_  
Contact Person: \_\_\_\_\_  
Telephone: \_\_\_\_\_  
E-mail: \_\_\_\_\_

(As listed on page one)

VI. TECHNICAL ASSISTANCE REQUIREMENTS

Please note that completion of Section VI is not a requirement for CHDO designation, but is for informational purposes only.

- A. If your organization does not meet the requirements for CHDO designation as contained in the questionnaire, would you be interested and willing to take the necessary steps to meet the criteria?

\_\_\_\_\_ Yes  
\_\_\_\_\_ No

Comments: \_\_\_\_\_  
\_\_\_\_\_

- B. If your organization wishes to become a CHDO;

(1) What kinds of training do you need to become a CHDO?

\_\_\_\_\_  
\_\_\_\_\_

(2) What types of technical assistance would be helpful?

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

- C. Organizations that need help from Technical Assistance Intermediaries may be required to complete a technical assistance assessment. DSHA will forward all Technical Assistance requests to the appropriate HUD designated agency.

**ATTACHMENT C**

**DELAWARE STATE HOUSING AUTHORITY  
HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME PROGRAM)  
APPLICATION FORM  
COMMUNITY HOUSING DEVELOPMENT ORGANIZATION (CHDO)  
OPERATIONAL EXPENSE GRANT**

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This application is designed to be sufficiently comprehensive and precise to address all information necessary for a responsible funding decision. However, the Delaware State Housing Authority reserves the right to ask for additional information during the review process, should it be deemed necessary.

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**I. APPLICANT INFORMATION**

Organization Name \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ County \_\_\_\_\_

Contact Person \_\_\_\_\_ Phone Number \_\_\_\_\_

Is the applicant recognized by the Internal Revenue Service as tax-exempt under Section 501(c)3? ( )Yes ( )No ( )Status Pending (EXHIBIT A)

Please provide background information on applicant. Please provide a list of board officers and staff involved in the applicant's programs and resolution of applicant's governing body approving request for Grant. (EXHIBIT B)

Please provide a brief summary of any other housing programs or housing affiliations with other agencies/companies that the applicant has been involved in. (EXHIBIT C)

**II. FUNDING REQUESTED**

Amount Requested:\$ \_\_\_\_\_

Starting Date: \_\_\_\_\_ (Grants are limited to 12 months)

**III. PROGRAM DESCRIPTION**

Program Beneficiaries. Please briefly describe the program beneficiaries, targeted income groups, type of households, etc. for the applicant's programs.

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Program Activities. Please briefly describe your programs.

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Please attach a narrative of your programs that should include at least the following information: description of program methods, services offered, eligibility requirements, regulations and guidelines for participants, and any other information that will help explain how the applicant's programs are operated. Also indicate future financial plans for income and fiscal stability; in particular, how other operational funds will be procured. Please include as much information as you feel appropriate so that we may have a good understanding of the program. (EXHIBIT D)

Program Administration. Describe how the applicant's operations will be administered and how day-to-day operations will be handled. List the governing group(s). (EXHIBIT E)

Please provide studies or statistics from appropriate sources that demonstrate the need for the applicants programs. (EXHIBIT F)

IV. PROJECT ECONOMICS

Sources and Uses of Funds (Annual Operating Budget) (EXHIBIT G)

NOTE: Sources and uses must equal each other. Please attach all funding commitment letters, requests, and applications.

Sources: must be clearly identified, i.e., specific project fees, grants, etc. (at a minimum, please include the following):

- DSHA HOME Request
- Matching Grant Funds
- Donations
- Fees
- Other HOME Funds From All Sources
- Other Funding Sources

Uses: (examples of uses are as follows)

- |   |                     |
|---|---------------------|
| Salaries and Wages  | Rent                |
| Other Employee Benefits                                     | Utilities           |
| Employee Education  | Communication Costs |
| Employee Travel   | Taxes               |
| Employee Training   | Insurance           |
| Equipment (no capital outlays over \$1,000 with HOME funds) |                     |
| Materials   |                     |
| Supplies  |                     |



V. EXPECTED IMPACT AND/OR RESULTS OF PROGRAM:

Please describe expected impact of applicant's programs over a period of time.

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If applicable, please describe any risks involved in continued feasibility of program, should grant funds not be appropriated in subsequent years.

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VI. UTILIZATION OF HOME PROGRAM CHDO SETASIDE FUNDS

Please indicate applicant's project name and location which is currently funded with DSHA HOME Program CHDO setaside funds. (If none, so state)

Project: \_\_\_\_\_  
Location: \_\_\_\_\_

If applicant is not currently utilizing DSHA HOME Program CHDO setaside funds for a project developed, owned or sponsored by the applicant, attach as EXHIBIT H the following minimum information:

1. Brief description of project which will utilize DSHA HOME Program CHDO setaside funds including name and location, current status, number of units, type of project, targeted incomes and groups and market information.
2. Timetable for project development.

VII. QUALIFICATIONS OF APPLICANT

1. Legal Status of Applicant (check one):

Nonprofit \_\_\_\_\_  
Joint Venture (explain) \_\_\_\_\_

2. The Applicant, if a corporation, was organized on \_\_\_\_\_ under the laws of the State of \_\_\_\_\_. (Attach as EXHIBIT A Articles of Incorporation, the Corporation Bylaws, Partnership Agreement, and all other organization documents. Nonprofit corporations are to attach a copy of the IRS tax-exempt status as part of EXHIBIT A).
3. Is the Applicant or the ownership entity required to file reports with Federal Securities and Exchange Commission or any State agency?  
( ) Yes ( ) No
4. Has the Applicant, or any director, officer, general partner, joint venturer, or 10% or greater stockholder of the Applicant, ever been declared ineligible to participate in any

governmental assisted housing, construction program, or government social service program?

Yes  No  Unknown - have never applied

If "Yes", please explain in depth.

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5. Neither the Applicant nor any director, officer, general partner, employee, joint venturer, 10% or greater stockholder, or agency associated with the Applicant, nor any person, firm or corporation having financial interest in the Applicant, has received nor will receive any benefit from the CHDO Operating Expense Grant including, but not limited to, rebates, refunds, commissions or fees, except as stated below: (if none, so state)

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6. Has the Applicant, or any director, officer, general partner, joint venturer, or 10% or greater stockholder of the Applicant, ever filed a petition of voluntary bankruptcy?  
 Yes  No
7. Has there ever been filed a petition of involuntary bankruptcy against the Applicant, or any director, officer general partner, joint venturer, or 10% or greater stockholder of the Applicant?  Yes  No
8. Has the Applicant, or any director, officer, general partner, joint venturer, or 10% or greater stockholder of the Applicant, ever made an assignment of assets for the benefit of creditors?  Yes  No
9. Are there any unsatisfied judgments or tax liens outstanding against the Applicant or property under Applicant's control, or any director, officer, general partner, joint venturer, or 10% or greater stockholder of the Applicant?  
 Yes  No
10. Has the Applicant been a party to any litigation within the last 5 years?  
 Yes  No
11. Financial Status of Applicant. Please provide a copy of Applicant's three most recent audited financial statements - attach as EXHIBIT I.
12. Has the Applicant, or any director, officer, general partner, joint venturer, or 10% or greater stockholder of the Applicant, previously participated in a corporation, partnership, joint venture, etc. in any housing program of the Department of Housing and Urban Development, the Federal Housing Administration, or any other governmental agency?  
 Yes  No

If "Yes", indicate agency involved, name, size, type and location of development, present mortgage status (current, default, payment deferred, etc.), and other details:

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Has the applicant ever been debarred or declared ineligible to participate in any federally sponsored program or other government program?

Yes  No

If the answer is "yes", please explain:

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13. Has the Applicant employed a housing consultant, loan consultant, mortgage banker, project planner or other party to assist in planning, financing, or otherwise developing this application or the proposed HOME project? Name and describe the responsibilities of each consultant engaged (if none, so state).

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14. Has the Applicant or any director, officer, general partner, joint venturer, or 10% or greater stockholder of the Applicant, received a previous loan or grant from resources controlled by DSHA?

Yes  No - If "Yes", please explain in depth.

The proposed program shall be suitable from the standpoint of facilitating and furthering full compliance with the applicable provisions of Title VI of the Civil Rights Act of 1964, Title VIII of the Civil Rights Act of 1968, the Delaware Code Chapter 46, Title 6, The Equal Right To Housing provisions and Americans with Disabilities Act.

Applicant covenants and agrees that, in the event Applicant makes false statements or otherwise provides information to DSHA with the intent to mislead DSHA, or otherwise violates the rules and regulations of DSHA, in addition to any other contractual remedies available to DSHA, DSHA may impose such sanctions as to the Housing Director shall seem reasonable under the circumstances as are authorized by DSHA's rules and regulations.

I/We fully understand that it is a State crime punishable by fine or \$2,300 or up to 1 year in prison, or both, to knowingly make any false statements concerning any of the above facts as applicable under the provisions of Title 11, Delaware Code Annotated, Section 1233.

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Name)

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Legal Name of Applicant)

APPLICATION CHECKLIST  
CHDO OPERATIONAL EXPENSE

The following exhibits should accompany the Application Form. Please be sure each exhibit included is labeled with the letter shown below, even if some exhibits are excluded from your package.

- Exhibit A - Articles of incorporation, bylaws, partnership agreements, and tax status.
- Exhibit B - List of board officers and staff and background information on each. Resolution of governing body approving request for grant.
- Exhibit C - Affiliations/programs. Past experience with housing projects.
- Exhibit D - Narrative of existing and proposed programs.
- Exhibit E - Organization's administrative overview.
- Exhibit F - Studies and statistics supporting applicant's programs.
- Exhibit G - Sources and uses of funds; copies of grant/loan commitments from other funding sources (annual operating budget).
- Exhibit H - Project description and timetable for project which will utilize DSHA HOME Program CHDO setaside funds, if applicable.
- Exhibit I - Audited financial statements (for last 3 years).
- Exhibit J - Applicant/Recipient Disclosure/Update Report HUD-2880

**ATTACHMENT D**

**DELAWARE STATE HOUSING AUTHORITY**

**HOME INVESTMENT PARTNERSHIPS PROGRAM**

**SUBSIDY LAYERING GUIDELINES**

**OCTOBER 1993**

**REVISED – JULY 2013**

I. PURPOSE:

In accordance with the HOME Investment Partnerships Program (HOME) Rule, 24 CFR Part 92, § 92.150, Delaware State Housing Authority (DSHA) is required to provide a certification which states that prior to the commitment of funds to a project, DSHA will evaluate the project in accordance with the guidelines that it adopts for this purpose and will not invest any more HOME funds in combination with other federal assistance than is necessary to provide affordable housing. These guidelines are designed to ensure that participants in projects do not receive excessive HUD subsidies by combining HOME funds with other federal assistance.

II. DEFINITIONS:

A. Project

1. For the purpose of the HOME Subsidy Layering Certification, a project is defined as:
  - a. a property or contiguous properties under common ownership containing five or more dwelling units that is to be used primarily for residential purposes and is receiving other federal government assistance, or
  - b. is a residential rental property, with any number of units, receiving Federal Tax Credits
2. The evaluation is not required for tenant-based rental assistance activities

B. Federal Assistance – Federal assistance includes any loan, grant (including CDBG), guarantee, insurance, payment, rebate subsidy, credit, tax benefit, or any other form of direct or indirect assistance from the Federal Government for use in, or in connection with a specific housing project.

III. PROJECT EVALUATION:

A. Before DSHA provides HOME funds to a particular project (as defined above) and other federal government assistance is, or is expected to be, made available to the project, DSHA will perform an evaluation of the project to ensure compliance with its certification to HUD regarding the amount of HOME funds necessary for the project.

B. EVALUATION COMPONENTS

1. Sources/Uses of Funds Statement
  - a. As part of the Housing Development Fund (HDF) or Low Income Housing Tax Credit (LIHTC) application process, DSHA will have the applicant submit a sources/uses of funds statement for the project. The application will list a) all proposed sources (both private and public) of

funds and the dollar amount(s) for each respective source and b) all uses of funds (including acquisition costs, rehabilitation or construction costs and professional fees) associated with the project.

- b. The required types of documentation to verify the sources and uses for the project are specified in the HDF/ LIHTC application. If DSHA determines that the documentation is insufficient to support the project costs, DSHA may, at its option, request additional information, a second opinion or reference, or deny the project HOME funding in part or whole. Net proceeds from the sale of Tax Credits must be identified as a source of funding.
- c. Once all sources and uses of funding the project are identified, DSHA must determine that the total of all funding sources does not exceed the total development costs for the project.

## 2. Review of Project Development Budget

- a. DSHA will review the project development budget to determine whether the development costs are necessary and reasonable, taking into consideration the long-term needs of the project as well as the objectives of the HOME program and the participating jurisdiction.
- b. As in the sources/uses of funds statement, the budget should include all costs associated with the development of the project regardless of the funding sources. The budget line items may include but should not be limited to: construction “hard” costs, soft costs (architectural, engineering, legal, appraisal fees), marketing costs, developers fees, real estate taxes, insurance, all loan fees (if applicable), building permits, relocation (if applicable) and consultant fees.
- c. The review of the project budget will focus on the project’s quality, construction costs, architectural/engineering fees and consulting fees. DSHA will determine what costs are necessary depending on the type of development activity (new construction vs. rehabilitation, occupied vs. non-occupied). The determination of “reasonableness” of the costs may be based on any/all of the following factors: 1) costs of comparable projects in the same geographical area, 2) the qualifications of the cost estimators for the various budget line items and 3) recognized industry costs index services.

DSHA must determine that the costs are customary for the development of the project and reasonable in terms of industry standards.

### d. Low Income Housing Tax Credit Project Review

For projects combining Tax Credits and HOME funds where DSHA performs a Subsidy Layering Review for Tax Credits, DSHA may rely on

the Tax Credit Review for the purposes of the HOME Program requirements. A copy of the Tax Credit Subsidy Layering Review shall be placed in the HOME project file.

e. Rate of Return on Equity Investment

The applicant will furnish a proforma (project income and expense statement) as part of the HDF/LIHTC application which should include achievable rent levels, market vacancies and operating expenses and also specify the consequences of tax benefits, if any, and any other assumptions used in calculating the project cash flow to determine the reasonableness of the rate of return on the equity investment. The proforma should represent, at a minimum, the term of the HOME affordability requirements, but longer if applicable (e.g. 15 years for Low Income Tax Credit requirements). The income and operating expenses rate of increase should be 3% and 4% respectively, per year or such other figure as DSHA determines is reasonable for the current conditions.

The project cash flow shall be defined as: the spendable cash generated annually (at the end of the yearly period) after all operating expenses and debt service payments have been deducted from the gross revenues from the property. DSHA will scrutinize the proforma to ensure the cash flow projections are reasonable in light of the present economic conditions since the rate of return on the investment is predicated on the cash flow. The cash flow projections should neither be unduly conservative nor overly optimistic. The determination of a reasonable rate of return on the equity investment will be based on an evaluation of the individual project as it compares to market standards for the pertinent investments.

Using data contained in the project application, DSHA should evaluate the cash on cash return, the internal rate of return, income stream and other relevant factors (e.g. "risk" in the investment) in determining a "reasonable" rate of return for the project.

1. Cash on Cash Return On Investment

The "cash on cash" (aka cash flow) return is calculated by dividing the cash flow by the equity invested.

The return or income stream is based on an annual pretax cash flow which excludes non-cash expenses (taxes) and appreciation.



## 2. Internal Rate of Return

The technical definition of internal rate of return is that rate of return at which the discounted future cash flows equal the initial cash outlay. In essence, it is the cash flow rate after taxes and appreciation and incorporates the effects of the time value of money.

## 3. Risk in the Investment

Risk is the possibility of suffering adverse consequences resulting from an investment. In every investment analysis, risk is incorporated in the discount rate used as an estimate of the required rate of return. There are several types of risk: business, financial, purchasing power, as a variance and liquidity.

(a) Business risk deals with the potential unsuccessful operation of a particular project. The business risk is determined by 1) the type of project; 2) its management and 3) the particular market in which it is located. These factors affect the anticipated operating cash flows for the project. The potential that these cash flows will not be sufficient to justify the investment represents the degree of business risk associated with the investment.

(b) Financial risk reflects the uncertainty about the residual equity return, as the result of the use of debt financing. It is the potential inability of the project's net operating income to cover the required debt service. The less debt that is used in the capital structure, the lower the financial risk.

(c) Purchasing-power risk reflects the fact that inflation may cause an investor to be paid back with less valuable dollars. The expected inflation rate is incorporated in the discount rate, but future rates of inflation may be underestimated.

(d) Liquidity risk

Liquidity risk relates to the conversion of the investment to cash at some future date. The majority of investors want the ability to sell quickly.

(e) Risk as variance

The four types of risk mentioned can be measured by estimating the variance of the expected equity cash flow. The more variance the investor expects in the equity portion of the return generated by the property, the greater the risk associated with receiving that cash flow.

The required rate of return involves: 1) the actual return, 2) inflation factor and 3) a risk factor. An investor desires to maximize return for given levels of risk or minimize risk for given levels of return.

All of these factors must be analyzed to determine the reasonable rate of return for the project/investor.

DSHA will not allow an excessive gain/profit to be derived from the project, in part due to the financing (Low Income Tax Credits, low interest loans, grants, tax abatements, etc.) DSHA may establish specific standards for reasonable rates of return on the invested equity based on the project.

#### IV. OVERALL EVALUATION

In performing this evaluation, DSHA will consider the aggregate amount of assistance from HUD and from other sources that is necessary to ensure the feasibility of the assisted project. DSHA will take into account all the factors relevant to feasibility, which may include, but not be limited to, past rates of returns to owners, sponsors, and investors; the long-term needs of the project and its tenants; and the usual and customary fees in the development of the project.

In no event will DSHA allow the total amount of HOME assistance to exceed the amount that DSHA determines is necessary to make the project feasible. The use of other federal government assistance in a project is not prohibited, provided that the total amount of the assistance does not exceed the amount necessary to make the project feasible.

If DSHA calculates that the total amount of HOME assistance and other federal assistance exceeds the amount that DSHA determines is necessary to make the project feasible due to the unreasonableness of the costs and/or the projected rate of return, DSHA may consider several options:

1. A reduction in the amount of HOME assistance through reducing the development budget accordingly or increasing the non-public funding of the project;
2. Make other adjustments to the project such as: a) lower the rents to be charged, b) reduce the term of the loan in order to lower the rate of return, etc., or
3. Deny HOME assistance if project adjustments are infeasible.

**ATTACHMENT E**

**DSHA SUPPLIER DIVERSITY ACTION PLAN**

General Order No. 593 Revising DSHA's  
Supplier Diversity Action Plan

WHEREAS, Governor's Executive Order No. 29, Council on Housing Resolution No. 398, and existing U.S. Department of Housing and Urban Development regulations provide the framework for the Supplier Diversity Action Plan; and

WHEREAS, the Delaware State Housing Authority (DSHA) desires to revise its Supplier Diversity Action Plan to ensure that minority, veteran, and women business enterprises are afforded full, equitable, and fair opportunities to compete for DSHA purchasing dollars; and

WHEREAS, this Supplier Diversity Action Plan updates and replaces DSHA's previous Supplier Diversity Action Plan effective 8/1/10.

NOW THEREFORE BE IT ORDERED AS FOLLOWS:

1. The attached DSHA Supplier Diversity Action Plan is adopted effective 8/27/12.
2. All substantive revision to the Supplier Diversity Action Plan will be accomplished via a subsequent General Order.

  
\_\_\_\_\_  
Anas Ben Addi  
Director

  
\_\_\_\_\_  
Date

Delaware State Housing Authority (DSHA)  
Supplier Diversity Action Plan

Purpose and Definitions

- The purpose of DSHA's Supplier Diversity Action Plan is to ensure that minority, veteran and women owned business enterprises are afforded full, equitable, and fair opportunities to compete for DSHA purchasing dollars.
- A minority, veteran and women owned business enterprise means a for profit business which is at least 51 percent owned and managed by a minority, veteran, or women business enterprise certified by the state Office of Supplier Diversity (OSD)
- The definition of a minority follows that of the U.S. Census Bureau.
- The definition of a veteran is an individual who has served in the United States military or has served in the National Guard of the United States for six months and has received a discharge other than a dishonorable discharge.
- This DSHA Supplier Diversity Action Plan has been drafted in accordance with Governor's Executive Order No. 14, Council on Housing Resolution No. 398, and U.S. Department of Housing and Urban Development (HUD) requirements, as well as, the Governors Executive Order No. 29 which provides the inclusion of Service Disabled Veterans and Veteran Business enterprises in the State of Delaware Supplier Diversity initiatives.

Scope of Plan

- The scope of DSHA's Supplier Diversity Action Plan includes all direct procurement accomplished by the agency, both federal and non-federal. For specific HUD requirements see in particular legislative mandates (Attachment C), including 24 CFR Part 85.36, 24 CFR Part 92.351, and HUD CPD Notice 2010-005.
- It is recognized that DSHA reporting of its supplier diversity efforts will necessarily be a combination of expenditures in both the state system and DSHA's internal accounting system.
- DSHA will also encourage its partners in non-direct assistance programs to also provide opportunities for minority, veteran and women owned business enterprises, consistent with the intent of Council on Housing Resolution No. 398.

- Subcontractor data will be solicited on contracts as applicable.
- For procurements under the competitive spending thresholds, DSHA will solicit at least 1 certified MBE/WBE/VBE as available.

DSHA Liason/Contact

- Michael T. Miles, Contract Procurement Officer, is the appointed liaison/contact for minority, veteran, and women business enterprises contracting.

Attachments

- A: Governor's Executive Order No. 14
- B: Governor's Executive Order No. 29
- C: Council on Housing Resolution No. 398
- D: Federal Requirements

### Supplier Diversity Outreach Efforts

- DSHA will participate in annual state events such as the Governor's Enterprise Conference and the Delaware Economic Development Office's Diversity Summit, and will research the opportunities to organize similar type events to the state's housing providers consistent with the intent of Council on Housing Resolution No. 398.
- DSHA will disseminate information on state supplier diversity initiatives to its contractors, and vendors who contact DSHA seeking business opportunities.
- DSHA will provide links to the Office of Supplier Diversity (OSD) on DSHA's website.
- DSHA will identify and recruit minority veteran, and women business enterprises for certification by the Office of Supplier Diversity (OSD).
- DSHA will also consult the OSD Directory in its own procurement.

### Reporting

- DSHA will track the participation of minority veteran, and women business enterprises, and annually evaluate DSHA's efforts. HUD goals are currently 5 percent participation of Minority and Women Business Enterprises, and 3% participation of service disabled veterans.
- DSHA submits HUD Form 2516 on contractor/subcontractor MBE/WBE activity by federal fiscal year basis in October for HUD Public Housing and Community Planning and Development programs.
- A copy of DSHA's annual evaluation of all DSHA programs will provided to OSD on a state fiscal year basis.

### Procurement Procedures

- For procurements paid through the state financial system, notices for proposals/bids will be posted on the state central portal [www.bidsdelaware.gov](http://www.bidsdelaware.gov) , as well as DSHA's web site [www.destatehousing.com](http://www.destatehousing.com), and qualified MBE/WBE/VBE contractors will be notified using the State MBE/WBE/VBE Directory.
- For procurements paid through DSHA's internal financial system, notices for proposals/bids will be posted on DSHA's web site, and qualified MBE/WBE/VBE contractors will be notified using the State MBE/WBE/VBE Directory.
- Notices for all procurements will encourage proposals from minority, veterans and women business enterprises.

**ATTACHMENT A:**  
**GOVERNOR'S EXECUTIVE ORDER NO. 14**



STATE OF DELAWARE



EXECUTIVE DEPARTMENT  
DOVER

**EXECUTIVE ORDER  
NUMBER FOURTEEN**

TO: HEADS OF ALL STATE DEPARTMENTS AND AGENCIES

RE: INCREASING SUPPLIER DIVERSITY INITIATIVES WITHIN STATE  
GOVERNMENT

WHEREAS, the State is committed to assuring that all practices in all areas of State procurement provide suppliers equal access to procurement opportunities; and

WHEREAS, the State benefits from an inclusive business environment that includes the creation and expansion of minority and/or women business enterprises; and

WHEREAS, in a December 2007 report titled Economic Development State Policies for Minority and Women Business Development, the Insight Center for Community Economic Development noted that business inclusive initiatives have been recognized by the Federal Government and a majority of states in our nation as strategic and good for sustained economic growth; and

WHEREAS, the State of Delaware benefits from a successful Women and Minority Business community as a part of the general public, in addition to being a procurer of goods and services from a competitive marketplace wherein successful Women and Minority Businesses prosper; and

WHEREAS, the State has made significant advances in transparency through the online posting of bid opportunities as well as the establishment of the online checkbook; and

WHEREAS, publishing awarded advertised contracts will further increase transparency, accountability and competitiveness in State procurement; and

WHEREAS, the coordinated efforts of the public and private sectors are necessary to significantly increase the participation of minority and/or women business enterprises in all aspects of State contracting and procurement.

NOW THEREFORE, I JACK A. MARKELL, by virtue of the authority vested in me as Governor of the State of Delaware, do hereby DECLARE and ORDER the following:

1. Definition. As used in this order "Minority and/or women business enterprise" means a for profit business which is at least 51 percent owned and at least 51 percent managed by a minority and/or woman certified by the Office of Minority and Women Business Enterprise or DelDOT's Disadvantaged Business Enterprise ("DBE") Program.

2. The Executive Branch will provide leadership and support to ensure that all minority and/or women business enterprises are afforded full, equitable and fair opportunities to compete for State purchasing dollars.

3. The Office of Minority and Women Business Enterprise within the Office of Management and Budget shall have, as its mission, to assist minority and/or women business enterprises in competing for the provision of commodities, services, and construction to State departments, agencies, authorities, school districts, higher education institutions and all businesses.

4. The Office of Minority and Women Business Enterprise shall have the following powers, duties and functions:

(a) The Executive Director of the Office of Minority and Women Business Enterprise will be responsible for providing strategic advice to the Director of the Office of Management and Budget and the Governor pertaining to supplier diversity;

(b) Monitor and evaluate each respective Executive Branch Agency Supplier Diversity Action Plan;

(c) Certify minority and/or women business enterprises and create and maintain a State directory of minority and/or women business enterprises that have been certified; and

(d) Educate minority and/or women business enterprises on how to conduct business with the State of Delaware.

5. Each Department and Agency within the Executive Branch (collectively "Executive Branch Agencies") shall designate, within thirty (30) days of the issuance of this Order, a Minority and Women Business Enterprise Liaison, who shall have direct access to his or her Secretary, department head, or similar cabinet-level official concerning minority and/or women business enterprise program matters.

6. Minority and Women Business Enterprise Liaisons shall:

(a) Assist the Executive Director of the Office of Minority and Women Business Enterprise and the Governor's Supplier Diversity Council, as created in this Executive Order, in their efforts to maximize supplier diversity among State agencies;

(b) Direct and coordinate supplier diversity initiatives within their respective agency, including but not limited to discussing best practices and educating staff;

(c) Assist in the development and implementation of their agency's Supplier Diversity Action Plan, as identified in this Executive Order;

(d) Prepare reports for the Governor's Supplier Diversity Council; and

(e) Undertake such additional tasks relating to this Executive Order as required from time to time by the Governor.

7. The Office of Minority and Women Business Enterprise, in conjunction with Government Support Services of the Office of Management and Budget, shall develop the format and best practices content of a Supplier Diversity Action Plan. The goal of the Supplier Diversity Action Plan shall be to maximize the contracting opportunities for minority and/or women business enterprises, as well as increase transparency for subcontracting opportunities. Each Executive Branch Agency is responsible for expanding upon this framework for agency-specific interests and fulfilling the tasks within its respective finalized plan. Agencies' completed plans shall be submitted to the Office of Minority and Women Business Enterprise and Government Support Services in the Office of Management and Budget for final approval no later than July 30th of each calendar year. Agencies' approved Supplier Diversity Action Plans shall be filed annually with the Governor no later than September 30th of each calendar year.

8. In an effort to further increase transparency in State procurement practices, the Director of the Office of Management and Budget and the Secretary of State shall develop policies and procedures that provide for a central, online publication of all advertised and awarded State contracts, including information on whether such contracts were awarded to minority and/or women owned businesses.

9. The Governor's Public Works and Procurement Opportunity Council is abolished, and the Governor's Supplier Diversity Council (hereinafter "Council") is hereby created.

10. The purpose of the Council shall be to:

(a) Advocate for the State of Delaware's supplier diversity initiatives;

(b) Offer training and information on the tools necessary for successfully doing business with the State of Delaware as a minority and/or women business enterprises;

(c) Help maximize supplier diversity among the State agencies, and help increase contracting opportunities for qualified minority and/or women business enterprises;

(d) Develop criteria for evaluation of supplier diversity initiatives pursuant to this Executive Order.

(e) Identify potential impediments if any, concerning supplier diversity within State government, and develop strategies to eliminate these impediments;

(f) Provide advice and recommendations to the Governor concerning supplier diversity strategies; and

(g) Research and report back to the Governor no later than December 31, 2010 on the feasibility of conducting a disparity study to evaluate the buying practices of the State of Delaware, focusing on the use of minority and/or women business enterprises.

11. The Council shall consist of eleven (11) members who shall be citizens of the State and shall be appointed by the Governor. The Governor shall appoint a Chairperson from among its members who shall serve at the Governor's pleasure. The members of the Council shall be appointed subject to the following qualifications:

(a) Two members of the Council shall be representatives of local, private or federal minority and/or women business assistance programs or community development programs;

(b) Five members of the Council shall be representatives of the minority and/or women private business sector, among whom at least two shall be women and at least two (2) shall be minority persons;

(c) One representative shall be from a private sector company located in the State of Delaware that administers a supplier diversity program;

(d) The Executive Director of the Office of Management and Budget ("OMB") or his/ her designee;

(e) The Executive Director of the Delaware Economic and Development Office ("DEDO") or his/her designee; and

(f) One representative of the Governor's Office.

12. Each appointed Council member shall serve for a term of four (4) years from the date of appointment. Vacancies on the Council for any cause shall be filled by the Governor for the unexpired term and until a successor shall qualify. The Governor may appoint members for terms shorter than four (4) years where that is necessary to ensure that no more than three

Council members' terms expire in one given year. The Council shall adopt internal procedures or bylaws necessary for efficient operations.

13. OMB shall provide technical assistance and strategic support, as may be necessary. OMB shall provide an Executive Director for the Council who shall be the Executive Director for the Office of Minority and Women Business Enterprise.

14. These directives are not intended in any way to limit the application of additional creativity at the agency level. They are designed to promote economic growth and eliminate any potential impediments to an equitable procurement process. Each cabinet secretary shall evaluate the performance of his or her agency in implementing these directives. Accordingly, the Office of Minority and Women Business Enterprise, in cooperation with each cabinet secretary and through the Director of the Office of Management and Budget, shall provide semiannual reports to the Governor regarding the State of Delaware's progress in enhancing opportunities for minority and/or women business enterprises. The reports shall delineate the State of Delaware's spending in detail by gender, ethnicity, industry classification, and agency.

15. Executive Order No. twenty-three (23) dated December 10, 2001 is hereby rescinded.

16. No provision of this Order shall be intended to create any individual right or legal cause of action, which does not currently exist under State or Federal law.

APPROVED this 22 day of December, 2009



Jack Marshall  
Governor

ATTEST:

[Signature]  
Secretary of State

**ATTACHMENT B:**  
**GOVERNOR'S EXECUTIVE ORDER NO. 29**

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Governor Jack Markell

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2012 Legislative Results

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**Executive Order Number Twenty-Nine**

To: Heads Of All State Departments And Agencies

Re: Ensuring Representation Of Veteran-Owned Businesses In Delaware's Supplier Diversity Initiatives And Amending Executive Order No. 14

WHEREAS, the armed services of the United States are the principal vanguard of our nation and the protector of the freedoms we enjoy as Americans, and they do so through the personal sacrifice of servicemen and servicewomen dedicated to protecting our country at home and abroad;

WHEREAS, as Americans and Delawareans, we recognize the debt we owe to our veterans and acknowledge that our former service members should enjoy the same security and opportunities made available to all Americans by their service;

WHEREAS, there are more than 78,000 veterans who call Delaware home, according to the U.S Department of Veterans Affairs, but state government has not historically tracked how it conducts business with the veteran-owned businesses throughout our State;

WHEREAS, Executive Order No. 14, signed on December 22, 2009, created a Supplier Diversity Council, the purpose of which is to advocate for supplier diversity initiatives, particularly as they relate to minority and/or women-owned business enterprises;

WHEREAS, the work of the Supplier Diversity Council can be built upon by expanding its focus to include the study and consideration of how the State of Delaware does business with veteran-owned business enterprises;

WHEREAS, the work of the Supplier Diversity Council on behalf of minority and women business enterprises and veteran-owned business enterprises can and will benefit many small businesses through the development of strategies that will increase small business participation in state contracting;

WHEREAS, in its report to the Governor, the Supplier Diversity Council proposed expanding the membership of the Council to include veteran-owned businesses;

NOW THEREFORE, I, JACK A. MARKELL, by virtue of the authority vested in me as Governor of the State of Delaware, do hereby DECLARE and ORDER the following:

1. The Executive Branch will provide leadership and support to ensure that all veteran-owned business enterprises are afforded full, equitable and fair opportunities to compete for State purchasing dollars.
2. Paragraph Nos. 10, 11 and 12 of Executive Order No. 14, issued December 22, 2009 and creating the Governor's Supplier Diversity Council (hereinafter "Council") are hereby rescinded, and in lieu thereof, the Supplier Diversity Council is hereby reconstituted.
3. The Council shall consist of twelve (12) members who shall be citizens of the State and shall be appointed by the Governor. The Governor shall appoint a Chairperson from among its members who shall serve at the Governor's pleasure. The members of the Council shall be appointed subject to the following qualifications:
  - a. Two members of the Council shall be representatives of local, private or federal minority and/or women business assistance programs or community development programs;
  - b. Five members of the Council shall be representatives of the minority and/or women private business sector, among whom at least two shall be women and at least two (2) shall be minority persons;

- c. One representative shall be from a private sector company located in the State of Delaware that administers a supplier diversity program;
  - d. One member shall be a representative of the veteran-owned private business sector;
  - e. The Executive Director of the Office of Management and Budget ("OMB") or his/her designee;
  - f. The Executive Director of the Delaware Economic and Development Office ("DEDO") or his/her designee; and
  - g. One representative of the Governor.
4. Members of the Council currently serving shall continue to serve their terms without interruption. Each appointed Council member shall serve for a term of four (4) years from the date of appointment. Vacancies on the Council for any cause shall be filled by the Governor for the unexpired term and until a successor shall qualify. The Governor may appoint members for terms shorter than four (4) years where that is necessary to ensure that no more than four Council members' terms expire in one given year. The Council shall adopt internal procedures or bylaws necessary for efficient operations.
5. The purpose of the Council shall be to:
- a. Advocate for the State of Delaware's supplier diversity initiatives;
  - b. Offer training and information on the tools necessary for successfully doing business with the State of Delaware as a minority and/or women business enterprise or a veteran-owned business enterprise;
  - c. Help maximize supplier diversity among the State agencies, and help increase contracting opportunities for qualified minority, women and/or veteran-owned business enterprises;
  - d. Develop criteria for evaluation of supplier diversity initiatives pursuant to this Executive Order;
  - e. Identify potential impediments, if any, concerning supplier diversity within State government, and develop strategies to eliminate these impediments, including the elimination of impediments that limit all small businesses from participating in contracting opportunities; and
  - f. As the Council has done and will continue to do for minority and/or women business enterprises, evaluate how to best serve veteran-owned businesses in the State of Delaware, including but not limited to evaluation of: (1) a definition of veteran-owned business and/or whether certification or other identification of veteran-owned businesses is achievable and advisable, (2) how the Office of Minority and Women Business Enterprise within the Office of Management and Budget might assist veteran-owned businesses, (3) how the State might report contracts awarded to veteran-owned businesses in a manner similar to its disclosure for minority and/or women owned businesses, and (4) how Executive Branch Agencies might assist veteran-owned businesses and the role of Minority and Women Business enterprise Liaisons to that purpose; and
  - g. Provide advice and recommendations to the Governor concerning supplier diversity strategies.
6. No provision of this Order shall be intended to create any individual right or legal cause of action, which does not currently exist under State or Federal law.

APPROVED this 6th day of September, 2011

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**ATTACHMENT C:**  
**COUNCIL ON HOUSING RESOLUTION NO. 398**

COUNCIL ON HOUSING

RESOLUTION NO. 398

WHEREAS, despite the accelerated growth in the number of minority-owned firms in recent years, minority businesses remain significantly under-represented in the State of Delaware; and

WHEREAS, the State of Delaware's minority and women business enterprise spending for fiscal year 2009 amounted to \$41 million which represents an extremely small amount of the State's procurement budget; and

WHEREAS, minorities now comprise nearly 45% of the Delaware population, but represent only 7% of the State's businesses and receive 2.2% of total sales; and

WHEREAS, the Council on Housing is committed to encouraging equal employment opportunities to all Delawareans; and

WHEREAS, the Council on Housing is committed to maintaining a high quality workforce that draws upon the talents of the state's diverse citizens to participate in the state's economy; and

WHEREAS, the Delaware State Housing Authority (DSHA) is actively engaged in the administration of the American Recovery and Reinvestment Act of 2009 (ARRA) funds as well as other federal and state funds; and

WHEREAS, the Council on Housing's long-term strategy is the promotion of safe and affordable housing, both rental and homeownership, but understands that minority business enterprise development presents an historic and dynamic growth opportunity for the State's economy and should not be marginalized, under-utilized or ignored.

NOW, THEREFORE, the Council on Housing encourages DSHA to do the following:

1. DSHA shall strive through its outreach efforts and coordination with the Council, and the Office of Minority and Women-Owned Business Enterprises to maximize the number of qualified minorities and women as components of its supply chain.
2. Each project administered by DSHA, and being developed by not-for profit and for profit developer partners shall, in accordance with applicable federal and state executive orders and laws, attempt to maximize the participation of women and minority-owned construction firms and professional service firms during the course of a project.
3. Increase diversity of: contractors and their subcontractors, public funding recipients, vendors in the purchasing of materials, non-professional services, professional services or a combination thereof by requesting all contractors and their subcontractors and public funding recipients to actively solicit quotes from minority and/or women business enterprises in a good faith effort to satisfy supplier diversity.



Small &amp; Disadvantaged Business Utilization

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## OSDBU Legislative Mandates

The Office of Small and Disadvantaged Business Utilization (OSDBU) is governed by and administers a number of laws, regulations and policy directives. A brief summary and of these and their application to OSDBU follows:

[Information by State](#)
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### 1: Public Law 95-507, The Small Business Act

On October 24, 1978, President Carter signed Public Law 95-507 amending the Small Business Act and the Small Business Investment Act of 1958, making federal procurement contracting more readily accessible to all small businesses. PL 95-507 stipulates that it is the policy of the Government to provide maximum practicable opportunities in its acquisitions to small businesses, small disadvantaged businesses and women-owned businesses. This stipulation also extends to having the maximum practicable opportunity to participate as subcontractors in contracts awarded by any executive agency.

The head of each agency is responsible for effectively implementing the small business programs within his agency, including setting and achieving yearly procurement opportunity program (POP) goals for small and small disadvantaged business contracting.

Office of Federal Procurement Policy (OFPP) Letter No. 79-1, dated March 7, 1979 on the implementation of Section 15(k) of the SBA Act requires each agency with contracting authority to establish an OSDBU, and appoint a director, who reports to the agency head (or deputy), and who will have responsibility for carrying out the purposes of the Act. Specifically the OFPP directs that the position of OSDBU director include the following:

- o Responsibility for the implementation and execution of the functions and duties of Section 8 and 15 of the SBA Act. [Section 15 states that a fair proportion of the total purchases and contracts for property and services for the Government are to be placed with small business concerns. Because the law requires the Government to buy at competitive prices, contracts are set-aside only when at least two qualified small businesses are expected to bid. Section 8(a) of the SBA Act authorizes the SBA to enter into contracts with other Federal agencies to supply needed goods and services. SBA then subcontracts the actual performance of the work to small businesses owned and controlled by socially and economically disadvantaged individuals. The objective of the 8(a) program is to assist eligible small firms to become independently competitive.]
- o Assigning a small business technical advisor who shall be a full time employee of the procuring activity and whose principal duty shall be to assist the SBA procurement representative in his duties related to Section 8 and 15.
- o Cooperate and consult on a regular basis with SBA with respect to carrying out the functions and duties of Sections 8 and 15.
- o Developing systematic procedures for insuring the effective execution of the SBA Act, as amended.
- o Recommending agency goals.
- o Training and education of agency staff whose duties and functions relate to Sections 8 and 15.
- o Conducting outreach, liaison, source listings and seminars for small and disadvantaged business.
- o Publishing required information brochures and documents.
- o Interagency liaison of program procurement activities relating to small and disadvantaged businesses.
- o Oversight of the implementation of Section 223(a) of P.L. 95-507.

[This section requires that for any contract being let by a Federal agency, the agency will provide to any small business upon request a copy of the bid specifications; the name and telephone number of a employee to answer questions with respect to the contract and adequate citations to each major Federal law or agency rule to which the business must comply in performing the contract.

In addition to these duties, Section 211 of P.L. 95-507 requires the OSDBU to review all subcontractor plans submitted by prime contractors to ensure compliance. This Section directs that the successful offeror or bidder on contracts valued at \$500,000 or more must submit, before an award is made, a subcontracting plan setting percentage and dollar goals for the award of subcontracts to small and disadvantaged businesses.

## **2. Public Law 100-656, The Business Opportunity Development Reform Act of 1988**

Public Law 100-656 amends the SBA Act for the purpose of reforming the Capital Ownership Development (Section 8(a) Program). This legislation basically tightened the requirements of the 8(a) program to among other things, reduce the time it took to enter the program, established time frames for staying in the program and established requirements for GAO program reviews and periodic SBA reviews of 8(a) certified firms. The law established civil penalties in response to documented cases of kickbacks, misrepresentation of minority status and manipulation of the program by majority controlled firms participating in the 8(a) program. , P.L. 100-656 refocused the intent of the program as one of making small and disadvantaged firms more competitive in the marketplace as opposed to merely one of facilitating the award of contracts. The law also set \$5 million and \$3 million as thresholds for competitive 8(a) grants, established a requirement that agencies publicize to the small business community their annual contracting forecasts and set government wide contracting goals of 20% for small business (increased to 23% by the SBA Reauthorization Act of 1999) and 5% for small disadvantaged business.

## **3. Federal Acquisition Streamlining Act (FASA)**

The FASA repeals or substantially modifies more than 225 provisions of law to reduce paperwork burdens, facilitate the acquisition of commercial products, enhances the use of simplified procedures for small purchases and introduces an initiative for doing procurement through electronic data interchange. Specific references to small businesses include:

- o An increased thresholds for small business set-asides. All Federal purchases greater than \$2,500 but not greater than \$100,000 will be reserved for small businesses, unless the contracting officer is unable to obtain offers from two or more capable small firms.
- o A new 5% government wide procurement goal is established for women-owned businesses.
- o The authorization to create a government-wide initiative to give civilian agencies authority to set-aside certain contracts for small disadvantaged businesses (SDB) or to apply a 10% price evaluation for SDBs in unrestricted procurement.
- o Creation of a "Small Business Advisory Council", composed of representatives from Federal agencies to give high level attention and focus to small business procurement issues.

## **4. Executive Order 11625**

President Nixon issued Executive Order 11625 on October 13, 1971 authorizing the Secretary of Commerce to coordinate plans, programs and operations of the Federal government which would affect Minority Business Enterprises (MBE). Heads of Federal agencies are to furnish information, assistance and reports on MBE activity as requested by the Secretary of Commerce as well as develop and implement systematic data collection processes which will provide the Office of Minority Business Enterprise Information Center current data helpful to evaluating and promoting MBE

efforts.

#### 5. Executive Order 12138 (WBE)

On May 18, 1979, President Carter issued Executive Order 1238 creating a National Women's Business Enterprise Policy and prescribing arrangements for developing, coordinating and implementing a national program for Women's Business Enterprise. The Order directs each Federal agency to take appropriate action to facilitate, preserve and strengthen women's business enterprise by ensuring their participation in all business related activities including procurement. The head of each agency is to designate a high level official to have responsibility for the participation and cooperation of that agency in carrying out the Order.

In addition, the Order established the Interagency Committee on Women's Business Enterprise, with a Chairperson to be appointed by the President and members to include a representative of a number of listed Federal agencies, one of which is HUD. The Committee is to meet quarterly to promote, coordinate and monitor the plans, programs and operations of the departments and establish policies and procedures for implementation, interpretation and application of the Order.

In regard to grants making and cooperative agreements, this Executive Order 12138 directs Federal agencies to issue regulations requiring the recipient of such assistance to take appropriate affirmative action in support of Women's Business Enterprise and to prohibit actions or policies which discriminate against women's business enterprise on the basis of sex.

#### 6. Executive Order 12432

President Reagan signed Executive Order 12432 on July 14, 1983 directing each Federal agency having substantial procurement or grant making authority to:

- o develop a minority business development plan and establish programs concerning provision of direct assistance, procurement assistance and management and technical assistance to MBEs.
- o establish MBE programs consistent with Section 211 of P.L. 95-507 to develop and implement incentive techniques to encourage greater minority business subcontracting by Federal prime contractors.
- o encourage recipients of Federal grants and cooperative agreements to achieve reasonable minority business participation in contracts let as a result of its grants and agreements.
- o furnish an annual report regarding the implementation of their program to the Secretary of Commerce.

#### 7. Executive Order 12928

President Clinton signed Executive Order 12928 on September 16, 1994 promoting procurement with small businesses owned and controlled by socially and economically disadvantaged individuals, Historically Black Colleges and Universities (HBCU) and Minority Institutions (MI). Federal agencies are to assist these entities to develop viable, self sustaining businesses capable of competing on an equal basis in the mainstream of the economy. The Executive Order establishes a contracting goal of 5% for these entities but mainly reaffirms existing laws, Executive Orders and regulations relevant to minority participation while chastising some Federal agencies for not aggressively supporting them. The Order devotes an entire Section to OSDBU, reaffirming the legal requirement that it report to the Secretary or Deputy and that agencies comply with OFPP letter No. 79-1 which provides guidance on Sec 15k of the SBA Act and the organizational placement and functions of the OSDBU.

#### 8. Historically Underutilized Business Zone (HUBZone) Program

The HUBZone Act of 1997, Title VI of Public Law 105135, created the

**HUBZone Program.** This program provides Federal contracting opportunities for qualified small business concerns located in economically distressed communities. The goal of the HUBZone Program is to provide federal contracting assistance for qualified small business concerns located in HUBZone areas in order to increase employment opportunities, stimulate capital investments in those areas, and empower communities through economic leveraging. HUDZone areas, which roughly correspond with the census tracts for which there are low income housing tax credits, are determined by census tract data including income levels, unemployment rates and Native American reservation boundaries. In order to qualify as a HUBZone business, the business must be small; owned by a US citizen; the principal office must be located in a HUBZone; and at least 35% of the employees must reside in a HUBZone. The SBA formally certifies firms as HUBZone businesses. HUBZone businesses can receive sole-source or set-aside federal contracts or receive a price preference up to 10% when competing for full and open competition procurements. A HUBZone firm must have its principal office in the HUBZone. The principal office must be the location where the greatest number of the company's employees works. The HUBZone program is race, ethnicity and gender neutral. The federal goal for HUBZone contracts was 1% for Fiscal Year 1999, rising by one half percent per year to a maximum of 3% in 2003.

#### **9. Veteran-owned Small Businesses**

Public Law 106.50, the Veterans Entrepreneurship and Small Business Development Act of 1999, amended the Small Business Act by adding Small Businesses owned and controlled by service-disabled veterans to the categories of small businesses for which the federal agencies develop prime contract goals. Federal agencies also establish goals and collect data regarding subcontracts awarded by prime contractors to veteran-owned small businesses. Small businesses owned by service-disabled veterans are small businesses that are at least 51 percent owned and controlled by one or more service-disabled veterans or in the case of a veteran with permanent or severe disability, the spouse or permanent caregiver of such veteran. P.L. 106.50 established a 3% goal for government contracting with businesses owned by service disabled veterans. No specific goal is identified for sub contracting with businesses owned by veterans.

#### **10. Federal Acquisition Regulation (FAR)**

The FAR establishes uniform policies and procedures for acquisition (procurement). FAR Part 19 establishes policy regarding small businesses and small disadvantaged businesses including subcontracting requirements for contracts valued at \$500,000 or more and actions necessary to strengthen WBEs. While the FAR elaborates on P.L. 95-507, it cites one significant additional role in discussing OSDBU responsibilities. Specifically, OSDBU is to make recommendations as to whether a particular acquisition should be awarded as a set-aside or 8(a) award. Furthermore, the contracting officers shall consider recommendations of the OSDBU and will document the contract file whenever the OSDBU Director's recommendations are not accepted.

#### **11. HUD Acquisition Regulations (HUDAR)**

HUDAR, dated January 21 2000, Parts 2419 and 2426 describe HUD's procurement policy regarding small and small disadvantaged businesses, set-asides for small businesses, subcontracting with small businesses and small disadvantaged businesses and contracting opportunities for women-owned businesses. In regard to MBE participation in its procurement programs, the HUDAR describes HUD policy toward voluntary certification by contractors, bidders, or offerors as to their MBE status and the role of the OSDBU.

#### **12. 24 CFR, Part 85 Section 36(e), dated May 1996**

This portion of the CFR provides the required affirmative steps HUD grantees and subgrantees shall take to assure that minority firms are used when possible.

## 85.36 Procurement

(e)"Contracting with small and minority firms, women's business enterprise and labor surplus area firms. (1)The grantee and subgrantee will take all necessary affirmative steps to assure that minority firms, women's business enterprises, and labor surplus area firms are used when possible. (2) Affirmative steps shall include:

- (i)Placing qualified small and minority business enterprises on solicitation lists;
- (ii)Assuring that small and minority businesses are solicited whenever they are potential sources;
- (iii) Dividing total requirements, when economically feasible to permit maximum participation by small and minority business and women's business enterprises;
- (iv) Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority business, and women's business enterprises.
- (v) Using the services of the Small Business Administration, and the Minority Business Development Agency of the Department of Commerce; and
- (vi) Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in paragraphs (e) (2)(i) through (v) of this section.

### 13. HUD Handbook 2210.3 Revision 3, "Procurement Policies and Procedures"

Chapter 3 of the Handbook contains implementing policies and procedures regarding socioeconomic procurement programs.

### 14. Minority Media

The Department buys advertising for Fair Housing billboard displays, the Property Disposition Program, Section 202 Housing for the Elderly and other program activities. The total expenditures for advertising under these activities and the portion of total dollars spent with the minority media is reported semi-annually to OSDBU.

### 15. Regulatory Flexibility Act, Public Law 96-354

Congress passed P.L. 96-354 on September 19, 1980. Its purpose is to encourage Federal agencies to utilize innovative administrative procedures in dealing with individuals, small businesses, small organizations and small governmental bodies that would otherwise be unnecessarily adversely affected by Federal regulations. The Act defines "small business" as having the same meaning as is found in the Small Business Act; "small organization" as any not for profit enterprise which is independently owned and not dominant in its field and; "small governmental jurisdiction" as the government of cities, counties, towns, townships, villages, school districts or special districts with a population of less than fifty thousand.

Unless the agency head certifies that the proposed rule will not have a significant impact on any small business or organization or that uniform requirements are mandated by statute, the Act requires Federal agencies to add the following information to that currently required when an agency publishes in the Federal Register general Notice of Proposed Rulemaking:

- o a description of an estimate of the number of individuals, businesses, organizations and governmental jurisdictions to which the proposed rule would apply;
- o a statement that the agency will seek and consider alternatives to the proposed rule which would substantially reduce the economic impact on individuals, small businesses, small organizations and small governmental jurisdictions;
- o an agency prepared analysis of the proposed rule which constitutes a preliminary agency assessment of the impact of the proposed rule on individuals, small businesses, small organizations and small governmental jurisdictions. The analysis must contain a description of alternatives to the proposed rule which accomplish the stated objectives of applicable statutes and which minimize the significant



economic effect of the rule on such individuals, businesses, organizations and governments. [The final rule requires "a description of any alternative proposals to the proposed rule which were considered and a statement of the reasons for adopting the final rule rather than any of the alternative proposals which would have had a lesser adverse economic impact".]

- o a statement as to the record keeping requirements the agency anticipates requiring, including their purpose, form, length, proposed use, the skills necessary to prepare the information and an estimate of the time required to comply.

Congress passed P.L. 96-354 because it felt Executive Order 12044, issued in March 1978 on the subject of "Improving Government Regulations" didn't go far enough to reduce the burden of regulation on small entities since the Order did not improve public participation in the process or provide for an assessment of alternative regulatory strategies in light of their impact on small concerns. regulations.

#### **16. The Small Business Regulatory Enforcement Fairness Act of 1996 (SBREFA)**

On March 29, 1996 President Clinton signed Public Law 104-121, the SBREFA. The Act reinforces the requirements of the Regulatory Flexibility Act (RFA) with the significant addition of the provision that permits judicial review of agencies' compliance with the RFA. Since the RFA's passage, small business advocates have told Congress that many agencies neglected to comply with the law because there were no provisions in the original legislation for enforcement. The SBREFA now provides that if an agency fails to comply with the RFA in its Rulemaking, a small business that is adversely affected or aggrieved may seek review by the courts. The court can invalidate rules with inappropriate regulatory flexibility analyses or rules that have been improperly certified as having no significant effect on small businesses.

To bolster a small business' access to information, agencies are required to establish a program for responding to small business requests for informal guidance on specific rules, and to develop "small entity compliance guides". As the name implies, the guides are intended to explain the actions a small entity is required to take to comply with a rule. The program for informal guidance is to be established by March 29, 1997 with a progress report due to Congress by March 29, 1998. Both the informal guidance and the compliance guides may be considered as evidence of the reasonableness of any proposed fines or penalties in any civil or administrative action challenged by a small entity.


Section 223 of the SBREFA requires each agency regulating the activities of small entities to establish a policy or program by March 29, 1997, to reduce or, where appropriate, waive civil penalties against small entities for violations of a statutory or regulatory requirement. It also requires a progress report to Congress by March 29, 1998 on the scope of the policy or program, the number of enforcement actions that qualified or failed to qualify for the policy or program and the total amount of penalty reductions and waivers. In practice, the programs mostly likely to have a regulatory impact on small business are Manufactured Housing, RESPA, Interstate land sales, Lead Based Paint Abatement and Fair Housing.

#### **17. Executive Order 12866**

President Clinton signed Executive Order 12866, "Regulatory Planning and Review" on September 30, 1993 with the intent of making the regulatory process more efficient. In addressing the Principles of Regulations, Section 1 (11) states that each agency shall tailor its regulations to impose the least burden on society including individuals, businesses of differing sizes and other entities (including small communities and governmental entities), consistent with obtaining the regulatory objectives, taking into account, among other things, the cost of cumulative regulations.

#### **18. Section 3 of the Housing and Community Development Act of 1992.**

Section 3 requires that when HUD Federal assistance generates the need for the recipient of HUD funding to increase internal employment or let contracts, the recipient must give preference in hiring to low and very low income persons and must give preference in contracting to businesses owned by these persons or that substantially employ low and very low income persons.

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U.S. Department of Housing and Urban Development  
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- worship, employment centers, fair housing groups, or housing counseling agencies);
- iv. Records that will be kept describing actions taken by the participating jurisdiction and by owners to affirmatively market units and records to assess the results of these actions; and
  - v. A description of how the participating jurisdiction will annually assess the success of affirmative marketing actions and what corrective actions will be taken where affirmative marketing requirements are not met.
3. A State that distributes HOME funds to units of general local government must require each unit of general local government to adopt affirmative marketing procedures and requirements that meet the requirement in paragraphs (a) and (b) of this section.
    - b. *Minority outreach.* A participating jurisdiction must prescribe procedures acceptable to HUD to establish and oversee a minority outreach program within its jurisdiction to ensure the inclusion, to the maximum extent possible, of minorities and women, and entities owned by minorities and women, including, without limitation, real estate firms, construction firms, appraisal firms, management firms, financial institutions, investment banking firms, underwriters, accountants, and providers of legal services, in all contracts entered into by the participating jurisdiction with such persons or entities, public and private, in order to facilitate the activities of the participating jurisdiction to provide affordable housing authorized under this Act or any other Federal housing law applicable to such jurisdiction. Section 85.36(e) of this title describes actions to be taken by a participating jurisdiction to assure that minority business enterprises and women business enterprises are used when possible in the procurement of property and services.

#### § 92.352 Environmental Review

- a. *General.* The environmental effects of each activity carried out with HOME funds must be assessed in accordance with the provisions of the National Environmental Policy Act of 1969 (NEPA) and the related authorities listed in HUD's implementing regulations at 24 CFR parts 50 and 58.
- b. *Responsibility for review.*
  1. The jurisdiction (e.g., the participating jurisdiction or State recipient) or insular area must assume responsibility for environmental review, decisionmaking, and action for each activity that it carries out with HOME funds, in accordance with the requirements imposed on a recipient under 24 CFR part 58. No funds may be committed to a HOME activity or project before the completion of the environmental review and approval of the request for release of funds and related certification, except as authorized by 24 CFR part 58.
  2. A State participating jurisdiction must also assume responsibility for approval of requests for release of HOME funds submitted by State recipients.

6. *Program administration records.*
  - i. Records demonstrating compliance with the written agreements required by § 92.504.
  - ii. Records demonstrating compliance with the applicable uniform administrative requirements required by § 92.505.
  - iii. Records documenting required inspections, monitoring reviews and audits, and the resolution of any findings or concerns.
7. *Records concerning other Federal requirements.*
  - i. *Equal opportunity and fair housing records.*
    - A. Data on the extent to which each racial and ethnic group and single-headed households (by gender of household head) have applied for, participated in, or benefited from, any program or activity funded in whole or in part with HOME funds.
    - B. Documentation of actions undertaken to meet the requirements of 24 CFR Part 135 which implements section 3 of the Housing Development Act of 1968, as amended (12 U.S.C. 1701u).
    - C. Documentation of the actions the participating jurisdiction has taken to affirmatively further fair housing.
  - ii. *Affirmative marketing and MBE/WBE records.*
    - A. Records demonstrating compliance with the affirmative marketing procedures and requirements of § 92.351.
    - B. Documentation and data on the steps taken to implement the jurisdiction's outreach programs to minority-owned (MBE) and female-owned (WBE) businesses including data indicating the racial/ethnic or gender character of each business entity receiving a contract or subcontract of \$25,000 or more paid, or to be paid, with HOME funds; the amount of the contract or subcontract, and documentation of participating jurisdiction's affirmative steps to assure that minority business and women's business enterprises have an equal opportunity to obtain or compete for contracts and subcontracts as sources of supplies, equipment, construction, and services.
  - iii. Records demonstrating compliance with the environmental review requirements of § 92.352 and 24 CFR part 58, including flood insurance requirements.
  - iv. Records demonstrating compliance with the requirements of § 92.353 regarding displacement, relocation, and real property acquisition, including project occupancy lists identifying the name and address of all persons occupying the real property on the date described in § 92.353(e)(2)(i)(A),

**ATTACHMENT D:**  
**FEDERAL REQUIREMENTS**

HUD > Program Description > Small and Disadvantaged Business Utilization

## Small and Disadvantaged Business Utilization

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### Summary:

This program ensures that small and disadvantaged businesses, minority firms, and women-owned businesses can compete for and win a fair share of the contracts that HUD awards.

### Purpose:

HUD's Office of Small and Disadvantaged Business Utilization (OSDBU) serves as an ombudsman for small businesses, minority firms, businesses owned by disadvantaged persons, and women-owned firms ("target businesses") to make sure that they get a fair share of HUD's Federal contract awards—as mandated by the Small Business Act (SBA). Under this Act, every Federal agency must have an OSDBU that pursues this contracting goal.

### Type of Assistance:

The Federal Government's goal under SBA is to award 23 percent of its prime contracts to small businesses. Within this goal, there is a subgoal of 5 percent for small, disadvantaged businesses and minority businesses, and 5 percent for women-owned small businesses.

To meet these SBA goals, HUD's program for small and small disadvantaged businesses and women-owned businesses includes many activities. The program:

- Sets and tracks progress toward HUD's SBA contracting goals.
- Ensures that all contracts over \$500,000 (\$1 million if public facility construction) include subcontracting goals.
- Implements contract set-aside procedures for each HUD program.
- Oversees HUD staff insofar as their duties relate to SBA.
- Serves as a liaison with businesses of all sizes to ensure that target businesses are adequately considered for HUD procurement.
- Coordinates SBA enforcement with HUD procurement staff.
- Serves as a Federal Intra- and interagency representative for target business matters.
- Evaluates HUD's performance under SBA and reports to the SBA and other Federal agencies.
- Helps target businesses understand SBA requirements.
- Conducts assertive outreach to the small business community.
- Participates in Government-industry conferences to assist target businesses.
- Helps develop, implement, and review automated contracting systems for SBA compliance.
- Assists HUD's program managers and contracting officers in complying with SBA.
- 1.0 percent of prime contracts for HUBZone small businesses for FY1999 and not less than 1.5 percent for FY2000, 2 percent for FY2001, and 2.5 percent for FY2002 and 3 percent for FY2003 and each year thereafter;
- 3 percent of prime and subcontracts for service-disabled veteran-owned small businesses.

Along with these basic activities, the program also puts a priority on women-owned businesses and coordinates HUD's efforts regarding the Small Business Regulatory Enforcement Act. OSDBU reviews HUD regulations for their potential impact on small businesses and serves as an ombudsman and honest broker for small businesses in clarifying and applying these regulations.

### Eligible Grantees:

Not applicable

### Eligible Customers:

Owners, managers, and staff members of small and disadvantaged businesses, minority firms, and women-owned businesses can benefit from this program's activities.

### Application:

Not applicable

### Funding Status:

Not applicable.

### Technical Guidance:

This program is authorized by Sections 8 and 15 of the Small Business Act, as amended (15 U.S.C. 637(a)). Program regulations are in 24 CFR 85.36 and Parts 241 and 242b of the HUD Acquisition Regulation. The program is administered by HUD's Office of Small and Disadvantaged Business Utilization. The contact persons are Meishoma Hayes and Arnette McGill-Moore at (202) 708-1428

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U.S. Department of Housing and Urban Development  
Los Angeles Field Office, Region IX  
611 W. 6<sup>th</sup> Street, Suite 1100  
Los Angeles, CA 90017



MEMORANDUM FOR: All Consolidated Plan Coordinators

// s //

FROM: William Vasquez, Director, Office of Community Planning and Development, 9DD

SUBJECT: Minority Business Enterprise Contract and Subcontract Activity  
Report HUD-2516 and Section 3 Reporting  
Due Date: December 30, 2009

The Department of Housing and Urban Development (HUD) is committed to supporting minority business growth and development. By acknowledging our grantees' support of minority business enterprises, we can recognize the importance of a growing number of successful minority entrepreneurs. The Office of Community Planning and Development (CPD) provides data on the amount of minority contracting entered into by grantees to HUD's Office of Small and Disadvantaged Business Utilization (OSDBU). OSDBU consolidates the data on a Department-wide basis for submission to the Minority Business Development Agency of the Department of Commerce. In addition, this information has been valuable to OSDBU when responding to Congressional and interest group inquiries.

#### I. Minority Business Enterprise (MBE) Reporting

Community Planning and Development activities to be reported include public works, economic development, affordable housing, and special needs assistance. Grantees are required to report contract and subcontract activities of \$10,000 or more on the HUD 2516 form. Contracts/subcontracts of less than \$10,000 may be reported only if it represents a significant portion of the grantee's total contracting activity.

The report must cover contracts executed during the recently completed Federal Fiscal Year (October 1, 2008 – September 30, 2009). This report summarizes the racial/ethnic codes, racial/ethnic categories, contract amount and number of contractors identified in the HUD-2516 form. If there has been no contract activity during the reporting period, please submit a negative summary report. This report is required to be completed and submitted to the our Office by December 30, 2009.

Grantees are advised to access the form from the website cited, copy and save the form to their hard drives, complete data input, and then submit the completed forms via e-mail or mail to their local HUD Field Office.

The HUD form 2516 is in excel format to assist grantees in providing accurate calculations of their accomplishments.

<http://www.hud.gov/offices/osdbu/forms.cfm>

Please be aware of the following when completing the HUD 2516 form:

Column 7a – Grantees should use the applicable CPD grant number based on which program year’s funds were expended. Grantees are erroneously using all types of numbers like the IDIS project number, FHA or PIH grant numbers, etc.

Column 7b - Grantee should only report the part of the contract amount that reflects CPD funds.

Column 7c - There are only three options to choose from for this category (i.e., education training, new construction and other). The “other” categories include: supply, professional services, rehabilitation, Architectural/ Engineering, and all other activities except construction and educational/training activities.

Column 7d - OMB changed its racial and ethnic categories. In effect, grantees had to collect race *and* ethnic data for Hispanic persons. HUD 2516 does not appear to be updated to reflect the new OMB requirements. The form as it is asks for either race *or* ethnic, but not race *and* ethnic data.

The Office of Small and Disadvantaged Business Utilization has not yet revised form 2516 to reflect racial and ethnic categories. Therefore, grantees must select one of the options provided.

Grantees are reminded that 24CFR Part 85.36 (e) (1) Contracting with small and minority firms, Women’s business enterprise and labor surplus area firms states that: The grantee and sub-grantee will take all necessary affirmative steps to assure that minority firms, women's business enterprises, and labor surplus area firms are used when possible, and affirmative steps shall include:

1. Placing qualified small and minority business enterprises on solicitation lists;
2. Assuring that small and minority businesses are solicited whenever they are potential sources;
3. Dividing total requirements, when economically feasible into smaller tasks or quantities to permit maximum participation by small and minority business, and women's business enterprises;



4. Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority business, and women's business enterprises.
5. Using the services and assistance of the Small Business Administration, and the Minority Business Development Agency of the Department of Commerce; and
6. Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in paragraph e (2) (i) through (v) of this section.

The completed HUD form 2516 and Summary Report should be submitted to the attention of:

[Frank.Caballero@hud.gov](mailto:Frank.Caballero@hud.gov) or

U.S. Department of Housing and Urban Development  
Los Angeles Field Office  
ATTN: Frank G. Caballero, Senior Financial Analyst,  
Office of Community Planning and Development, 9DD  
611 W. Sixth Street, Suite 1000  
Los Angeles, CA 90017-3127  
Phone 1-213-534-2559

## II. Section 3. Employment and Business Opportunity for Low Income Persons-Reporting requirements.

Section 3 contract reports are required when a grantee's project exceeds \$200,000 and a prime or subcontract exceeds \$100,000. Both thresholds have to be met for the same project. These requirements are in accordance with 24CFR Part 135.3. Grantees using HUD-2516 form to report Section 3 contract data must also use Part I of form HUD-60002, Section 3 Summary Report, for reporting employment and training opportunities data. The Section 3 Summary Report System is an online system designed to simplify the submission of form HUD-60002.

The web site is <http://www.hud.gov/offices/fheo/section3/section3.cfm>

If you do not have access to the Internet or are using a browser other than Netscape 4.x or higher, then a hardcopy of the completed form HUD-60002 must be submitted to HUD Washington D.C. via FAX to 202-708-1286. If you have questions regarding the submission of the Section 3 Summary Report, please contact Anna Gutierrez, Program Compliance, Office of Fair Housing and Equal Opportunity at (213) 534-2594.

J: team 2 , fomula correspondence, MBE information notice 2009



This report is to be completed by grantees, developers, sponsors, builders, agencies, and/or project owners for reporting contract and subcontract activities of \$10,000 or more under the following programs: Community Development Block Grants (entitlement and small cities); Urban Development Action Grants; Housing Development Grants; Multifamily Insured and Noninsured; Public and Indian Housing Authorities; and contracts entered into by recipients of CDBG rehabilitation assistance. Contracts/subcontracts of less than \$10,000 need be reported only if such contracts represent a significant portion of your total contracting activity. Include only contracts executed during this reporting period.

This form has been modified to capture Section 3 contract data in columns 7g and 7i. Section 3 requires that the employment and other economic opportunities generated by HUD financial assistance for housing and community development programs shall, to the greatest extent feasible, be directed toward low- and very low-income persons, particularly those who are recipients of government assistance for housing. Recipients using this form to report Section 3 contract data must also use Part I of form HUD-60002 to report employment and training opportunities data. Form HUD-2516 is to be

**Community Development Programs**

1. **Grantee:** Enter the name of the unit of government submitting this report.
3. **Contact Person:** Enter name and phone of person responsible for maintaining and submitting contract/subcontract data.
- 7a. **Grant Number:** Enter the HUD Community Development Block Grant Identification Number (with dashes). For example: 9-32-MC-25-0034. For Entitlement Programs and Small City multi-year comprehensive programs, enter the latest approved grant number.
- 7b. **Amount of Contract/Subcontract:** Enter the dollar amount rounded to the nearest dollar. If subcontractor ID number is provided in 7i, the type of trade code would be for the subcontract only and not for the prime contract.
- 7c. **Type of Trade:** Enter the numeric codes which best indicates the contractor's subcontractor's service. If subcontractor ID number is provided in 7i, the type of trade code would be for the subcontract only and not for the prime contractor. The "other" category includes supply, professional services and all other activities except construction and education/training activities.
- 7d. **Business Racial/Ethnic/Gender Code:** Enter the numeric code which indicates the racial/ethnic/gender character of the owner(s) and controller(s) of 51% of the business. When 51% or more is not owned and controlled by any single racial/ethnic/gender category, enter the code which seems most appropriate. If the subcontractor ID number is provided, this code would apply to the subcontractor and not to the prime contractor.
- 7e. **Women Owned Business:** Enter Yes or No.
- 7i. **Contractor Identification (ID) Number:** Enter the Employer (IRS) Number of the Prime Contractor as the unique identifier for prime recipient of HUD funds. Note that the Employer (IRS) Number must be provided for each contract/subcontract awarded.
- 7g. **Section 3 Contractor:** Enter Yes or No.
- 7h. **Subcontractor Identification (ID) Number:** Enter the Employer (IRS) Number of the subcontractor as the unique identifier for each subcontract awarded from HUD funds. When the subcontractor ID Number is provided, the respective Prime Contractor ID Number must also be provided.
- 7i. **Section 3 Contractor:** Enter Yes or No.
- 7j. **Contractor/Subcontractor Name and Address:** Enter this information for each Previous editions are obsolete.

completed for public and Indian housing and most community development programs. Form HUD-60002 is to be completed by all other HUD programs including State administered community development programs covered under Section 3.

A Section 3 contractor/subcontractor is a business concern that provides economic opportunities to low- and very low-income residents of the metropolitan area (or nonmetropolitan county), including a business concern that is 51 percent or more owned by low- or very low-income residents; employs a substantial number of low- or very low-income residents; or provides subcontracting or business development opportunities to businesses owned by low- or very low-income residents. Low- and very low-income residents include participants in Youthbuild programs established under Subtitle D of Title IV of the Cranston-Gonzalez National Affordable Housing Act. The terms "low-income persons" and "very low-income persons" have the same meanings given the terms in section 3(b)(2) of the United States Housing Act of 1937. Low-income persons mean families (including single persons) whose incomes do not exceed 80 per centum of the median income for the area, as determined by the Secretary, with adjustments for smaller and larger families, except that the Secretary may establish income ceilings higher or lower than such valuations are necessary because of unusually high or low family incomes.

firm receiving contract/subcontract activity only one time on each report for each firm.

**Multifamily Housing Programs**

1. **Grantee/Project Owner:** Enter the name of the unit of government, agency or mortgagee entity submitting this report.
3. **Contact Person:** Same as item 3 under CPD Programs.
4. **Reporting Period:** Check only one period.
5. **Program Code:** Enter the appropriate program code.
- 7a. **Grant/Project Number:** Enter the HUD Project Number or Housing Development Grant or number assigned.
- 7b. **Amount of Contract/Subcontract:** Same as item 7b. under CPD Programs.
- 7c. **Type of Trade:** Same as item 7c. under CPD Programs.
- 7d. **Business Racial/Ethnic/Gender Code:** Same as item 7d. under CPD Programs.
- 7e. **Woman Owned Business:** Enter Yes or No.
- 7i. **Contractor Identification (ID) Number:** Same as item 7i. under CPD Programs.
- 7g. **Section 3 Contractor:** Enter Yes or No.
- 7h. **Subcontractor Identification (ID) Number:** Same as item 7h. under CPD Programs.
- 7i. **Section 3 Contractor:** Enter Yes or No.
- 7j. **Contractor/Subcontractor Name and Address:** Same as item 7j. under CPD Programs.

may establish income ceilings higher or lower than 80 per centum of the median for the area on the basis of the Secretary's findings that such variations are necessary because of prevailing levels of construction costs or unusually high or low-income families. Very low-income persons means low-income families (including single persons) whose incomes do not exceed 50 per centum of the median family income for the area, as determined by the Secretary with adjustments for smaller and larger families, except that the Secretary may establish income ceilings higher or lower than 50 per centum of the median for the area on the basis of the Secretary's findings that such variations are necessary because of unusually high or low family incomes. Submit two (2) copies of this report to your local HUD Office within ten (10) days after the end of the reporting period you checked in item 4 on the front.

Complete item 7h. only once for each contractor/subcontractor on each semi-annual report. Enter the prime contractor's ID in item 7i. for all contracts and subcontracts. Include only contracts executed during this reporting period. PHAs/IHAs are to report all contracts/subcontracts.

**Public Housing and Indian Housing Programs**

- PHAs/IHAs are to report all contracts/subcontracts. Include only contracts executed during this reporting period.
1. **Project Owner:** Enter the name of the unit of government, agency or mortgagee entity submitting this report. Check box as appropriate.
  3. **Contact Person:** Same as item 3 under CPD Programs.
  4. **Reporting Period:** Check only one period.
  5. **Program Code:** Enter the appropriate program code.
  - 7a. **Grant/Project Number:** Enter the HUD Project Number or Housing Development Grant or number assigned.
  - 7b. **Amount of Contract/Subcontract:** Same as item 7b. under CPD Programs.
  - 7c. **Type of Trade:** Same as item 7c. under CPD Programs.
  - 7d. **Business Racial/Ethnic/Gender Code:** Same as item 7d. under CPD Programs.
  - 7e. **Women Owned Business:** Enter Yes or No.
  - 7i. **Contractor Identification (ID) Number:** Same as item 7i. under CPD Programs.
  - 7g. **Section 3 Contractor:** Enter Yes or No.
  - 7h. **Subcontractor Identification (ID) Number:** Same as item 7h. under CPD Programs.
  - 7i. **Section 3 Contractor:** Enter Yes or No.
  - 7j. **Contractor/Subcontractor Name and Address:** Same as item 7j. under CPD Programs.

# Appendix I:

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- NHTF Allocation Plan
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# DELAWARE STATE HOUSING AUTHORITY

## National Housing Trust Fund

### 2024 Allocation Plan

Delaware State Housing Authority  
18 The Green  
Dover, De 19901  
[www.destatehousing.com](http://www.destatehousing.com)

John Carney, Governor

Cynthia A. Karnai, Director

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**STATE OF DELAWARE**  
**DELAWARE STATE HOUSING AUTHORITY**  
**NATIONAL HOUSING TRUST FUND ALLOCATION PLAN AND**  
**2020-2024 CONSOLIDATED PLAN**  
**AND ANNUAL ACTION PLAN**  
**2024**

**I. Introduction**

**A. Purpose**

The National Housing Trust Fund (NHTF) is a new affordable housing production program that will complement existing Federal, State, and local efforts to increase and preserve the supply of decent, safe, and sanitary affordable housing for extremely low-income (ELI) and very low-income households (VLI), including homeless families. This plan serves as part of the Delaware State Housing Authority’s (DSHA) 2020-2024 Consolidated Plan and 2024 Annual Action Plan.

**B. Background**

The NHTF was established under Title I of the Housing and Economic Recovery Act (HERA) of 2008, Section 1131 (Public Law 110-289). Section 1131 of HERA amended the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4501 et seq.) to add a new section 1337, entitled “Affordable Housing Allocation” and a new section 1338 entitled “Housing Trust Fund.”

The U.S. Department of Housing and Urban Development (HUD) published the proposed NHTF formula rule (FR-5246-P-01) on December 4, 2009, and the proposed program rule (FR-5246-P-02) on October 29, 2010. On January 30, 2015, HUD published an interim program rule (FR-5246-I-03). The interim rule provides the guidelines for states to implement the NHTF.

During the first quarter of 2024, HUD will announce the Fiscal Year 2024 NHTF formula allocation amounts. Small states like Delaware, will get a minimum NHTF in the amount of \$3,000,000. HUD plans to issue a final rule for the NHTF after states have had experience administering the program and are able to offer comments regarding the initial implementation.

**Program Design and Funding Source**

Funding for the NHTF comes from an assessment on loans made by Federal Home Loan Mortgage Corporation (Freddie Mac) and Federal National Mortgage Association (Fannie Mae). The amount available for allocation is the amount set aside by Fannie Mae and Freddie Mac for the NHTF during their fiscal year (January 1-December 31). Allocations will be formula based, but statute requires that each state receive a minimum allocation of \$3 million. If additional funds are available after each state and the District of Columbia (DC) receives the minimum allocation, Puerto Rico and each insular area will receive an allocation. However, if NHTF funds are insufficient to provide the minimum grant to each state and DC, HUD will publish a notice in the federal register for public comment, describing an alternative method for allocating grants. Any



amounts that become available for reallocation (i.e. grant reductions, recaptured funds, etc.) shall be added to the amounts for formula allocation in the succeeding fiscal year.

As per the HUD published allocation amount, for Fiscal Year (federal) 2024, Delaware should receive \$3,000,095.

### **C. Administration**

The NHTF for the State of Delaware is administered by DSHA. The mission of DSHA is to efficiently provide, and to assist others to provide, quality, affordable housing opportunities and appropriate supportive services to low- and moderate-income Delawareans. As prescribed in the interim rule, DSHA may use up to 10% of the NHTF grant and program income received to cover administrative and planning costs of the NHTF program.

As per 24 CFR §93.400, HUD will reduce or recapture funds in the NHTF Treasury account by the amount of any fiscal year grant funds that are not committed within 24 months after the date of HUD's execution of the NHTF grant agreement and any fiscal year grant funds in the NHTF local account that are not expended within five (5) years after the date of HUD's execution of the NHTF grant agreement.

### **D. Citizen Participation**

Citizen participation for the NHTF Allocation Plan began in the spring of 2016 with a public information process that included a public meeting on March 22, 2016 at the Dover Public Library and a webinar on March 23, 2016. All comments received were incorporated in the development of the NHTF Allocation Plan.

The Draft Allocation Plan, and Substantial Amendment to the 2020-2024 Consolidated Plan and 2024 Annual Action Plan was made available for public comment from March 31 through April 28, 2021. The draft will be posted on DSHA's website, as well as hard copies available at specific locations, at least one in each of Delaware's three counties. The public comment period was advertised in two statewide newspapers and extensively publicized via DSHA's website and mailing lists. During the public comment period, one virtual public hearing were held on April 26, 2021. These events were held to provide a summary of the plan, answer questions, and receive comments on the draft from interested citizens. The allowance of a virtual public hearing and smaller comment period was made through waivers under The CARES Act.

## **II. Distribution of Funds**

Funds will be awarded to locally-driven projects that address the criteria outlined in this allocation plan, as well as the priority housing needs as identified in Delaware's Consolidated Plan. Distribution will be made consistently with DSHA's other affordable housing programs, including: Community Development Block Grant (CDBG) program, State Housing Development Fund (HDF), HOME Investment Partnership Program (HOME), and the Low-Income Housing Tax Credit (LIHTC) program. The distribution of annually allocated NHTF funds will be directly administered by DSHA through the application, approval, draw, construction, and monitoring processes in place for the State's HDF and LIHTC programs.

DSHA will select applicants submitted by eligible recipients as set forth in the Tax Credit Allocation Plan and 24 CFR 93.2. DSHA will not fund subgrantees.

### **III. Geographic Distribution and Diversity**

The Analysis of Impediments to Fair Housing Choice (AI) made several recommendations for policies to expand fair housing choice and break down historic patterns of segregation. For some residents of impacted neighborhoods, exercising fair housing choice means moving to another neighborhood that offers economic opportunity, proximity to their workplace, better schools, and/or a safer and secure environment. Affirmative moves from impacted neighborhoods to areas of opportunity help to break down patterns of segregation. For other residents that live in impacted neighborhoods, exercising fair housing choice means revitalizing the community into a more attractive and safer place so that they may continue to live in their neighborhood and so that others will want to move into the neighborhood.

DSHA's geographic priorities were developed to 1) encourage new development and preservation of affordable housing, especially affordable rental housing, in areas of opportunity; and 2) target community development investments, particularly sustainable homeownership, in areas of concentration of low-income and/or minority households. These geographies and policies are consistent across the primary programs making funds available for these activities: CDBG, HOME, LIHTC, NHTF, and HDF. The map as it applies to DSHA multifamily housing financing, including NHTF, via the Qualified Allocation Plan is available online at: <https://delaware.maps.arcgis.com/apps/instant/basic/index.html?appid=b336972269604f78a54dc7021f331ccc> and Reference Guide describing the geographies at <https://www.destatehousing.com/build/lihtc/> The geographies are based on Market Areas as identified in the Delaware Market Value Analysis and included in the *Delaware Housing Needs Assessment 2015-2010*, HUD data on Racially/Ethnically Concentrated Areas of Poverty (R/ECAPs), and other sources as described in the Reference Guide. Areas are classified as Areas of Opportunity (where new affordable housing options should be supported); Stable (where a balance of market rate with subsidized housing should be supported) and Distressed (areas where development that furthers concentrated areas of poverty or minority populations should be limited and sustainable homeownership supported). New construction and rehabilitation of affordable rental housing in Areas of Opportunity is incentivized.

DSHA also promotes the use of the State Strategies for Policies and Spending by tailoring programs based on identified investment levels. Proposals for new construction or rehabilitation of affordable rental communities must be located in Investment Levels 1, 2, or 3. Level 4 areas are not targeted for growth or state investment in services and infrastructure.

## IV. Uses of Funds

### A. Forms of Assistance

DSHA may provide NHTF funds to developers or sponsors in the forms below:

1. Interest-bearing loans or advances;
2. Non-interest-bearing loans or advances;
3. Deferred payment loans; and/or
4. Other forms of assistance approved by HUD.

### B. Allocations and Set-Aside

1. DSHA will reserve a minimum of 20% of Delaware's annual NHTF allocation for permanent supportive housing projects with a priority for chronically homeless persons with disabilities. Funding will be awarded through a request for proposal (RFP) process. If there are insufficient applicants or applicants that do not meet DSHA's underwriting standards, DSHA NHTF funds will be directed to other NHTF eligible multifamily projects to create additional extremely low-income households.

For 2024, the permanent supportive housing set-aside amount will be **\$600,000**.

2. DSHA will allocate the remainder of NHTF funds to affordable rental, multi-family projects in coordination with the HDF and LIHTC programs. NHTF may be awarded as part of new creation or preservation of projects without project-based rental subsidy with a priority for new creation and will support housing for extremely low-income households. Both HDF and NHTF may be awarded to permanent housing for special populations.

For 2024, the amount available to multi-family projects will be **\$2,100,000**.

3. Note: As per the HUD regulations, up to 10% of NHTF funds may be used for homeownership. However, for 2024, DSHA will not be utilizing NHTF for homeownership activities as there are currently various other homeownership products available through DSHA that offer greater flexibility to meet the current homeownership needs.
4. If DSHA receives no applications for permanent supportive housing, DSHA will allocate all HTF funds to multi-family projects with units for extremely low-income households. If no applications are received for preservation without subsidy, DSHA may allocate all HTF funds to subsidized preservation projects.

## **V. Eligible Costs**

### **A. Eligible Project Costs (may include):**

1. Development hard costs;
2. Acquisition costs;
3. Related soft costs;
4. Operating cost assistance and operating cost assistance reserves (less than or equal to one-third of the annual grant amount); and
5. Relocation costs.

### **B. Operating Cost Assistance and Reserves**

NHTF may be used to pay for operating cost assistance and operating cost assistance reserves for rental housing that is acquired, rehabilitated, reconstructed, or newly constructed with NHTF funds. DSHA may provide up to one-third (33%) of each annual allocation for operating assistance and operating cost assistance reserves. For 2024, a maximum of **\$990,000** can be used for this purpose. Operating Cost Assistance and Reserves may only be provided as part of an eligible NHTF project, not on its own.

The following conditions will apply to Operating Cost Assistance and Reserves:

1. Eligible costs include insurance, utilities, real property taxes, maintenance, and scheduled payments to a reserve for replacement of major systems.
2. Eligible costs must be calculated using the method described in this section.
3. Operating cost assistance must be based on the underwriting of the project and must be specified in the written agreement between DSHA and the recipient.
4. For reserves funded with non-NHTF funds, the assistance must be calculated using HUD methodology and the reserve may be funded for the amount estimated to be necessary for the entire period of affordability at the time of executing the written agreement.
5. For reserves funded with NHTF funds, the assistance must be calculated using HUD methodology and for each grant, assistance is limited to the amount necessary for a period of up to five years.
6. Funding for operating cost assistance may be provided in addition to funding an initial operating deficit reserve, which is a reserve to meet any shortfall in project income during the period of project rent-up (not to exceed 18 months).

## **VI. Subsidy Limits**

The maximum per-unit subsidy limits for NHTF will be set at the Section 234 Basic Mortgage Limits established by HUD and also utilized under the HOME Program.

Effective 1/1/2024, the following limits apply:

Br	Limit
0	\$ 181,488
1	\$ 208,049
2	\$ 252,994
3	\$ 327,293
4	\$ 359,263

DSHA imposes these limits based on previous analysis and experience with LIHTC and HDF programs, including an extensive review of construction costs. Analysis has shown that construction costs are not noticeably different between markets nor do they vary greatly between Delaware’s three counties.

**VII. Periods of Affordability**

NHTF-assisted units must meet the affordability requirements for a period of not less than 30 years, which begins at project completion. DSHA may impose longer periods of affordability.

**VIII. Income Targeting**

NHTF income targeting requirements will be based on the annual amount of NHTF funds available.

1. In any fiscal years in which the total NHTF funds available are less than \$1 billion, all states must target 100% of the NHTF funds for the benefit of ELI families or families with incomes at or below the poverty line, whichever is greater.
2. When the total NHTF funds available are equal to or exceed \$1 billion, the states must use at least 75% of the NHTF funds for the benefit of ELI families or families with incomes at or below the poverty level, whichever is greater.
3. Any grant funds not used to serve ELI families must be used for the benefit of VLI families.
4. Further income targeting may be required under DSHA’s LIHTC, HOME and HDF programs.

For 2024, 100% of the NHTF funds must be used for the benefit of ELI families.

**IX. Performance Goals and Benchmarks**

This method of distribution will support Delaware’s Consolidated Plan goals to create additional affordable housing units. It is estimated that NHTF funds will assist approximately 1-2 supportive housing projects (approximately 10 units); approximately 1-2 LIHTC or HDF multifamily projects (approximately 20 units).

**X. Additional Requirements and Conditions**

**A. HUD Regulations**

This plan is subject to change upon additional regulations and/or guidance from HUD.

**B. Subsidy Layering Review**

All NHTF projects will be subject to a subsidy layering review administered by DSHA. Prior to the commitment of NHTF funds to a project, DSHA will evaluate the project and will not invest any more NHTF funds in combination with other federal assistance than is necessary to provide affordable housing.

**C. Underwriting**

All projects will be subject to DSHA’s underwriting criteria (found in the Qualified Allocation Plan (QAP) and HDF Supplement).

**D. Site and Neighborhood Standards**

HUD has adopted 24 CFR § 93.150 (see below), with an updated cross-reference to the applicable standard for new construction projects at 24 CFR 983.57(e). As with the HOME program, HUD is not applying site and neighborhood standards to rehabilitation projects under NHTF. However, if project-based vouchers are used in an NHTF rehabilitation unit, the site and neighborhood standards for project-based vouchers will apply. In addition, the requirements of 24 CFR part 8 (which implemented section 504 of the Rehabilitation Act of 1973) apply to the NHTF, and specifically address the site selection with respect to accessibility for persons with disabilities.

24 CFR § 93.150 Site and neighborhood standards.

- (a) General. A grantee must administer its NHTF program in a manner that provides housing that is suitable from the standpoint of facilitating and furthering full compliance with the applicable provisions of Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d-2000d-4), the Fair Housing Act (42 U.S.C. 3601 et seq., E.O. 11063, 3 CFR, 1959-1963 Comp. p. 652) and HUD regulations issued pursuant thereto; and promotes greater choice of housing opportunities.
- (b) New rental housing. In carrying out the site and neighborhood requirements with respect to new construction of rental housing, a grantee is responsible for making the determination that proposed sites for new construction meet the requirements of 24 CFR 983.57 (e) (2).

**E. Rehabilitation Standards**

First, all buildings and projects that are newly constructed or are rehabilitated with NHTF must first be built to the International Building Code adopted by the local municipality and County. The International Building Codes enforced by each municipality and County include and address disaster mitigation.

The following building codes have been adopted by Delaware’s three counties:

Kent County	New Castle County	Sussex County
2012 International Building Code 2012 International Residential Code	2015 International Building Code 2015 International Residential Code 2015 International Mechanical Code 2015 International Fuel Gas Code 2015 International Plumbing Code 2015 International Energy Conservation Code	2012 International Residential Code (for single-family home construction) 2012 International Building Code (for multi-family and commercial construction projects)
ICC/ANSI A117.1-2009, as amended has been adopted and used by all three counties in Delaware. Its use within a governmental jurisdiction is intended to be accomplished through adoption by reference in accordance with proceedings establishing the jurisdiction’s laws.		

Second, for NHTF projects that will be rehabilitated, at a minimum the HUD’s Rehabilitation Standards - § 91.320(k)(5)(iv) and § 93.301(b) will apply.

Third, all NHTF projects must also meet DSHA’s minimum construction/ rehabilitation standards and all state and federal applicable codes. However, where DSHA minimum constructions/rehabilitation standards exceed the HUD standards, the most stringent standard will apply. (See Attachments A-D).

All applicants are responsible for complying with all building codes, rules, ordinances, and laws of all legal entities and authorities having jurisdiction over the project.

DSHA’s minimum construction/rehabilitation standards include additional details on what work is required, how that work should be performed (methods), and what materials should be used. DSHA’s minimum construction and rehabilitation standards include the following categories: 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 (UPCS) as identified by HUD as applicable to NHTF-assisted housing.

**F. Uniform Physical Condition Standards (UPCS)**

All projects funded with NHTF will be required to meet HUD’s UPCS to ensure housing will be decent, safe, sanitary, and in good repair as described in 24 CFR 5.703. Standards include the UPCS inspectable items and observable deficiencies for the site, building exterior, building systems, common areas, and units (see Attachment D).

**G. Environmental Review**

All new construction, acquisition or acquisition rehabilitation activities must meet the applicable environmental requirements specified in 24 CFR 93.301(f) for historic preservation, archaeological resources, farmland, airport zones, Coastal Barrier Resource System, coastal zone management, floodplains, wetlands, explosives and hazards, contamination, noise, endangered species, wild and scenic rivers, safe drinking water, and sole source aquifers.

Note: NHTF is not subject to 24 CFR part 58, but in the administration of NHTF, HUD is required to comply with the National Environmental Protection Act. Therefore, the interim rule establishes environmental review standards for NHTF which are included in the property standards section. These standards are substantively the same, or very similar to the requirements of 24 CFR part 58. HUD expects to issue guidance on the implementation of these standards.

#### **H. Uniform Relocation Act**

All NHTF financed projects must follow all federal Uniform Relocation Act regulations as applicable and DSHA's Relocation Policy. Relocation assistance must be included as part of construction costs. DSHA must approve all relocation plans and correspondence to residents.

#### **I. Accessibility (Section 504, etc.)**

All NHTF projects are required by law to meet the handicap accessibility standards outlined in the Americans with Disabilities Act (ADA). The law provides that failure to design and construct certain public accommodations to include certain features of accessible design will be regarded as unlawful discrimination.

Section 504 of the Rehabilitation Act of 1973 states: No otherwise qualified individual with a disability in the United States shall solely by reason of her or his disability be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program, service or activity receiving federal financial assistance or under any program or activity conducted by any Executive agency or by the United States Postal Service. (29 U.S.C. 794). This means that Section 504 prohibits discrimination on the basis of disability in any program or activity that receives financial assistance from any federal agency, including HUD, as well as in programs conducted by federal agencies, including HUD.

#### **J. Lead-Based Paint**

Projects assisted with NHTF funds are subject to the regulations at 24 CFR part 35, subparts A, B, J, K, and R.

#### **K. Section 3**

Documentation must be provided of actions undertaken to meet the requirements of 24 CFR part 135, which implements Section 3 of the Housing and Urban Development Act of 1968, as amended (12 U.S.C. 1701u).

#### **L. Minority, Women and Veteran Business Enterprises Outreach Program (MBE/WBE/VBE)**

It is the policy of DSHA to ensure the inclusion, to the maximum extent possible, of minorities, women, and/or veterans, including without limitation, real estate firms,



construction firms, appraisal firms, management firms, financial institutions, investment banking firms, underwriters, accountants, and providers of legal services, in all contracts entered into by DSHA with such persons or entities, public and private, in order to facilitate the activities of DSHA to provide affordable housing authorized under the National Affordable Housing Act or any other federal housing law applicable to DSHA.

#### **M. Affirmative Marketing and Fair Housing**

The federal requirements set forth in 24 CFR §93.350 will apply to participants in the NHTF program. The requirements include: nondiscrimination and equal opportunity; disclosure requirements; debarred, suspended, or ineligible contractor; and drug-free workplace.

For all NHTF projects, an Affirmative Fair Housing Marketing Plan must be reviewed and approved by either DSHA or HUD. This plan must be updated every 5 years.

All NHTF applicants must comply with the provisions of any federal, state or local law prohibiting discrimination in housing on the grounds of race, color, sex, creed, handicap/disability and familial status, sexual orientation, or national origin, including but not limited to: Title VI of the Civil Rights Act of 1964 (Public Law 88 352, 78 Stat. 241), all requirements imposed by or pursuant to the Regulations of HUD 24 CFR Subtitle A, Part 100 issued pursuant to that title; regulations issued pursuant to Executive Order 11063, and Title VII of the 1968 Civil Rights Act, as amended by the Fair Housing Amendment Act (Public Law 100-430)

#### **XI. DSHA Reporting Requirements**

As the administrator of NHTF, DSHA will be required to meet all applicable record-keeping and reporting requirements as outlined in 24 CFR §93.407.

Performance of the NHTF in Delaware will be tracked annually through DSHA's Consolidated Annual Performance and Evaluation Report (CAPER), which is submitted annually to HUD, and the DSHA Annual Assistance Production Report (DAPR), which is submitted to the Governor and State Leadership.

#### **XII. Applicable Fees**

DSHA will charge a \$1,250 application fee for NHTF funds. Waiver requests may be considered for special populations.

#### **XIII. Evaluation Criteria and Priority Funding Factors**

Eligibility to apply for NHTF will be no more restrictive than required by NHTF regulations. Eligible applicants/recipients of NHTF funds may include nonprofit and for-profit developers and public housing agencies.

Applicants must meet the HTF Tax Allocation Plan, DSHA, and all requirements set forth in 24 CFR 93.2 to be eligible for funding under the Action Plan. Developments must also meet the property standards set forth in the Tax Credit Allocation Plan and in 24 CFR 93.301.

Applications will be assessed with priority given to the applicants who prove highest proficiency in the following prioritized areas:

**A. Applicant Capacity (Priority Factor: Most Important)**

Applicants will be assessed on experience and capacity and any other criteria as applied by DSHA, which may include the following:

1. Applicants must make acceptable assurances to DSHA that they will comply with the requirements of the NHTF program during the entire period that begins upon selection of the applicant to receive NHTF funds, and ending upon the conclusion of all NHTF-funded activities.
2. Applicants must demonstrate their ability and financial capacity to undertake, comply, and manage the eligible activity.
3. Applicants must demonstrate their familiarity with the requirements of other federal, state, or local housing programs that may be used in conjunction with NHTF funds to ensure compliance with all applicable requirements and regulations of such programs.
4. Applicants must demonstrate their experience and capacity to conduct an eligible NHTF activity as evidenced by the ability to own, construct or rehabilitate, and manage and operate affordable multifamily rental housing development.
5. Applicants must demonstrate their ability to enter into a commitment for NHTF funds and undertake eligible activities in a timely manner.

**B. Priority Housing Needs of the State (Priority Factor: Most Important)**

Applicants will be assessed on the merits of the application meeting the priority housing needs established by the State.

Any proposed use of NHTF to further affordable housing activities for the economically disadvantaged and special population groups must be consistent with Delaware’s Consolidated Plan.

As noted in the Consolidated Plan for 2020-2024, section SP-25 Priority Needs, affordable rental housing is Delaware’s first priority need. The Delaware Housing Needs Assessment and HUD data identify a critical need to develop new affordable rental housing, preserve existing affordable rental housing, and extend affordability restrictions. The Housing Needs Assessment identified affordable rental housing as a critical need for Extremely Low- and Low-Income populations throughout the state.

Section SP-25 Priority Needs of the Consolidated Plan also cites Permanent Supportive Housing as a high priority need in Delaware. Additional Supportive Housing is needed for persons with Mental, Physical, and Developmental Disabilities, Persons with Alcohol or Other Addictions, and Persons with HIV/AIDS and their families.

As described under III. Geographic Distribution and Diversity, DSHA has identified geographic areas for targeting different types of housing investments. As the NHTF will be used for rental

housing, these maps as they apply to rental housing will apply to the NHTF. The new construction and rehabilitation of affordable rental housing is incentivized in Areas of Opportunity, neutral in Stable areas, and further concentration of subsidized rental housing is not encouraged in distressed areas.

**C. Leveraging (Priority Factor: Somewhat Important)**

Applications will be evaluated on the total sources of permanent financing, percentage of total project costs funded by NHTF and DSHA sources, and the use of any other non-state or federal funding sources.

**D. Geographic Diversity (Priority Factor: Somewhat Important)**

NHTF funds will be available to projects statewide; however, applications will be evaluated for consistency with the State’s certification to affirmatively further fair housing, all applicable Analysis of Impediments and compliance with the State Strategies for Policies and Spending (see Section III. Geographic Distribution and Diversity for details).

**E. Project-Based Rental Assistance (Priority Factor: Least Important)**

Applications will be reviewed for the extent to which the project has federal, state, or local project based rental assistance so that rents are affordable to extremely low-income families. NHTF funds will be distributed consistently with DSHA’s other affordable housing programs and administered with the existing LIHTC and HDF programs.

**F. Duration of Affordability Period (Priority Factor: Least Important)**

In accordance with §93.302(d), all rental housing units receiving NHTF funds must have an affordability period of not less than thirty (30) years. Applications may receive additional credit for showing financial feasibility of the project to extend beyond the 30-year period.

**G. Additional Evaluation Criteria (Priority Factor: Somewhat-Least Important)**

The following items will be taken into consideration by DSHA staff when determining the merits of an application for NHTF funds:

1. Demonstrated need for the project.
2. Suitability of the project location.
3. Cost efficiency of the project.
4. Amount of loan per unit serving extremely low and very low-/low-income persons:
  - a. Applications serving extremely low-income families will be given priority to the extent possible to comply with statutory requirements. Please note, for 2019, only applications serving extremely low-income families will be considered.
  - b. Applications serving very low-income families will be considered only if allowed by statutory requirements. Such determination will be announced prior to any announcement of funding opportunity.
5. Length of payback period.
6. Position of loan and how it is secured/length of repayment.
7. Source(s) of permanent financing (if appropriate).

8. Cash and non-cash equity participation of developer.
9. Evidence that alternate sources of financing have been utilized and/or exhausted.
10. Evidence that housing will be provided in neighborhoods where there is little very low-income housing available.
11. Extent to which the proposal will assist in revitalization of deteriorating neighborhood.
12. Extent to which any current DSHA loans to the applicant or affiliated parties are in good standing.

#### **XIV. Application Selection and Screening**

Application for NHTF for multi-family projects shall be made through the application and approval process in place for the HDF and/or LIHTC programs. All applications must contain a description of the eligible activities to be conducted with NHTF funds as required in §93.200. All applications must also contain certification that housing assisted with NHTF funds will comply with NHTF requirements.

Upon application review by DSHA staff, a panel consisting of members of DSHA's Housing Development Section, Policy and Planning Section, and any other DSHA employees with applicable experience will convene. Members of the Council on Housing will also be invited to participate. The panel will discuss each application received and its preliminary ranking. A consensus of all members present will determine the final ranking of the applications, along with funding level recommendations. Applications recommended for funding will be presented to the Director of DSHA for final approval.

## Delaware State Housing Authority Low Income Housing Tax Credit Design and Construction / Rehabilitation Standards

The Delaware State Housing Authority (DSHA) developed the following design and construction / rehabilitation standards with the intent to enhance consistency in the design approval process, promote the use of durable materials to reduce long-term maintenance costs, create a healthy living environment for residents, enhance energy efficiency, reduce operating costs and provide utility savings for residents, and balance quality materials with costs for developments utilizing the LIHTC program and/or developments financed by DSHA.

Drawings, plans and specifications, and all scopes of work are to comply to the latest building codes as adopted by the local county and/or municipality (see chart below), other applicable Delaware and National codes, DSHA's Minimum Design and Construction/Rehabilitation Standards, and/or the rules, ordinances, and laws of all legal entities and authorities with jurisdiction over the development and the construction and/or alteration of the development whether or not such requirements are specifically addressed in the plans and specifications or by DSHA's review. Installation of materials, equipment, products, and building systems are to be per the manufacturer's requirements, specifications, and recommendations. All developments must comply with the laws and codes below as applicable.

Waiver requests from DSHA's Design and Construction / Rehabilitation Standards require a \$500 waiver fee for each item requested and must be submitted no later than thirty (30) days prior to the application deadline. **No waiver requests will be entertained for any threshold requirements.** For projects utilizing the 9% LIHTC, no more than three total (3) waivers may be requested for the same development starting at application and continuing through the entire compliance and extended use period. DSHA will respond with binding disposition to waiver requests within fifteen (15) business days of receipt of request. At DSHA's sole discretion, if deemed necessary by the applicable extenuating circumstances, unforeseeable and unavoidable circumstance waivers may be granted outside of the waiver limit on a case-by-case basis.

DSHA specifically relies on the representations contained in the documents provided by the Developer, Borrower, and their respective professionals, including, but not limited to, their architects, contractors, engineers, surveyors, and attorneys (collectively "Developer").

### Standards, Codes, and Regulations

The following standards, codes, and regulations, along with all amendments, shall provide the technical requirements of the development's design and construction. The architectural team shall review all state and federal design requirements and/or building codes for their proposed development to determine which standard(s) shall apply to their project.

**NOTE:** Some statutory and regulatory provisions overlap others. Where there is a conflict, the most stringent provision applies, including any state or local laws, regulations, and/or codes which may be more stringent than federal requirements.

**A. Local Building Codes**

Each county has adopted the following building codes (with supplements):

Kent County	New Castle County	Sussex County
2012 International Building Code	2018 International Building Code	2012 International Residential Code (for single-family home construction)
2012 International Residential Code	2018 International Residential Code	2012 International Building Code (for multi-family and commercial construction projects)
2015 International Plumbing Code with amendments	2015 International Mechanical Code	2012 International Energy Conservation Code
<b>2012 International Energy Conservation Code</b>	2015 International Fuel Gas Code	
	2015 International Plumbing Code	
	2012 International Energy Conservation Code	

**ICC/ANSI A117.1-2017, as amended** has been adopted and used by all three counties in Delaware. Its use within a governmental jurisdiction is intended to be accomplished through adoption by reference in accordance with proceedings establishing the jurisdiction’s laws.

**B. Americans with Disabilities Act of 1990 – 28 CFR 35 for Title II, The Fair Housing Act – 24 CFR Part 100**

The Americans with Disabilities Act (ADA) was passed in July 1990 and became effective on July 26, 1992. Per ADA legislation, all projects are required by law to meet the handicap-accessibility standards as outlined in the Act. Failure to design and construct certain public accommodations to include features of accessible design will be regarded as unlawful discrimination.

Title III deals with non-discrimination on the basis of disability by public accommodations and in commercial facilities. Public accommodations include all new construction effective January 26, 1993 and impact any rental office, model unit, public bathroom, building entrances, or any other public or common-use area. Existing public accommodations must be retrofitted or altered beginning January 26, 1992, unless a financial or administrative burden exists. The ADA guidelines do not impact residential units since these are covered under Fair Housing and Section 504 laws.

Please refer to the following links for additional details:

<http://www.ADA.gov> and <http://www.usdoj.gov/crt/housing/titl8.htm>

**C. Architectural Accessibility Act (AAA)**

Per Delaware Code, Chapter 73, Title 29, all construction shall enable handicapped members of society to make use of public facilities with maximum safety and independence by providing for the implementation of standards or the elimination of architectural barriers.

#### **D. Architectural Accessibility Board (AAB)**

Per Delaware Code, Chapter 73, Title 29, §7306: The Architectural Accessibility Board (Board) shall have the following duties and responsibilities: Promulgate rules and regulations which shall contain standards for the design and construction of facilities covered by this chapter to ensure such facilities covered by this chapter are safely accessible to and usable by handicapped persons. Such standards shall be adopted by a majority vote of the Board following public hearings and shall take into account the requirements and standards recommended by the American National Standards Institute (ANSI), the Building Code Officials and Code Administrators (BOCA), and any amendments thereto, and standards and requirements set out in applicable guidelines of the federal government; provided, that until such time as the regulations containing standards as required by this paragraph are formally adopted by the Board, the standards contained in subsections (1) through (n) of subchapter 6917 {repealed} of this title shall remain in force and effect and shall be applied by the Board.

#### **E. Architectural Accessibility Standards**

The purpose of the document is to implement Delaware Code, Chapter 73, Title 29, §7306 (a)(1) and (a)(2) of the Architectural Accessibility Act (Act), which requires the Architectural Accessibility Board to promulgate rules and regulations which shall contain standards for the design and construction of facilities covered by the Act to assure that such facilities are safely accessible to and usable by handicapped persons.

All projects are required by law to meet the handicap-accessibility standards as outlined in the Delaware State Accessibility Standards. The design and construction guidelines are enforced by state and/or local building code officials. All LIHTC developments and/or developments financed by DSHA must be approved by the AAB prior to construction closing. Compliance with these guidelines is mandatory in order to receive a Certificate of Occupancy for the proposed development.

#### **F. Architectural Barriers Act (ABA) of 1968 – 24 CFT 40, Major Provisions**

Accessibility Standards for Design, Construction, and Alterations of Publicly-Owned Residential Structures (24 CFR Subchapter 40.4). The Architectural Barriers Act (ABA) provides that residential structures that are (1) constructed or altered by or on behalf of the United States; (2) leased in whole or in part by the United States after August 12, 1968, if constructed or altered in accordance with plans or specifications of the United States; or (3) financed in whole or in part by a grant or loan made by the United States after August 12, 1968; shall be constructed to ensure that persons with physical disabilities have access to and use of these structures. Buildings constructed with Federal funds are subject to the ABA. All residential structures designed, constructed, or altered that are covered by the ABA must comply with the accessibility requirements of the Uniform Federal Accessibility Standards (UFAS). Please note: Because UFAS does not fully address accessibility of units for persons with impaired hearing, for the 2% units that are required to be accessible for persons with hearing impairments, it is recommended that PHAs follow the 2003 edition of ICC/ANSI A117.1 Standard for Accessible and Usable Buildings and Facilities.

#### **G. Fair Housing Amendments Act**

All projects are required by law to meet the handicap-accessibility standards outlined in the Fair Housing Laws, including the Federal Fair Housing Amendments Act of 1988. The law provides that failure to design and construct certain residential dwelling units to include certain features of accessible design will be regarded as unlawful discrimination.



## **H. Section 504 of the Rehabilitation Act of 1973, Title II of the Americans with Disability Act of 1990 (ADA), Section 504/24 CFR 8, Major Provisions**

Section 504 of the Rehabilitation Act of 1973 states:

*No otherwise qualified individual with a disability in the United States shall solely by reason of her or his disability be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program, service or activity receiving federal financial assistance or under any program or activity conducted by any Executive agency or by the United States Postal Service (29 U.S.C. 794).*

This prohibits discrimination on the basis of disability in any program or activity that receives financial assistance from any federal agency, including the U.S. Department of Housing and Urban Development (HUD) as well as in programs conducted by federal agencies including HUD.

### **I. Uniform Federal Accessibility Standards (UFAS)**

This document sets standards for facility accessibility by physically-handicapped persons for federal and federally-funded facilities. These standards are to be applied during the design, construction, and alteration of buildings and facilities to the extent required by the Architectural Barriers Act of 1968, as amended.

The State of Delaware has not elected to adopt UFAS as the State's standard. It has elected to utilize the ICC/ANSI A117.1-2009 as adopted.

Refer to the following link: <https://www.access-board.gov/guidelines-and-standards/buildings-and-sites/about-the-aba-standards/ufas>

### **J. Universal Design**

Universal Design is a design concept that encourages the construction or rehabilitation of housing and elements of the living environment in a manner that makes them usable by all people, regardless of ability, without the need for adaptation or specialized design. The intent of Universal Design is to simplify life for everyone by making products and the building environment more usable to as many people as possible at little or no extra cost. Universal Design should strive for social integration and avoidance of discrimination, stigma, and dependence. By designing housing that is accessible to all, there will be an increase in the availability of affordable housing for all, regardless of age or ability.

Refer to the following link: [http://www.ncsu.edu/www/ncsu/design/sod5/cud/about\\_ud/udprinciples.htm](http://www.ncsu.edu/www/ncsu/design/sod5/cud/about_ud/udprinciples.htm)

**NOTE:** Universal Design concepts do not typically reach all of the requirements of accessibility laws like Section 504 and the Fair Housing Act. Care must be taken to ensure that the requirements of all applicable laws are met in projects promoting Universal Design.

### **K. Visit ability Concept**

Visit ability is a design concept that enhances the ability of persons with disabilities to interact with their neighbors, friends, and associates in the community for very little or no additional cost to the development. Although not a requirement, it is recommended that all design, construction, and alterations incorporate the concept of visit ability whenever practical and economical, in addition to the requirements under Section 504, the Architectural Barriers Act, Title II of the Americans with Disabilities Act, and the Fair Housing Act.

Refer to the following link <https://www.huduser.gov/portal/publications/pubasst/strategies.html>

**NOTE: No waiver requests are permitted for any accessibility requirements.**

## General Standards

All LIHTC developments, tax-exempt bond-financed developments, or developments utilizing DSHA-deferred financing and/or DSHA amortized permanent financing must adhere to DSHA's design and construction/rehabilitation standards regardless of other financing source(s) utilized. All units in a Development must receive the same upgrades, modifications, and/or rehab work and be brought up to the same standards. DSHA's agreement to proceed with closing on a loan or other transaction shall not constitute in any manner whatsoever a final approval of the construction/rehabilitation of a development. In cases of conflicts between any design and/or contract documents, the more restrictive or expansive requirements will apply.

### A. Minimum Square Footage for Bedroom Sizes

DSHA has established a minimum gross square footage requirement for new construction and conversion developments, including the conversion of non-residential space to residential use, based on bedroom size. **The square footage of units may not be averaged to meet minimum square footage requirements.** The following gross square footage dimensions are the minimum required by bedroom:

Units (by Bedrooms)	Minimum Gross Square Footage <sup>1</sup>
Efficiencies, including Lofts*	500 square feet
Single Room Occupancies (SRO)*	100 square feet
One Bedroom	700 square feet
Two Bedrooms	850 square feet
Three Bedrooms	1,050 square feet
Four Bedrooms	1,300 square feet
* See note for City of Wilmington projects below	

To qualify as a bedroom, the space must have adequate light, ventilation, and egress to meet all applicable building codes and ordinances. There must be at least one window in each sleeping room, at least two electrical outlets in proper operating condition, one door which meets all egress requirements, and/or meets minimum required by applicable building code. Square footage for bedrooms shall be determined by all applicable building codes and ordinances.

**NOTE:** For City of Wilmington applications, DSHA will follow the, City of Wilmington definition of SRO / Efficiency as adopted in the Code of Ordinances. An efficiency living unit shall conform to the requirements as follows:

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<sup>1</sup> The minimum gross square footage is measured from the face of the exterior sheathing to the center line of the party wall (exclusive of storage and common areas). Storage and common areas are defined as areas contiguous to units, but not part of the units' living area, such as attached storage sheds, storage rooms, stairs and halls in common areas.

1. *Every dwelling unit shall contain at least 150 square feet of floor space for the first occupant thereof, regardless of age, the floor space to be calculated on the basis of total habitable room area, exclusive of stairways;*
2. *In every dwelling unit of two or more rooms, every room occupied for sleeping purposes by one occupant shall contain at least 70 square feet of floor space, and every room occupied for sleeping purposes by more than one occupant shall contain at least 50 square feet of floor space for each occupant thereof;*
3. *The unit shall be provided with a separate closet;*
4. *The unit shall be provided with a kitchen sink, cooking appliance, and refrigeration facilities, each having a clear working space of not less than 30 inches (762 mm) in front. Light and ventilation conforming to this code shall be provided; and*
5. *The unit shall be provided with a separate bathroom containing a water closet, lavatory and bathtub or shower.*

## **B. Energy**

A residential guide/manual shall be provided for residents which shall explain the intent, benefits, use and maintenance of their unit features and practices. All Energy Conservation Measures (i.e. Enterprise Green Communities, National Green Building Standards, and/or LEED for Homes Multifamily) that were chosen at application must also be met, including energy audit consultation.

## **C. Environmental Site Assessment**

If the Phase I Environmental Site Assessment indicates environmental issues are present, the property shall submit a clear, detailed remediation plan prior to construction closing. Environmental issues include, but are not necessarily limited to, lead, asbestos, radon, and/or contaminated soils. The detailed remediation plan shall include a quantification of hazardous materials and or conditions, remedial procedures to be undertaken, estimated cost of remedial work and source of funding, identification of the firm or firms which will perform the work, and a schedule for completion of the work. All costs associated with the clean-up shall be fully detailed and estimated by a qualified environmental firm and will be submitted to all parties for review. In addition, where there are any environmental remediation costs identified in the Environmental Site Assessment, Environmental Audit, Capital Needs Assessment, or other application document and such costs were not included in the projected environmental cost line items, any additional costs to remediate the environmental items shall be paid from the developer fee and will not be allowed from contingency. All remediation plans shall be completed by a Certified Asbestos Professional Service provider as listed at the following site: <https://data.delaware.gov/Licenses-and-Certifications/Certified-Asbestos-Vendors>.

#### D. Architect Certification Standards and Requirements

- a. The Architect, Engineer(s), Surveyor and any other consultants to the Architect must be registered in Delaware and maintain registration in Delaware until project conversion. All consultants (**no exceptions**) must have a contractual relationship to the Architect through an AIA consultant agreement.
- b. All documents/specifications shall be prepared by, or under the direction of, an architect registered in the State of Delaware, stamped with the design professional's registration seal, and accompanied by a statement signed by the professional certifying compliance with DSHA's Design and Construction/Rehabilitation Standards.
- c. Rehabilitation of existing units must follow the same standards as new construction. DSHA requires that a comprehensive Capital Needs Assessment (CNA) be submitted with the application if rehabilitation work is to be performed. The CNA must follow DSHA's CNA Requirements and all checklists. For all rehabilitation projects to meet minimum threshold requirements, the Rehabilitation Standards Checklist must be fully completed for rehabilitation projects that is included in DSHA's CNA requirements. The CNA shall verify the actual lifespan of all components of existing structure. If a CNA is not submitted/completed, the application will be considered incomplete and will not be scored. DSHA will also complete a site inspection forty-five (45) days prior to submission of an application to assure that its standards are being met and reserves the right to require additions and/or amendments to the CNA.
- d. The "Plans/Specifications Review Checklist" for each county or municipality should be used as a guide for various governmental submissions and/or approvals required prior to DSHA loan approval.
- e. Designs that do not meet current code requirements will not be considered cause for a change order.
- f. All waiver requests relating to point categories or construction standards must be submitted no later than thirty (30) days prior to the application deadline, together with a payment of \$500 per waiver requested. No more than three (3) waivers may be requested for the same 9% application. Points will be subtracted from the relevant point category for those waivers that are granted in point categories. All approved waiver requests will be made available to the public.
- g. All projects are required to provide as-built drawings and specifications (collectively "As-Builts") at the end of the project. The As-Builts are to be provided on CD in a .dwg format.
- h. All projects are required to provide a final updated ALTA survey reflecting all changes and additions to the development site upon completion of the project, prior to permanent closing.

## **E. General Contractor Requirements**

All General Contractors must be approved by DSHA. In order to be approved by DSHA, a General Contractor must complete the DSHA Contractor's Certification and Questionnaire process, provide requested information on all the required attachments, and be approved by DSHA thirty (30) days prior to invitation to bid or DSHA's application deadline (whichever is earlier). General Contractors must submit all required information to DSHA for approval on an annual basis. After DSHA has approved the General Contractor, the firm will be placed on the LIHTC Approved General Contractor List.

The General Contractor must be listed on the 2024 LIHTC Approved General Contractor List as posted on the DSHA website no later than **March 5, 2024**.

The LIHTC Approved General Contractor List and General Contractor's Certification Process is located at the following link: [http://www.destatehousing.com/Developers/dv\\_lihtc.php](http://www.destatehousing.com/Developers/dv_lihtc.php)

**NOTE:** All members of the Development Team, including the General Contractor must comply with DSHA's Draw Requisition and Cost Certification Guide. The guide can be found at the following link: [http://destatehousing.com/Developers/developermedia/cost\\_cert\\_guide.pdf](http://destatehousing.com/Developers/developermedia/cost_cert_guide.pdf)

## **F. Bidding Protocol/Requirements**

- a. The Developer/Owner of the development may determine the General Contractor at application and shall disclose the General Contractor as part of the Development Team or the Developer/Owner may opt to competitively bid the work after application and award. Regardless, the contractor will be subject to the following requirements:
  - a. The General Contractor will agree to a maximum of 7% General Requirements of construction hard costs for new construction and rehabilitation projects, including all change orders. DSHA may allow an increase in general requirements for projects with thirty-two (32) units or less. This request must be made at application and final determination will be made at DSHA's sole discretion.
  - b. The General Contractor will agree to a maximum of 7% Builders Overhead and Profit of construction hard costs and General Requirements for new construction and rehabilitation projects, including all change orders.
  - c. There will be no increase to the Overhead and Profit or General Requirements other than what is approved by change orders during the course of the project. There will be no change orders approved solely to increase Overhead and Profit or General Requirements. At project completion, the Overhead and Profit and General Requirements percentages may not exceed the percentages submitted at application or approved at construction closing (whichever is less), but may be less than the approved percentages.
  - d. DSHA shall review and approve plans and specifications for construction work prior to release for bidding.
  - e. If the Developer, Development Team, and/or Applicant have related party and/or Identity of Interest ("IOI") subcontractor firms, they may not bid on the construction work or perform work on the development unless such arrangement has been reviewed and

approved by DSHA at their sole discretion. The General Contractor may be required to obtain three (3) competitive bids for the identity of interest work and cannot charge any more than the lowest bid.

- f. If the General Contractor directly employs a trade, the General Contractor may self-perform the work (i.e. if the General Contractor directly employs a licensed plumber, the GC may self-perform plumbing trades on the job). The General Contractor may also self-perform other non-licensed trade line items; however, the General Contractor may be required to obtain three (3) competitive bids in all cases and cannot charge any more than the lowest bid.
- g. The General Contractor must provide fully-executed subcontractor contracts/agreements for **all** subcontractors (including IOI subcontractors) to DSHA before any work is commenced prior to any payments being made to the subcontractor.
- h. The Developer/Owner may not pre-bid certain aspects of the work and require the General Contractor to use those subcontractors, unless reviewed and approved by DSHA at their sole discretion.
- i. If the General Contractor is not part of the Development team at application, they must be chosen through a competitive bid process after an award of credits or approval of DSHA financing, and the following additional conditions will apply:
  - a. Developer/Owners shall invite all firms on DSHA's LIHTC Approved General Contractor List to bid and obtain a minimum of three (3) bids from the approved list of General Contractors that will provide bid estimates for the proposed projects;
  - b. No additional bidder requirements may be added without written approval from DSHA, which may be withheld in their sole discretion (examples include, but are not limited to, additional payment and performance bond requirements, letter of credit for contractors, unrealistic timing demands, construction schedule, liquidated damage requirements, etc.). DSHA shall review and provide written approval of bid documents prior to release for bidding; and
  - c. The bids shall be sent to the architect of record in a sealed envelope, clearly marked with the project name and date stamped. Faxed or e-mailed bids shall not be accepted. The bids shall be privately opened, tallied, and the results forwarded to DSHA and Developer.

**NOTE:** For any funding sources that require bidding of the construction costs (i.e. USDA, HUD), the bidding requirements of those funding source(s) will control.

All fee changes are effective 01/2020. Tax Credit Allocations and/or HDF/HOME loans made prior to 07/01/2017 will continue to use the previous fee schedule.

## Design and Construction Standards

### A. Community Building/Office/Maintenance Space

All common spaces must adhere to the following requirements:

- i. **Office/Maintenance space:** All developments consisting of eighteen (18) residential dwelling units or more (exception: phased properties – see below requirements) must comply with the following:
  1. Have a site office of at least 200 square feet (exclusive of handicap toilet facility) and a maintenance room of at least 100 square feet;
  2. No portable storage buildings are allowed for office or maintenance areas; these spaces must be incorporated into the building design; and
  3. All maintenance areas must provide a mop sink. FRP board shall be provided on all adjacent wet walls at mop sink.
  
- i. **On-Site Community Buildings/Space:** All developments with community buildings/community space must meet the following minimum requirements:
  1. For projects receiving points for adding a new on-site community building or community space, the community building should contain at least 15 net square feet per unit and at a minimum 750 square feet in size. The square footage should be in addition to the kitchen or kitchenette, if provided. All community buildings/community space should be fully accessible including accessible office, bathrooms and other community areas of the building; and
  2. For rehabilitation of existing community buildings or community space, all community spaces should be fully accessible including accessible office, bathrooms, and other community areas of the building.
  
- ii. **Phased Projects:** Phased projects are required to provide office or maintenance space and/or community space unless a request to omit this requirement is submitted as part of the application and the request verifies the following conditions:
  1. Community buildings for applicable contiguous phases meet office/maintenance capacity requirements for **total units of all phases** utilizing space;
  2. Written approval from proposed syndicator/investor(s) and lenders that they agree to a shared-existing community/office/maintenance area structure. If different syndicators are selected for the different phases, all syndicators and lenders must provide written approval;
  3. That the same management company will manage all phases for consistency purposes during the compliance period except at the discretion of the investor member and DSHA. If a substitution of the management agent occurs, it will apply to all phases utilizing the community space(s);
  4. Community buildings/space that are shared among phased projects will only be considered an amenity for the phase on which it was originally built. Existing community buildings and/or community space are not eligible for

points, even if the community buildings and/or community space was part of the rehabilitation of the new LIHTC application; and

5. Must agree to provide all necessary easement documentation and state all responsibilities, costs, uses, etc. that will be shared among the phases.

## **B. Trade and/or Line Item Specific Design Requirements**

### **1. *Site Work (includes Site Work Utilities and Site Improvements)***

- a. Finished floor elevations of buildings are to be minimum of 8 inches or higher than the adjoining finished grade. When achieving an 8-inch height separation is not feasible, due to accessibility requirements or other conditions, provide an alternate solution acceptable to DSHA. Design must be code compliant.
- b. All projects with below-grade habitable space (units, common space, laundry rooms) will require an assessment to determine possible water infiltration/moisture problems, which could directly affect the overall total development budget.
- c. All existing utility connections shall be verified prior to application. New connections must be included in the base bid in order to make all utilities functional (outside 5' of perimeter of building).
- d. All existing electric transformers shall be surveyed prior to application to determine if upgrade or replacement will be required for proposed project.
- e. Contractor to verify if site has curb stops, water meters, and/or meter pits required by applicable municipalities. Existing curb stops shall be examined for viability. Inspection date of maintenance shall be provided.
- f. Storm water management ponds shall be designed to state standards. If a storm water management pond is designed to be wet, it shall have a perimeter fence for safety of tenants. Minimum fence material shall be post and rail with quality coated wire fence material on interior of rails (minimum height of 48" above finished grade). Make every effort to match new pond fencing with project fencing.
- g. All sites shall provide permanent enclosures for garbage dumpsters or trash receptacles consistent with the appearance of the dwelling units. Refuse collection areas must be on an accessible route. Install concrete filled bollards to protect walls of enclosure.

### **2. *Landscaping***

- a. Minimum landscaping budgets of \$500 per residential dwelling unit are required. This allowance is for installation of mulch beds, drought resistance plantings and new trees only. Maintenance and watering of all landscaping features shall also be included in the landscaping budget. It may not be used for fine grading, seeding and/or straw and sod. Allowance may not be used for tree removal or trimming. This is for curb appeal and beautification of the property.



- b. All landscaped areas shall have warranted weed barriers (fabric only) installed under mulch and maintain 12" buffer between vinyl siding and grass areas around the perimeter of the structure, unless siding is at least 8" above finished grade.
- c. If irrigation system is not provided, hose bibs shall be provided on each front and rear of building with lockable boxes. Depending on building size, additional hose bibs may be required for ease of maintenance for landscape areas.
- d. All condenser unit pads shall be landscaped to avoid mowing and trimming around unit.
- e. Concrete splash blocks shall be provided for all downspout locations. (See also, Metal/Gutters/Downspouts.)
- f. All landscaping requires a 2-year warranty.

### **3. *Roads/Parking***

- a. Large parking lots shall include planting areas. At a minimum, all existing parking areas shall be seal coated and striped. A capital needs assessment and/or civil engineer shall assess the overall condition of existing pavement, and if any grading or other issues are present, the work that shall be required in failing areas must be included in the project.
- b. If parking area does not have a curbed sidewalk area adjacent to parking, parking bumpers doweled into pavement shall be provided to maintain safe distance between parking area and trees or lawns.
- c. All paving requires a 2-year warranty.

### **4. *Building Environmental Remediation***

- a. Radon testing is required on all units prior to occupancy and must comply with acceptable level requirements for occupancy (no greater than 4pCi/L).
- b. All lead and asbestos remediation work requires clearance documentation prior to DSHA inspection for occupancy.

### **5. *Exterior Sheathing/Siding/Masonry***

- a. All exterior building surfaces shall be designed to be maintenance-free.
- b. Thermo ply exterior sheathing will not be allowed.
- c. All exterior surfaces shall have house wrap installed as per manufacturer's instructions.
- d. Vinyl siding must be premium grade.
- e. Vinyl siding must have composite trim installed when within 6" of finished grade.

- f. Medium density overlay board is not allowed for any development.
- g. All existing mortar joints shall be inspected for cracking and general deterioration. Where such conditions are noted, joints shall be repointed as part of the work.
- h. Code compliant mold-resistant drywall shall be used for all exterior applications. (See also, Drywall.)

**6. *Finished Carpentry***

- a. Existing base molding shall be removed and replaced with taller dimension profile composite trim.
- b. Base trim at edge of tub shall be composite, rot-proof material. If gap is present, quarter-round rot-proof molding to be installed. (See also, Kitchen and Bath.)

**7. *Kitchen and Bathroom***

- a. Kitchen cabinets and vanity doors, fronts, and boxes shall be solid wood construction with concealed door hinges. No high-density laminates will be allowed. Provide, at a minimum, one drawer base for each kitchen layout. Shelves shall be solid plywood at a minimum of ½” thickness. Base cabinet drawers shall not be sized larger than 36” in width.
- b. Hardware shall be provided for all cabinet drawers and doors. No bright brass finishes.
- c. Concealed blocking is to be provided for all items such as tissue paper holders, grab bars, and medicine cabinets, and as necessary to provide fully-accessible and adaptable units for both kitchen and bathrooms.
- d. Provide plastic laminate on wall between wall and base cabinet for all areas adjacent to base and wall cabinets.
- e. Back splashguard shall be wall mounted behind range. If range is located in corner, install additional splashguard on adjacent wall.
- f. Kitchen countertop shall be provided with end splash for adjacent or end walls. Countertops shall be Euro-edge or full bullnose; self-edge countertops are not permitted.
- g. Bathroom vanities must have cultured marble tops with slide splashes when adjacent to wall. Laminated tops with drop in bowl type fixtures are not permitted.
- h. One-inch minimum diameter grab bars properly mounted to in-wall blocking shall be used in lieu of standard towel bar.
- i. Tub requirements include:
  - i. One-piece bathtub unit may be selected. If selected, model must include:
    - A. Built-in blocking for future installation of grab bars; and

- B. Trim package to picture frame tub surround to protect splash zone (at least 4” outside of tub surround) all the way to the floor.
  - ii. If a tub and separate surround are selected, the following requirements must be utilized:
    - A. Rigid fiberglass surrounds and/or ceramic tile will be used in conjunction with tub. No plastic surrounds will be allowed;
    - B. Blocking for future installation of grab bars must be installed; and
    - C. Selected tub surround must protect splash zone (at least 4” outside of tub) all the way to the floor.
  - iii. Tub liners are acceptable with full height wall surrounds.
- j. Base trim at edge of tub shall be composite, rot-proof material. If gap is present, quarter-round rot-proof molding to be installed. (See also, Finished Carpentry.)
- k. Exhaust fans for all bathrooms shall be low speed/low noise continuous exhaust fan (hard wired), similar to Panasonic Quiet Whisper model, or single switch exhaust fan light combination that meets all applicable building codes and approved by DSHA and the architect. Sone rating < 1.0.
- l. Shower rod to be surface mounted, no tension rods allowed.
- m. Accessible showers shall be provided with the following requirements:
  - i. Bench type seat for the shower stall, removable or built-in options are permitted, but built-in options should include fold down legs for additional support;
  - ii. Shower controls and a hand held shower head within reach of the seat; and
  - iii. Compressible dam at the shower entrance threshold.
 Weight requirements shall be per manufacturer's recommendations.
- n. Floor drains must be provided when accessible shower stalls are utilized.
- o. Ceramic tile be installed in accordance with ANDI A137.1 specification for ceramic tile. Installation shall comply with TCA’s “Handbook for Ceramic Tile Installation” (2010 version), as amended and comply with portions of ANSI A108 Series “Specification for Installation of Ceramic Tile.”

**8. *Insulation***

- a. Insulation shall meet all applicable codes for new construction and rehabilitation. Exceeding code standards is permissible if costs are reasonable.

**9. *Roofing***

- a. Roofing materials that exceed 50% of the life expectancy shall be removed and/or replaced. At this time substrate shall be inspected (no second layers allowed).
- b. Asphalt shingles shall have a minimum warranty of 30 years, and meet applicable wind building codes.

- c. All roofs shall have 3-inch "T" edging around the perimeter, no smaller than two-foot sections, especially at corner intersections.

#### **10. Metals/Gutters/Downspouts**

- a. Concrete splash blocks shall be provided for all downspout locations.

#### **11. Doors and Frames**

- a. Must provide a minimum of 30" overhang at front door and 12" along every other exterior door. Exterior doors must be Energy Star rated for zone 4 and wind rated for 90 mph. Exterior doors shall be insulated core.
- b. Interior doors shall be Masonite or better. Tops and bottoms of all interior and exterior doors must be painted.
- c. Doorstops shall be rubber disk type or half-moon type. All other types must be approved by DSHA. All stop finishes must match door hardware. The use of hinge-pin type doorstops is prohibited. Blocking required behind all wall mounted door stops.
- d. No bi-fold or bi-pass closet doors; all closets must have a hinged door. If code requires metal bi-fold door application, doors must be installed in wood frame with wood trim.
- e. Hardware shall be brushed aluminum or better, no bright brass. Grade two (2) or better, including hinges and door bumpers. All exterior hinge hardware shall be of non-rusting, quality materials.
- f. Frame savers shall be used on all exterior applications. Exceeding code required "U" value standards is permissible if costs are reasonable.
- g. Entry door shall have a doorbell or knocker and peep hole (eye viewer), no polished brass. Peep/viewer to be provided for solid rear door. ADA-compliant doors shall have two viewers at required heights.
- h. Patio and/or French doors shall have integral blinds built in between glazing to provide privacy. (See also, Blinds/Shades.)
- i. Automatic openers are required for ADA compliance in community center and/or other public spaces and should be installed on all doors with public access along accessible routes. Buildings with interior access ADA units should also provide automatic openers along the public access accessible routes. (See also, Electrical.)

## **12. Windows**

- a. New and replacement windows must be Energy Star and rated for zone 4 and wind rated for 90 mph or DP20 minimum. Exceeding code required "U" value standard is permissible if costs are reasonable.
- b. Slider windows will not be allowed. Single hung should be considered, local codes shall dictate.

## **13. Drywall**

- a. All drywall must be glued and screwed.
- b. Moisture-resistant drywall shall be used in all locations where plumbing penetrates walls, including the entire bathroom, (i.e., ceiling and walls), or comply with building code, whichever is more stringent.
- c. Impact-resistant drywall shall be utilized on the first 4' of walls (measured from floor up) in hallways, high-traffic areas, and accessible units.
- d. Mold-resistant drywall shall be used for all drywall window returns.
- e. Mold-resistant drywall shall be used for all exterior applications and core wall applications.
- f. If ceramic tile is used, cementitious board shall be provided as underlayment.
- g. Preparation is required to obtain level 4 finishes. For rehabilitation projects, if a level 4 cannot be achieved, overlay of existing wall with 3/8-inch drywall should be used. In some rehabilitation situations, other best practices for drywall repair may be considered at DSHA's sole discretion.

## **14. Flooring (Includes VCT/Vinyl/VCP/Carpeting)**

- a. Solid vinyl (plank or tile) flooring shall be used for entry areas, bathroom, dining areas, kitchens, and utility areas unless prior approval is given by DSHA. A minimum of two color fields required for solid vinyl tiles. Color variations and configuration design options may be allowed at DSHA's sole discretion. Seal and wax, per manufacturer's direction. Manufacturer's printed literature for heat treatment tolerances for warranty must be submitted.
- b. Carpets for the remaining areas of the unit are optional. DSHA encourages other environmentally-friendly products as a substitution for carpet. If carpets are utilized, an additional \$150 per unit in replacement reserve funds is required. Carpets may not be installed in baths, kitchens, hallways, dining areas, or in front of exterior doors. Carpet to meet minimum weight and grade standard as follows:

Carpet Element	Minimum Grade/Standard
Filament	100% Smart Strand Triexta BCF
Gauge	5/32
Pile Height	.520
Stitches Per Inch	7.50
Certified Pile Height	29.40 oz.
Total Weight	64.47 oz.
Density	2,035
Primary Backing	Woven Polypropylene
Indoor Air Quality	#GLP 1118
Flammability	Pill Test – 16 CFR-1630.4 (FF-1-70): PASS
<i>Carpet width shall be 15' wide to minimize seams in high traffic areas. No Berber allowed. Padding is required and shall be a minimum of 6# density.</i>	

- c. If common hallways are designed, no carpet is permitted. Solid vinyl flooring to be installed in common hallways, with two colors required if utilizing VCT.
- d. Hardwood flooring or other materials may be utilized as approved by DSHA.
- e. Gypcrete shall be sealed per manufacturer’s specifications.
- f. If homosote and/or gypcrete is present, expect to remove material prior to installation of new flooring material. All floor preparation for new flooring installation is the responsibility of the General Contractor.
- g. All Floor preparation shall comply with manufacturer’s written installation instructions (including temperature restraints).

**15. Painting**

- a. All interior paints and primers shall have low or no VOC levels.
- b. Paint shall be a three-coat system: one (1) primer and two (2) finish coats. Paint materials shall be comparable to Sherwin-Williams’s Builder’s Solution Interior Latex washable flat paint, egg shell, or low luster semi-gloss. Kitchens and bathrooms shall be semi-gloss. but will be permitted for ceiling application only. Other paints must be approved by DSHA.
- c. Rehabilitation properties shall have primer similar to “Kilz” enamel or oil based type sealer/primer for application on existing drywall or approved primer to adhere to existing drywall conditions.

**16. Playground/Site Recreation**

- a. Tot lots and/or a designated recreation area shall be provided. Family developments must provide a playground on site. Designated play areas and playgrounds are considered “common areas” and must be on an accessible route.
- b. Elderly sites should provide site recreation such as gazebos, hard-surface walking trails, bocce courts, etc. All proposed elderly site recreation must be submitted to DSHA for final review and approval.

**17. Specialties**

- a. All shelving shall be vinyl coated wire units. Provide all intermediate supports needed.
- b. Contractor shall supply rechargeable 2.5 #ABC fire extinguishers (minimum size) for each unit, or where code mandates-whichever is more stringent. All fire extinguishers shall be tagged and inspected annually.
- c. Construction Signage: Development shall provide a temporary project banner or sign of exterior grade plywood and wood frame construction, painted, with exhibit lettering by professional sign painter to architect/engineer’s design and colors. The sign should list the project name, DSHA, name of owner, architect/engineer, professional sub consultants, contractor and major subcontractors. Other funding sources and/or partners may also be included. Erect on site at location established by the architect/engineer.
- d. Permanent Signage: A permanent development sign with appropriate information as approved by DSHA shall be provided by permanent loan closing.
- e. Building/Unit Signage:
  - i. Exterior signage shall not be bright brass;
  - ii. Unit numbering and building identification numbers shall be provided and approved by the Fire Marshal and Post Office;
  - iii. Unit number shall be provided on all front and rear doors; and
  - iv. All emergency signs shall be LED.

**18. Appliances**

- a. All appliances will be Energy Star certified (with the exception of microwaves and stoves) and must be pre-wired for an outlet.
- b. Refrigerators shall be frost free (minimum of 15 cubic feet).
- c. Ovens shall be self-cleaning. (Utilize U.L. listed code compliant connectors for gas stoves.) No glass cooktops allowed.
- d. All exhaust hoods must be insulated and ducted to the exterior. Re-circulating charcoal filter type model may be used if approved by DSHA.

- e. Washer and dryer hook-ups or laundry facilities (either in the community building or other building(s)) are required for the development. Must meet all accessibility requirements. Washer and dryer hook-ups, if chosen, shall be designed for side-by-side set up with a minimum depth of 30". Recessed dryer vent boxes are required. Washer pan to be provided for code compliance.
- f. Garbage disposals are not recommended due to high maintenance. If used, disposal shall be 1/2 hp motor with a stainless-steel shank. For ADA units, a lowered switch within reach range shall be provided and the location of all appliances shall meet all accessibility standards for clearances.
- g. Dishwashers are to be provided. If venting on unit is located adjacent to counter top, underside of counter top edge must be laminated.

**19. Blinds/Shades**

- a. Code compliant blinds shall be of quality construction. Each window shall be provided with one (1) blind (i.e. a double window shall have two (2) blinds).
- b. Maximum blind size shall be no wider than 42". All blinds wider than 36" shall have a center support bracket installed.
- c. Patio and/or French doors shall have integral blinds built in between glazing to provide privacy (See also, Doors).
- d. Vertical blinds are prohibited.

**20. Plumbing**

- a. Condensate lines shall drain correctly with exterior grade and/or foundation (pumps shall be provided when needed). Existing condensate lines shall be checked and free flowing if lines will be reused. Contractor to check discharge location and eliminate all pooling water. Existing condensate lines shall be cleaned, tested, discharge connections verified, and replaced as necessary.
- b. Floor drains and/or sump holes shall be provided in all basements and/or crawl spaces. The floor shall be pitched to these drains or sumps and the drains or sumps shall be connected to a positive drainage system or to the exterior of the building. Sump pumps must be installed, 1/2 hp minimum. Sump pits shall be provided with cover.
- c. No polybutylene piping allowed.
- d. Provide a main water supply shutoff for each building.
- e. Existing sanitary lines shall be video traced to determine viability for the rehabilitation.



- f. Contractor to verify if site has curb stops, water meters, and/or meter pits required by applicable municipalities. Existing curb stops shall be examined for viability. Inspection date of maintenance shall be provided.
- g. Electric hot water heaters shall have a minimum Energy Factor of 0.92EF or better. All gas fired models shall be Energy-Star certified. Minimum warranty period is ten (10) years. Exceeding DSHA standards is permissible if costs are reasonable. Storage pans shall be provided for all hot water heater storage tanks.
- h. Any heat or coil unit located in attic area shall have a pan and condensate line draining to the exterior.
- i. Boilers and/or water heaters serving more than one (1) unit shall be replaced with individual units where practical, considering space and cost limitations. DSHA must be consulted before such decisions are made.

**21. *Sprinklers/Fire Suppression***

- a. Sprinkler systems are required.
- b. All sprinkler and fire alarm systems must be designed and approved by the appropriate Fire Marshal **PRIOR** to construction closing.

Any Multi-Family residential building, new construction or rehabilitation shall follow the Delaware State Fire Prevention Regulations to the fullest extent of the law. Please note Part VI, Chapter 3 for Apartment Buildings/Multi-Dwellings. No exception will be made for rehabilitation which will qualify for the 50% rule for grandfathering of any code. Entire Fire Prevention Regulations can be found at the following web page <https://statefiremarshal.delaware.gov/>

- c. Water capacity should be sufficient and evaluated for capacity at the application stage of the project.
- d. Where any fire suppression associated costs are identified and not included in the projected fire suppression and associated cost line items after an allocation of credits is awarded, any additional costs shall be paid from the developer fee and will not be allowed from contingency.
- e. **NOTE:** Scattered sites shall be determined on a case-by-case basis.
- f. Contractor shall supply rechargeable 2.5 #ABC fire extinguishers (minimum size) for each unit, or where code mandates-whichever is more stringent. All fire extinguishers shall be tagged and inspected annually (See Specialties).

## **22. HVAC**

- a. All condenser units shall be set on a poured concrete pad sized according to manufacturer's installation and all applicable codes. Design shall incorporate multiple condensers on concrete pad and avoid inside corners where applicable.
- b. All condenser unit pads shall be landscaped to avoid mowing and trimming around unit.
- c. Verify that refrigerant lines are appropriate for HVAC unit size and type. Lines not being replaced are to comply with all of the requirements of the manufacturer for using existing lines. Submit a letter from the manufacturer that states the use of existing lines will not reduce performance and/or warranty of the heat pumps or other air condition systems.
- d. High efficiency HVAC units are required.  
Furnace efficiency = 90AFUE  
Min. SEER = 14.0 or better.
- e. An Energy Star qualified dehumidifier must be installed in each tenant unit. The dehumidification unit must be a stand-alone unit, supplemental to the unit's heating and cooling system.
- f. No through the wall HVAC units (PTAC).
- g. Programmable thermostats are required.

## **23. Electrical**

- a. All building codes shall be incorporated into each project. Any item to make project code compliant shall not be an extra or a change order. All incidentals shall be included.
- b. Electrical services shall be field verified. Service loads shall be calculated prior to any equipment upgrades and all necessary components made a part of the contract price.
- c. All existing utility conditions, including transformers, shall be verified and included into base bid of contract.
- d. Automatic openers are required for ADA compliance in community center and/or other public spaces and should be installed on all doors with public access along accessible routes. Buildings with interior access ADA units should also provide automatic openers along the public access accessible routes. (See also, Doors and Frames.)
- e. All lighting must be Energy Star LED fixtures. If LED is not available, Energy Star fluorescent may be used. Ceiling fans, as well as light kits, must be Energy Star rated.
- f. Overhead ceiling fixtures shall be provided in the living room/dining areas and all bedrooms. Swag fixtures are prohibited. Wall sconces may be installed in lieu of overhead fixtures due to existing conditions and with the approval of DSHA.

- g. Bathrooms shall provide minimum of one ceiling fixture and one wall fixture.
- h. Exterior light fixtures shall not have bright brass finish. Exterior fixtures must be rated for exterior applications. Energy Star rated porch lights with a photocell are required.
- i. Automatic light controls/occupancy sensors shall be installed in all community spaces to minimize energy use.
- j. Provide one telephone and cable outlet in each bedroom and one other telephone and cable outlet in the unit. If possible, use combination box/plate.
- k. Verify local cable and internet provider for availability, cable and/or media box install requirements, and any additional electrical install requirements.
- l. Install locations of demarc boxes for cable/internet/phone network hub in each building must be identified. Install location for individual service boxes must be identified for each unit and a dedicated outlet provided for each unit. Verify local cable and internet provider for availability, cable and/or media box install requirements, and any additional electrical install requirements.

**24. Fire Alarms/Security Systems**

- a. Combination smoke and carbon monoxide detectors shall be provided for all projects.
- b. Knox boxes shall be provided per Fire Marshal and/or local Fire Chief's requirements.
- c. Security and surveillance systems are required. The security system will provide surveillance for all residential buildings and common areas, including parking lots and community buildings and shall be monitored by the management company. Expanded system shall be provided and tied into the monitoring system of the local police department (documentation from police department should be submitted as an attachment in the application)..
- d. Elderly dwelling units shall be provided with medical emergency pull chains (nurse call) in at least two (2) locations that are connected to a central station. The two (2) locations will be in the master bedroom and full bathroom. The pull chains will be wired to an exterior warning device that consists of a strobe light and audible alarm. Wireless systems may be approved at DSHA's sole discretion.

**25. Termite Protection/Pest Protections**

- a. A termite inspection and certificate shall be provided for all rehabilitation projects ninety (90) days prior to construction closing.
- b. Termite pre-treatment of soils is required for all new construction. Certificates shall be part of the Operation and Maintenance Manual.
- c.

## **Architectural Plans, Engineering and Specification Review (AE&S) Process**

All LIHTC Applicants must provide and/or meet the AE&S minimal-submission requirements listed below as part of the LIHTC Application:

### **A. Minimum AE&S Application Threshold requirements:**

1. Location Map with all services located and noted;
2. Plot plan of preliminary survey with all wetland and/or flood plain elevation, easements proposed and/or existing;
3. Utilities available to site;
4. Conceptual Site Plan with proposed development/redevelopment; should include design concepts that reflect the surrounding community;
5. Conceptual Drawings:
  - i. A floor plan with dimension, room designations, ADA units, and proposed finishes;
  - ii. Exterior elevations with material notations; and
  - iii. Typical wall sections and detail.
6. DSHA will review to make sure all of the following requirements are met, identify potential issues, and/or proper information has been submitted:
  - a. Gross square footage for new construction and conversion developments;
  - b. Fair Housing and ADA requirements;
  - c. CNA and all applicable checklists;
  - d. Phase I Environmental Audit and/or Phase I Site Environmental Assessment, including remediation plan, if applicable;
  - e. Energy and Green certifications and/or Energy Conservation Measures are completed and identified;
  - f. Historic documentation, if applicable; and
  - g. Development and Unit Amenities documentation.

### **B. 80% or Greater Project Plans and Specification Requirements:**

Required for LIHTC Applicants that are applying for Readiness to Proceed points and/or have received an award of LIHTC and/or DSHA funding and are proceeding towards construction closing:

#### ***Architectural Plans***

1. **Civil drawings**
  - a) Proposed site plan should include all existing structures and locations of all proposed structures
  - b) ALTA Survey with property description, existing and proposed roads and parking elements
  - c) Storm Water Management Plan
  - d) Information concerning the proposed site specific to the project, accessibility and visitability features retaining walls, etc.
  - e) Existing Conditions and Demolition Plan
  - f) Site and Utility Plan, including fire flow capacity, electrical capacity, with existing current utility conditions (i.e. cable, phone and media boxes)
  - g) Erosion and Sediment Control Plan

- h) Grading Plan
- i) Details and Notes
- j) Landscape Plan
- k) Lighting Plan

## 2. **Architectural drawings**

- a) Title Sheet
  - Project information including Project name and address
  - The names, addresses and contact information of Owner and all Consultants
  - Date
  - Submissions level
  - List of Drawings
  - Project-Area Breakdown
  - Unit Mix and Square Footages
  - Vicinity Map
- b) Demolition Floor Plans for Each Building Level (1/8" scale)
- c) Preliminary Floor Plans for Each Building Level (1/8" scale)
- d) Demolition Plans of Individual Units (1/4" scale min)
- e) Individual Unit Plans (1/4" scale min)
- f) Schematic Exterior Building Elevations (1/8" scale min)
  - Provide elevations of all major exterior wall areas
  - Provide schematic key plan indicating elevation locations
  - Include demolition information as required
- g) Typical-Rated wall types and assemblies
- h) Typical Foundation Plans and Details
- i) Typical Roof and Stair Details
- j) Air Sealing Details
- k) IECC Air Sealing Details
- l) Door Schedule
- m) Window Schedule
- n) Door Head and Jamb Details
- o) Window Head and Jamb and Sill Details
- p) Threshold Details
- q) Unit Floor Finishes
- r) Kitchen Elevations
- s) Bathroom Elevations
- t) Site lighting and photometrical drawings
- u) Landscape drawings
- v) Phase I Environmental Site Assessment
- w) Termite Report
- x) Structural, Geotechnical, Roof Condition and Sewer Line reports when applicable
- y) Energy Conservation Measures Plan, as applicable

3. **Structural drawings**

- a) Information concerning the proposed Structural Systems and Information on Unusual Conditions as required
- b) General Notes and Code Compliance
- c) Schedules and Special Inspections
- d) Framing Plan
- e) Foundation Plan
- f) Roof Framing Plan
- g) Foundation Details

4. **Mechanical drawings**

- a) Mechanical Plan
- b) Typical Unit Plan
- c) Mechanical Schedules and Details

5. **Plumbing drawings** (including approved Fire Suppression plan)

- a) Information concerning the proposed plumbing systems and information on Unusual Conditions as required
- b) Information on existing plumbing systems and the effect that project will have on these
- c) Building Sanitary Plan
- d) Domestic Service Plan
- e) Typical Sanitary Plan
- f) Typical Domestic Plan
- g) Sanitary Riser Plan
- h) Fire Protection Plan

6. **Electrical drawings** (including approved Fire Alarm)

- a) Information concerning the proposed Electrical Systems and Information on Unusual Conditions as required
- b) Information on the existing electrical systems and the effect that the project will have on these
- c) Electrical Plans
- d) Typical Electrical Renovated Unit Plan
- e) Electrical Site Lighting Plan
- f) Electrical Site Lighting Photometrics Plan
- g) Site Power Plan
- h) Electric Schedule
- i) Electrical Details and Diagrams

### **Specification Requirements**

1. The Specifications shall include all sections of the 32 Division CSI format applicable to the project. The outline specifications should support the information described in the threshold and scoring criteria.
2. The specifications need not be complete CSI/MasterSpec format
  - a. The section numbering and naming shall comply with the CSI 32 Division format
3. The Specification cover shall include the following:
  - a. The names, addresses and contact information of the Owner and all consultants;
  - b. The project name and address;
  - c. Date; and
  - d. Submissions level.
4. A complete table of contents shall be included at the front of the Specifications
5. Division 00
  - a. Include General Conditions, Supplementary Conditions and other project requirements, including those of all lenders and syndicators/investors
  - b. Include Specific Renovation/Demolition related sections as required
  - c. List of Drawing Sheets
  - d. Procurement Substitution Procedures
  - e. Existing Condition Information, if applicable
  - f. Geotechnical Data
6. Division 01- General Requirements
  - a. Summary
  - b. Payment Procedures
  - c. Project Management and Coordination
  - d. Submittal Procedure
  - e. Quality Requirements
  - f. Temporary Facilities and Controls
  - g. Execution
  - h. Construction Waste Management and Disposal
  - i. Close Out Procedures
  - j. Operation and Maintenance Manual Data
  - k. Project Record Documents
7. Division 2 through 32
  - a. Include sections for all proposed elements
  - b. Include Specific Renovation/Demolition related sections as required.
    1. Part I- General
    2. Part II- Products
    3. Part III- Execution

8. The first set of plans and specifications submitted should be at least 80% complete. A \$500 redesign fee (per review) will be assessed when DSHA must make multiple reviews due to, but not limited to, the following conditions:
  - a. Substantial design change;
  - b. Increase and/or decrease in the number of units;
  - c. Change of architectural team and/or change in initial concept; and
  - d. **All fees assessed at DSHA's discretion.**

### **C. Construction Closing Requirements:**

The following is, but not limited to, a list of final and completed documents required thirty (30) days prior to construction closing:

1. Approved ALTA Survey, signed and sealed by licensed Surveyor;
2. Environmental Summary with approved Work Plan;
3. Owner-Architect AIA Agreement;
4. Architect/Consultant Agreement;
5. 100% Architectural Plans and Specifications;
6. Building Permit;
7. Architectural Accessibility Board Approval;
8. DelDOT Entrance Permit;
9. DNREC Permit and/or NOI Permit;
10. NESHAP Permit;
11. Approved asbestos abatement project design;
12. Public Utilities, letter for each service;
13. Zoning Letter;
14. Flood Plain Designation;
15. Wetland Delineation;
16. Sediment Control and Storm Water Management Plan Approval; and
17. Fire Marshal approval for both structure and site.

### **D. Permanent Closing Requirements:**

The following is, but not limited to, a list of final and completed documents required thirty (30) days prior to permanent closing:

1. Final cost certifications completed and approved;
2. Post ALTA Survey;
3. Final releases of Liens for all subcontractors, materialmen, and the General Contractor;
4. Final MBE/WBE, Section 3 and Employing Delawareans reporting (as applicable);
5. Updated Attestation Statements from all subcontractors reflective of final contract amount;
6. Compliance with all Operating Agreement/Equity Contribution requirements;
7. All bond tax opinions issued, (as applicable);
8. All final good/bad cost analysis, with final tax allocations (as applicable);
9. Operation and Maintenance Manual;
10. Energy Star Certification, Enterprise Green Certification, National Green Building Standards Certifications, or LEED Homes Certification, if applicable;
11. As Built Drawings and Specification. The As-Built drawings are to be provided on CD in a .dwg format;



12. Certificate of Occupancy and TCO's for each building;
13. Warranty/Guarantees; and
14. Environmental Clearances.

**Attachment B – Addendum to DSHA Minimum Construction/Rehabilitation Standards for NHTF Projects**

First, all buildings and projects that are newly constructed or are rehabilitated with NHTF must first be built to the International Building Code adopted by the local municipality and county. The International Building Codes enforced by each municipality and County include and address disaster mitigation.

For NHTF projects that will be rehabilitated, at a minimum the HUD’s Rehabilitation Standards - § 91.320(k)(5)(iv) and § 93.301(b) will apply. However, where DSHA’s minimum construction/ rehabilitation standards exceed the HUD standards, the most stringent standard will apply. All applicants are responsible for complying with all building codes, rules, ordinances, and laws of all legal entities and authorities having jurisdiction over the project.

The following building codes have been adopted by Delaware’s three counties:

Kent County	New Castle County	Sussex County
2012 International Building Code 2012 International Residential Code	2015 International Building Code 2015 International Residential Code 2015 International Mechanical Code 2015 International Fuel Gas Code 2015 International Plumbing Code 2015 International Energy Conservation Code	2012 International Residential Code (for single-family home construction) 2012 International Building Code (for multi-family and commercial construction projects)
ICC/ANSI A117.1-2009, as amended has been adopted and used by <u>all three counties in Delaware</u> . Its use within a governmental jurisdiction is intended to be accomplished through adoption by reference in accordance with proceedings establishing the jurisdiction’s laws.		

Second, for NHTF projects that will be rehabilitated, at a minimum the HUD’s Rehabilitation Standards - § 91.320(k)(5)(iv) and § 93.301(b) will apply.

Third, all NHTF projects must also meet DSHA’s minimum construction/ rehabilitation standards and all state and federal applicable codes. However, where DSHA minimum constructions/rehabilitation standards exceed the HUD standards, the most stringent standard will apply. (See Attachments A-D).

All applicants are responsible for complying with all building codes, rules, ordinances, and laws of all legal entities and authorities having jurisdiction over the project.

DSHA’s minimum construction/rehabilitation standards include additional details on what work is required, how that work should be performed (methods), and what materials should be used. DSHA’s minimum construction and rehabilitation standards include the following categories: 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 (UPCS) as identified by HUD as applicable to NHTF-assisted housing.

**1. Health and Safety**

Any life-threatening deficiencies must be identified and addressed immediately if the NHTF housing units are occupied at the time of rehabilitation.

**2. Major Systems**

As described in previous sections, each NHTF application shall include a CNA to determine the scope of work to be performed and identify the long-term physical needs of the project. The CNA must include an estimate of the useful life of all existing major systems (based on age and condition) and an estimate of the remaining useful life of these systems upon project completion. DSHA requires that systems beyond 50% of their life expectancy be replaced; however, if the remaining useful life of one or more major system is less than the applicable period of affordability, a replacement reserve will be established with adequate monthly installments paid to repair and replace the systems as needed.

### **3. Disaster Mitigation**

All buildings and projects that are newly constructed or are rehabilitated with NHTF must first be built to the International Building Code adopted by the local municipality and County. The International Building Codes enforced by each municipality and County include and address disaster mitigation.

Where relevant, each recipient will be required to improve the NHTF housing units to mitigate the potential impact of potential disasters (e.g. earthquakes, hurricanes, floods, and wildfires) in accordance with all rules, ordinances, and laws of all legal entities and authorities having jurisdiction over the project, and the construction and/or alteration of the project, or such other requirements that HUD may establish.

### **4. Uniform Physical Condition Standards (UPCS)**

All projects funded with NHTF will be required to meet HUD's UPCS to ensure housing will be decent, safe, sanitary, and in good repair as described in 24 CFR 5.703. Standards include the UPCS inspectable items and observable deficiencies for the site, building exterior, building systems, common areas, and units. A complete list of UPCS standards and observable deficiencies are shown in Attachment D.

These standards can also be found at: <https://www.hudexchange.info/onecpd/assets/File/HTF-FAQ-Appendices-UPCS-for-Multifamily-and-Single-Family-Housing-Rehabilitation.pdf>

**Attachment C – DSHA’s Construction and Rehabilitation Standards Checklists**

<b>DSHA - REHABILITATION STANDARDS CHECKLIST</b>			
<i>Must be completed by all rehabilitation projects</i>			
Project Name:			
Date Built:			
Date of Last Rehabilitation (if applicable):			
EXTERIORS	DETAIL/CONDITION		
ROOF	Age (Yrs)		Poor <input type="checkbox"/> Fair <input type="checkbox"/> Good <input type="checkbox"/> Excellent <input type="checkbox"/>
<i>Roof Type/Pitch/Flat</i>			
<i>Number of Layers</i>			
<i>Substrate Material</i>			
<i>Fire-rated Required?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
<i>Insulation Type</i>			
<i>Insulation Thickness</i>			
<i>Estimated R-Value</i>			
SIDING	Age (Yrs)		Poor <input type="checkbox"/> Fair <input type="checkbox"/> Good <input type="checkbox"/> Excellent <input type="checkbox"/>
<i>Type/Substrate</i>			
<i>Brick (if applicable)</i>	Age (Yrs)		Poor <input type="checkbox"/> Fair <input type="checkbox"/> Good <input type="checkbox"/> Excellent <input type="checkbox"/>
<i>Is re-pointing necessary?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
EXTERIOR DOORS/FRAMES	Age (Yrs)		Type: <input type="text"/>
<i>Sliding doors?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
<i>Patio doors?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
<i>Hardware</i>	Age (Yrs)		Type: <input type="text"/>
WINDOWS	Age (Yrs)		Poor <input type="checkbox"/> Fair <input type="checkbox"/> Good <input type="checkbox"/> Excellent <input type="checkbox"/>
<i>Meet egress requirements?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
GUTTERS/DOWNSPOUTS	Age (Yrs)		Poor <input type="checkbox"/> Fair <input type="checkbox"/> Good <input type="checkbox"/> Excellent <input type="checkbox"/>
<i>Material/Type</i>			
FASCIA/SOFFITS	Age (Yrs)		Poor <input type="checkbox"/> Fair <input type="checkbox"/> Good <input type="checkbox"/> Excellent <input type="checkbox"/>
<i>Material/Type/Substrate</i>			
SIDEWALKS	Age (Yrs)		Poor <input type="checkbox"/> Fair <input type="checkbox"/> Good <input type="checkbox"/> Excellent <input type="checkbox"/>
<i>Meets ADA compliance/ramping/curb cuts?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
<i>Any areas shaved?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
PARKING LOT*	Age (Yrs)		Poor <input type="checkbox"/> Fair <input type="checkbox"/> Good <input type="checkbox"/> Excellent <input type="checkbox"/>
<i>Curb Cuts</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	

EXTERIORS (Continued)		DETAIL/CONDITION	
<i>Spaces provided /required /grandfathered:</i>			
<i>Handicap parking provided?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
<i>Bumpers provided?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
<i>*NOTE: Any parking lot surface with either fair and/or poor conditions shall have a civil engineer complete a survey as to the remaining lifespan. If determined, contractor shall include quantity in needs assessment to replace pavement and subsurface.</i>			
LIGHTING (Exterior)	Age (Yrs)		Poor <input type="checkbox"/> Fair <input type="checkbox"/> Good <input type="checkbox"/> Excellent <input type="checkbox"/>
<i>Tied to house panel?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
SECURITY SYSTEM	Age (Yrs)		Poor <input type="checkbox"/> Fair <input type="checkbox"/> Good <input type="checkbox"/> Excellent <input type="checkbox"/>
PATIOS/BALCONIES	Age (Yrs)		Poor <input type="checkbox"/> Fair <input type="checkbox"/> Good <input type="checkbox"/> Excellent <input type="checkbox"/>
<i>Meet current codes?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
MAINTENANCE-FREE EXTERIOR	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
STORM WATER MANAGEMENT	Yes <input type="checkbox"/>	No <input type="checkbox"/>	<i>Date of Last Preventative Maintenance</i>
ASBESTOS PRESENT?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	<i>NESHAP Environmental Audit</i>
LEAD PAINT PRESENT?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
MOLD PRESENT?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
INTERIORS		DETAIL/CONDITION	
KITCHEN	Age (Yrs)		Poor <input type="checkbox"/> Fair <input type="checkbox"/> Good <input type="checkbox"/> Excellent <input type="checkbox"/>
<i>Cabinets</i>	Age (Yrs)		Type: <input type="text"/>
<i>Countertop</i>	Age (Yrs)		Type: <input type="text"/>
APPLIANCES			
<i>Refrigerator</i>	Age (Yrs)		Size: <input type="text"/>
<i>Frost-free?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
<i>Dishwasher</i>	Age (Yrs)		
<i>Stove</i>	Age (Yrs)		Gas <input type="checkbox"/> Electric <input type="checkbox"/> U.L. Gas Conn. <input type="checkbox"/>
<i>Garbage Disposal</i>	Age (Yrs)		HP: <input type="text"/>
<i>Exhaust Hood</i>	Age (Yrs)		Vented to Exterior <input type="checkbox"/> Recirculating <input type="checkbox"/>
<i>Washer</i>	Age (Yrs)		Stack <input type="checkbox"/> Side-by-Side <input type="checkbox"/>
<i>Drain provided?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
<i>Dryer</i>	Age (Yrs)		
<i>Vent pipe material?</i>			
<i>Adequate venting?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
BATHROOM			
<i>Bathtub</i>	Age (Yrs)		Poor <input type="checkbox"/> Fair <input type="checkbox"/> Good <input type="checkbox"/> Excellent <input type="checkbox"/>
<i>Tub Surround</i>	Age (Yrs)		Poor <input type="checkbox"/> Fair <input type="checkbox"/> Good <input type="checkbox"/> Excellent <input type="checkbox"/>
INTERIORS (Continued)		DETAIL/CONDITION	

<i>Anti-scald valve?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>					
<i>Sink/Vanity</i>	Age (Yrs)		Type:				
<i>Toilet</i>	Age (Yrs)		Type:				
<i>Water-saver?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>					
<i>ADA-Compliant?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>					
<i>Flange Material</i>	Age (Yrs)		Poor <input type="checkbox"/>	Fair <input type="checkbox"/>	Good <input type="checkbox"/>	Excellent <input type="checkbox"/>	
<i>Exhaust Fan</i>	Age (Yrs)		Poor <input type="checkbox"/>	Fair <input type="checkbox"/>	Good <input type="checkbox"/>	Excellent <input type="checkbox"/>	
<b>FLOORING</b>							
<i>Asbestos present (in flooring or adhesive)?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Type:				
<i>Carpeting</i>	Age (Yrs)		Poor <input type="checkbox"/>	Fair <input type="checkbox"/>	Good <input type="checkbox"/>	Excellent <input type="checkbox"/>	
<i>Type</i>							
<i>Vinyl Composition</i>	Age (Yrs)		Poor <input type="checkbox"/>	Fair <input type="checkbox"/>	Good <input type="checkbox"/>	Excellent <input type="checkbox"/>	
<i>Type</i>							
<i>Subflooring Material</i>	Age (Yrs)		Poor <input type="checkbox"/>	Fair <input type="checkbox"/>	Good <input type="checkbox"/>	Excellent <input type="checkbox"/>	
<i>Any existing soft spots in flooring?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>					
<i>Base Molding</i>	Age (Yrs)		Poor <input type="checkbox"/>	Fair <input type="checkbox"/>	Good <input type="checkbox"/>	Excellent <input type="checkbox"/>	
<b>WALLS</b>							
<i>Type</i>							
<i>Asbestos present?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>					
<i>Mold or mildew present?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>					
<b>CEILINGS</b>							
<i>Type</i>							
<i>Textured?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Poor <input type="checkbox"/>	Fair <input type="checkbox"/>	Good <input type="checkbox"/>	Excellent <input type="checkbox"/>	
<i>Active staining present?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>					
<b>SMOKE DETECTORS</b>							
<i>Meet current codes?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Hard-wired <input type="checkbox"/>			Battery <input type="checkbox"/>	
<i>Date of last inspection:</i>							
<b>SPRINKLER SYSTEM</b>							
<i>Meet current codes?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>					
<b>INTERIOR DOORS/FRAMES</b>							
<i>Hardware</i>	Age (Yrs)		Type:				
<b>INSULATION (Inches)</b>							
<i>Ceiling:</i>			<i>Walls:</i>			<i>Floor:</i>	
<b>SHELVING</b>							
<i>Age (Yrs)</i>			Poor <input type="checkbox"/>	Fair <input type="checkbox"/>	Good <input type="checkbox"/>	Excellent <input type="checkbox"/>	
<b>MINI BLINDS</b>							
<i>Age (Yrs)</i>			Poor <input type="checkbox"/>	Fair <input type="checkbox"/>	Good <input type="checkbox"/>	Excellent <input type="checkbox"/>	

INTERIORS (Continued)	DETAIL/CONDITION					
<b>SYSTEMS</b>						
<i>Are utilities paid by the tenants?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	If yes, which ones?			
<i>Is there a boiler system?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Age (Yrs)		Date of last inspection:	
<i>HVAC</i>	Age (Yrs)		Poor <input type="checkbox"/>	Fair <input type="checkbox"/>	Good <input type="checkbox"/>	Excellent <input type="checkbox"/>
<i>HVAC Type/Electrical Connection</i>	Type:		Amps:			
<i>Meets current codes?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>				
<i>Vented to exterior?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>				
<i>Duct System</i>	Age (Yrs)		Poor <input type="checkbox"/>	Fair <input type="checkbox"/>	Good <input type="checkbox"/>	Excellent <input type="checkbox"/>
<i>Last cleaning date/last pressure test Date:</i>						
<i>Air Conditioning</i>	Age (Yrs)		Type:			
<i>Condensation Lines</i>	Age (Yrs)		Poor <input type="checkbox"/>	Fair <input type="checkbox"/>	Good <input type="checkbox"/>	Excellent <input type="checkbox"/>
<i>Water Heater</i>	Age (Yrs)		Poor <input type="checkbox"/>	Fair <input type="checkbox"/>	Good <input type="checkbox"/>	Excellent <input type="checkbox"/>
<i>Type and Location</i>						
<i>Pan Present?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Poor <input type="checkbox"/>	Fair <input type="checkbox"/>	Good <input type="checkbox"/>	Excellent <input type="checkbox"/>
<i>Electric Supply</i>	Age (Yrs)		Poor <input type="checkbox"/>	Fair <input type="checkbox"/>	Good <input type="checkbox"/>	Excellent <input type="checkbox"/>
<i>Type</i>	GFI:		Amperage Supply:		AMP Service:	
<i>ARC Fault Interrupter?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Poor <input type="checkbox"/>	Fair <input type="checkbox"/>	Good <input type="checkbox"/>	Excellent <input type="checkbox"/>
<i>Last Inspection Date</i>						
<b>PLUMBING</b>						
<i>Water Supply Lines: Material _____</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Poor <input type="checkbox"/>	Fair <input type="checkbox"/>	Good <input type="checkbox"/>	Excellent <input type="checkbox"/>
<i>Curb Stops</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Poor <input type="checkbox"/>	Fair <input type="checkbox"/>	Good <input type="checkbox"/>	Excellent <input type="checkbox"/>
<i>Last Inspection Date:</i>						
<i>Master meter or individual meters?</i>						
<i>Shut-off Valves</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Poor <input type="checkbox"/>	Fair <input type="checkbox"/>	Good <input type="checkbox"/>	Excellent <input type="checkbox"/>
<i>Water Meters: Up to Code?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Poor <input type="checkbox"/>	Fair <input type="checkbox"/>	Good <input type="checkbox"/>	Excellent <input type="checkbox"/>
<i>Vent Stacks: Material _____</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Poor <input type="checkbox"/>	Fair <input type="checkbox"/>	Good <input type="checkbox"/>	Excellent <input type="checkbox"/>
<b>ELECTRIC</b>						
<i>Underground Transmission Lines</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Poor <input type="checkbox"/>	Fair <input type="checkbox"/>	Good <input type="checkbox"/>	Excellent <input type="checkbox"/>
<i>Aboveground Transmission Lines</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Poor <input type="checkbox"/>	Fair <input type="checkbox"/>	Good <input type="checkbox"/>	Excellent <input type="checkbox"/>
<i>Meters: Last Inspected _____</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Poor <input type="checkbox"/>	Fair <input type="checkbox"/>	Good <input type="checkbox"/>	Excellent <input type="checkbox"/>
<i>Electric Panels:</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Poor <input type="checkbox"/>	Fair <input type="checkbox"/>	Good <input type="checkbox"/>	Excellent <input type="checkbox"/>
<i>Amps:</i>						
<i>Brand:</i>						

INTERIORS (Continued)	DETAIL/CONDITION		
<i>Service Capacity</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Poor <input type="checkbox"/> Fair <input type="checkbox"/> Good <input type="checkbox"/> Excellent <input type="checkbox"/>
<i>Spare Breaker Capacity</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
<i>Site Lighting Adequate?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
ANY UNITS FINISHED BELOW GRADE?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
ASBESTOS PRESENT?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	<i>NESHAP Environmental Audit:</i>
LEAD PAINT PRESENT?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Certificate available? Yes <input type="checkbox"/> No <input type="checkbox"/>
MOLD PRESENT?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
RADON TESTING?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Date of inspection:
COMMON AREAS	DETAIL/CONDITION		
INTERIOR STAIRS			Poor <input type="checkbox"/> Fair <input type="checkbox"/> Good <input type="checkbox"/> Excellent <input type="checkbox"/>
<i>Meet code requirements?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
<i>Handrail Height Continuous?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Meet ADA? Yes <input type="checkbox"/> No <input type="checkbox"/>
COMMON HALLWAY (Interior)	Age (Yrs)		Poor <input type="checkbox"/> Fair <input type="checkbox"/> Good <input type="checkbox"/> Excellent <input type="checkbox"/>
<i>Fire Protection?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Last Inspection Date:
<i>Adequate Lighting?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
<i>Walls</i>			Poor <input type="checkbox"/> Fair <input type="checkbox"/> Good <input type="checkbox"/> Excellent <input type="checkbox"/>
ELEVATORS	Age (Yrs)		Poor <input type="checkbox"/> Fair <input type="checkbox"/> Good <input type="checkbox"/> Excellent <input type="checkbox"/>
<i>Date of Last Inspection</i>			
Meet ADA Requirements?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
LAUNDRY ROOM	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Poor <input type="checkbox"/> Fair <input type="checkbox"/> Good <input type="checkbox"/> Excellent <input type="checkbox"/>
<i>Heated/Cooled?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
<i>ADA Accessible?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
<i>ADA Machines Available?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
COMMUNITY ROOM	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Poor <input type="checkbox"/> Fair <input type="checkbox"/> Good <input type="checkbox"/> Excellent <input type="checkbox"/>
<i>Size (Square Footage):</i>			
<i>ADA Accessible?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
UTILITY CONTRACTS			
<i>Cable Contract</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Provider:
<i>Other Utility Contracts?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Provider(s):
DOORS/FRAMES (Exterior)	Age (Yrs)		Poor <input type="checkbox"/> Fair <input type="checkbox"/> Good <input type="checkbox"/> Excellent <input type="checkbox"/>
<i>Type:</i>			
FOUNDATION, CRAWL, & BASEMENT	Age (Yrs)		Poor <input type="checkbox"/> Fair <input type="checkbox"/> Good <input type="checkbox"/> Excellent <input type="checkbox"/>
<i>Standing water present?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	



COMMON AREAS (Continued)	DETAIL/CONDITION		
<i>Any foundation vents located below grade?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
<i>Access to foundation, crawl, or basement?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Poor <input type="checkbox"/> Fair <input type="checkbox"/> Good <input type="checkbox"/> Excellent <input type="checkbox"/>
ASBESTOS PRESENT?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	NESHAP Environmental Audit:
LEAD PAINT PRESENT?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Certificate available? Yes <input type="checkbox"/> No <input type="checkbox"/>
MOLD PRESENT?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
MAILBOXES	Age (Yrs)		Poor <input type="checkbox"/> Fair <input type="checkbox"/> Good <input type="checkbox"/> Excellent <input type="checkbox"/>
<i>Type:</i>			
<i>Parcel boxes provided?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
<i>On Accessible Route?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
PLAYGROUND EQUIPMENT	Age (Yrs)		Poor <input type="checkbox"/> Fair <input type="checkbox"/> Good <input type="checkbox"/> Excellent <input type="checkbox"/>
<i>Type:</i>			
<i>Meets Safety Guidelines?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
<i>Lighting?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
<i>Is Playground on Accessible Route?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
SWIMMING POOL	Age (Yrs)		Poor <input type="checkbox"/> Fair <input type="checkbox"/> Good <input type="checkbox"/> Excellent <input type="checkbox"/>
FENCING	Age (Yrs)		Poor <input type="checkbox"/> Fair <input type="checkbox"/> Good <input type="checkbox"/> Excellent <input type="checkbox"/>
<i>Type, Material, and Height</i>			
<i>Perimeter/Partial?</i>			
DUMPSTERS			Poor <input type="checkbox"/> Fair <input type="checkbox"/> Good <input type="checkbox"/> Excellent <input type="checkbox"/>
<i>Locations:</i>			
<i>Are gates required by municipality?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
<i>ADA Accessible?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
<i>Number:</i>	Existing:		Proposed:
PROJECT SIGN	Age (Yrs)		Poor <input type="checkbox"/> Fair <input type="checkbox"/> Good <input type="checkbox"/> Excellent <input type="checkbox"/>
<i>Lighted?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
<i>Sign to be Replaced?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
<i>ADA/Fair Housing Logos?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
OTHER			
<i>Support Beams Material</i>			Poor <input type="checkbox"/> Fair <input type="checkbox"/> Good <input type="checkbox"/> Excellent <input type="checkbox"/>
<i>Joists</i>			Poor <input type="checkbox"/> Fair <input type="checkbox"/> Good <input type="checkbox"/> Excellent <input type="checkbox"/>
<i>Overhang provided?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
<i>Soffit ventilation provided per code?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
<i>Piers/Columns/Porches</i>	Age (Yrs)		Poor <input type="checkbox"/> Fair <input type="checkbox"/> Good <input type="checkbox"/> Excellent <input type="checkbox"/>
<i>VAC, Adequate Venting?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Last Inspection Date:



## DSHA - Life Expectancy (Years of Different Products/Items/Materials)

**NOTE:** Items that are beyond 50% of life expectancy shall be replaced. DSHA reserves the right to add/delete any item to the required rehabilitation.

Item	Life Expectancy (Years)	Item	Life Expectancy (Years)
<b>APPLIANCES</b>		<b>FINISHES</b>	
• Disposal	5	• Exterior paint, plaster, stucco	3-5
• Microwave ovens	5	• Interior, wall paint	3-5
• Ranges, free-standing/built-in, electric/gas	12	• Interior, door/trim paint	5-10
• Refrigerators, Standard	10	<b>FLOORS</b>	
<b>BATHROOMS</b>		• Vinyl sheet or tile	10
• Cast iron bathtub, resurface	25	• Carpeting	5
• Fiberglass bathtub and shower	10	<b>HEATING, VENTILATION, AND AIR CONDITIONING</b>	
• Shower doors (average quality)	5	• Air conditioning, central unit	10
• Toilet	10	• Air conditioning, window unit	5
<b>CABINETRY</b>		• A/C compressor	5-7
• Kitchen cabinets	10	• Rooftop air conditioners	10
• Medicine cabinets/bath vanities	10	• Furnaces, gas or oil fired	15
<b>COUNTERTOPS</b>		• Forced air furnaces, heat pump	10
• Laminate	10	• Unit heaters, gas or electric	10

**DOORS**

- **Screen** 10
- **Interior, six-panel, Masonite** 15
- **Exterior, unprotected/exposed** 15
- **Exterior door trim** 5-10

- **Radiant heaters** 10
- **Ductwork, plastic** 15
- **Air terminals, diffusers, grilles, registers** 15
- **Boilers, hot water, steam** 15

Item	Life Expectancy (Years)
<b>PLUMBING FIXTURES/PIPING</b>	

- **Sinks, enamel, steel** 5-10
- **Sinks, stainless** 10
- **Faucets, low quality** 5
- **Water heater, electric** 10
- **Water heater, gas** 11
- **Pumps, sump and well** 10

Item	Life Expectancy (Years)
<b>SHUTTERS</b>	

- **Plastic, vinyl, exterior** 7-8

<b>SIDING</b>	
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- **Wood, T1-11** 10
- **Aluminum** 20
- **Vinyl** 25
- **Gutters, downspouts** 20

<b>ROOFING</b>	
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- **Asphalt, wood shingles, and shakes** 20
- **Built-up roofing, asphalt** 10
- **Coal and tar** 10

<b>WINDOWS</b>	
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- **Wood casement** 20
- **Wood, single, double hung** 15
- **Aluminum casement** 10
- **Window screens** 5

<b>SAFETY</b>	
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- **Sprinkler Systems** 12
- **Smoke detectors, battery, hardwire** 10

INTERIORS (Continued)	DETAIL/CONDITION		
<i>Anti-scald valve?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
<i>Sink/Vanity</i>	Age (Yrs)		Type: <input type="text"/>
<i>Toilet</i>	Age (Yrs)		Type: <input type="text"/>
<i>Water-saver?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
<i>ADA-Compliant?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
<i>Flange Material</i>	Age (Yrs)		Poor <input type="checkbox"/> Fair <input type="checkbox"/> Good <input type="checkbox"/> Excellent <input type="checkbox"/>
<i>Exhaust Fan</i>	Age (Yrs)		Poor <input type="checkbox"/> Fair <input type="checkbox"/> Good <input type="checkbox"/> Excellent <input type="checkbox"/>
<b>FLOORING</b>			
<i>Asbestos present (in flooring or adhesive)?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Type: <input type="text"/>
<i>Carpeting</i>	Age (Yrs)		Poor <input type="checkbox"/> Fair <input type="checkbox"/> Good <input type="checkbox"/> Excellent <input type="checkbox"/>
<i>Type</i>	<input type="text"/>		
<i>Vinyl Composition</i>	Age (Yrs)		Poor <input type="checkbox"/> Fair <input type="checkbox"/> Good <input type="checkbox"/> Excellent <input type="checkbox"/>
<i>Type</i>	<input type="text"/>		
<i>Subflooring Material</i>	Age (Yrs)		Poor <input type="checkbox"/> Fair <input type="checkbox"/> Good <input type="checkbox"/> Excellent <input type="checkbox"/>
<i>Any existing soft spots in flooring?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
<i>Base Molding</i>	Age (Yrs)		Poor <input type="checkbox"/> Fair <input type="checkbox"/> Good <input type="checkbox"/> Excellent <input type="checkbox"/>
<b>WALLS</b>	Age (Yrs)		Poor <input type="checkbox"/> Fair <input type="checkbox"/> Good <input type="checkbox"/> Excellent <input type="checkbox"/>
<i>Type</i>	<input type="text"/>		
<i>Asbestos present?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
<i>Mold or mildew present?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
<b>CEILINGS</b>	Age (Yrs)		Poor <input type="checkbox"/> Fair <input type="checkbox"/> Good <input type="checkbox"/> Excellent <input type="checkbox"/>
<i>Type</i>	<input type="text"/>		
<i>Textured?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Poor <input type="checkbox"/> Fair <input type="checkbox"/> Good <input type="checkbox"/> Excellent <input type="checkbox"/>
<i>Active staining present?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
<b>SMOKE DETECTORS</b>	Age (Yrs)		Hard-wired <input type="checkbox"/> Battery <input type="checkbox"/>
<i>Meet current codes?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Date of last inspection: <input type="text"/>
<b>SPRINKLER SYSTEM</b>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
<i>Meet current codes?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
<b>INTERIOR DOORS/FRAMES</b>	Age (Yrs)		Type: <input type="text"/>
<i>Hardware</i>	Age (Yrs)		Type: <input type="text"/>
<b>INSULATION (Inches)</b>	Ceiling:		Walls: <input type="text"/> Floor: <input type="text"/>
<b>SHELVING</b>	Age (Yrs)		Poor <input type="checkbox"/> Fair <input type="checkbox"/> Good <input type="checkbox"/> Excellent <input type="checkbox"/>
<b>MINI BLINDS</b>	Age (Yrs)		Poor <input type="checkbox"/> Fair <input type="checkbox"/> Good <input type="checkbox"/> Excellent <input type="checkbox"/>

INTERIORS (Continued)	DETAIL/CONDITION					
<b>SYSTEMS</b>						
<i>Are utilities paid by the tenants?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	If yes, which ones?			
<i>Is there a boiler system?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Age (Yrs)		Date of last inspection:	
<i>HVAC</i>	Age (Yrs)		Poor <input type="checkbox"/>	Fair <input type="checkbox"/>	Good <input type="checkbox"/>	Excellent <input type="checkbox"/>
<i>HVAC Type/Electrical Connection</i>	Type:		Amps:			
<i>Meets current codes?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>				
<i>Vented to exterior?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>				
<i>Duct System</i>	Age (Yrs)		Poor <input type="checkbox"/>	Fair <input type="checkbox"/>	Good <input type="checkbox"/>	Excellent <input type="checkbox"/>
<i>Last cleaning date/last pressure test Date:</i>						
<i>Air Conditioning</i>	Age (Yrs)		Type:			
<i>Condensation Lines</i>	Age (Yrs)		Poor <input type="checkbox"/>	Fair <input type="checkbox"/>	Good <input type="checkbox"/>	Excellent <input type="checkbox"/>
<i>Water Heater</i>	Age (Yrs)		Poor <input type="checkbox"/>	Fair <input type="checkbox"/>	Good <input type="checkbox"/>	Excellent <input type="checkbox"/>
<i>Type and Location</i>						
<i>Pan Present?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Poor <input type="checkbox"/>	Fair <input type="checkbox"/>	Good <input type="checkbox"/>	Excellent <input type="checkbox"/>
<i>Electric Supply</i>	Age (Yrs)		Poor <input type="checkbox"/>	Fair <input type="checkbox"/>	Good <input type="checkbox"/>	Excellent <input type="checkbox"/>
<i>Type</i>	GFI:		Amperage Supply:		AMP Service:	
<i>ARC Fault Interrupter?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Poor <input type="checkbox"/>	Fair <input type="checkbox"/>	Good <input type="checkbox"/>	Excellent <input type="checkbox"/>
<i>Last Inspection Date</i>						
<b>PLUMBING</b>						
<i>Water Supply Lines: Material _____</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Poor <input type="checkbox"/>	Fair <input type="checkbox"/>	Good <input type="checkbox"/>	Excellent <input type="checkbox"/>
<i>Curb Stops</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Poor <input type="checkbox"/>	Fair <input type="checkbox"/>	Good <input type="checkbox"/>	Excellent <input type="checkbox"/>
<i>Last Inspection Date:</i>						
<i>Master meter or individual meters?</i>						
<i>Shut-off Valves</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Poor <input type="checkbox"/>	Fair <input type="checkbox"/>	Good <input type="checkbox"/>	Excellent <input type="checkbox"/>
<i>Water Meters: Up to Code?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Poor <input type="checkbox"/>	Fair <input type="checkbox"/>	Good <input type="checkbox"/>	Excellent <input type="checkbox"/>
<i>Vent Stacks: Material _____</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Poor <input type="checkbox"/>	Fair <input type="checkbox"/>	Good <input type="checkbox"/>	Excellent <input type="checkbox"/>
<b>ELECTRIC</b>						
<i>Underground Transmission Lines</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Poor <input type="checkbox"/>	Fair <input type="checkbox"/>	Good <input type="checkbox"/>	Excellent <input type="checkbox"/>
<i>Aboveground Transmission Lines</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Poor <input type="checkbox"/>	Fair <input type="checkbox"/>	Good <input type="checkbox"/>	Excellent <input type="checkbox"/>
<i>Meters: Last Inspected _____</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Poor <input type="checkbox"/>	Fair <input type="checkbox"/>	Good <input type="checkbox"/>	Excellent <input type="checkbox"/>
<i>Electric Panels:</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Poor <input type="checkbox"/>	Fair <input type="checkbox"/>	Good <input type="checkbox"/>	Excellent <input type="checkbox"/>
<i>Amps:</i>						
<i>Brand:</i>						

INTERIORS (Continued)	DETAIL/CONDITION					
<i>Service Capacity</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Poor <input type="checkbox"/>	Fair <input type="checkbox"/>	Good <input type="checkbox"/>	Excellent <input type="checkbox"/>
<i>Spare Breaker Capacity</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>				
<i>Site Lighting Adequate?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>				
ANY UNITS FINISHED BELOW GRADE?	Yes <input type="checkbox"/>	No <input type="checkbox"/>				
ASBESTOS PRESENT?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	<i>NESHAP Environmental Audit:</i>			
LEAD PAINT PRESENT?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Certificate available?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
MOLD PRESENT?	Yes <input type="checkbox"/>	No <input type="checkbox"/>				
RADON TESTING?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Date of inspection:			
COMMON AREAS	DETAIL/CONDITION					
INTERIOR STAIRS			Poor <input type="checkbox"/>	Fair <input type="checkbox"/>	Good <input type="checkbox"/>	Excellent <input type="checkbox"/>
<i>Meet code requirements?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>				
<i>Handrail Height Continuous?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Meet ADA?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
COMMON HALLWAY (Interior)	Age (Yrs)		Poor <input type="checkbox"/>	Fair <input type="checkbox"/>	Good <input type="checkbox"/>	Excellent <input type="checkbox"/>
<i>Fire Protection?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Last Inspection Date:			
<i>Adequate Lighting?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>				
<i>Walls</i>			Poor <input type="checkbox"/>	Fair <input type="checkbox"/>	Good <input type="checkbox"/>	Excellent <input type="checkbox"/>
ELEVATORS	Age (Yrs)		Poor <input type="checkbox"/>	Fair <input type="checkbox"/>	Good <input type="checkbox"/>	Excellent <input type="checkbox"/>
<i>Date of Last Inspection</i>						
Meet ADA Requirements?	Yes <input type="checkbox"/>	No <input type="checkbox"/>				
LAUNDRY ROOM	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Poor <input type="checkbox"/>	Fair <input type="checkbox"/>	Good <input type="checkbox"/>	Excellent <input type="checkbox"/>
<i>Heated/Cooled?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>				
<i>ADA Accessible?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>				
<i>ADA Machines Available?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>				
COMMUNITY ROOM	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Poor <input type="checkbox"/>	Fair <input type="checkbox"/>	Good <input type="checkbox"/>	Excellent <input type="checkbox"/>
<i>Size (Square Footage):</i>						
<i>ADA Accessible?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>				
UTILITY CONTRACTS						
<i>Cable Contract</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Provider:			
<i>Other Utility Contracts?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Provider(s):			
DOORS/FRAMES (Exterior)	Age (Yrs)		Poor <input type="checkbox"/>	Fair <input type="checkbox"/>	Good <input type="checkbox"/>	Excellent <input type="checkbox"/>
<i>Type:</i>						
FOUNDATION, CRAWL, & BASEMENT	Age (Yrs)		Poor <input type="checkbox"/>	Fair <input type="checkbox"/>	Good <input type="checkbox"/>	Excellent <input type="checkbox"/>
<i>Standing water present?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>				

COMMON AREAS (Continued)	DETAIL/CONDITION		
<i>Any foundation vents located below grade?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
<i>Access to foundation, crawl, or basement?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Poor <input type="checkbox"/> Fair <input type="checkbox"/> Good <input type="checkbox"/> Excellent <input type="checkbox"/>
ASBESTOS PRESENT?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	NESHAP Environmental Audit:
LEAD PAINT PRESENT?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Certificate available? Yes <input type="checkbox"/> No <input type="checkbox"/>
MOLD PRESENT?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
MAILBOXES	Age (Yrs)		Poor <input type="checkbox"/> Fair <input type="checkbox"/> Good <input type="checkbox"/> Excellent <input type="checkbox"/>
<i>Type:</i>			
<i>Parcel boxes provided?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
<i>On Accessible Route?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
PLAYGROUND EQUIPMENT	Age (Yrs)		Poor <input type="checkbox"/> Fair <input type="checkbox"/> Good <input type="checkbox"/> Excellent <input type="checkbox"/>
<i>Type:</i>			
<i>Meets Safety Guidelines?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
<i>Lighting?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
<i>Is Playground on Accessible Route?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
SWIMMING POOL	Age (Yrs)		Poor <input type="checkbox"/> Fair <input type="checkbox"/> Good <input type="checkbox"/> Excellent <input type="checkbox"/>
FENCING	Age (Yrs)		Poor <input type="checkbox"/> Fair <input type="checkbox"/> Good <input type="checkbox"/> Excellent <input type="checkbox"/>
<i>Type, Material, and Height</i>			
<i>Perimeter/Partial?</i>			
DUMPSTERS			Poor <input type="checkbox"/> Fair <input type="checkbox"/> Good <input type="checkbox"/> Excellent <input type="checkbox"/>
<i>Locations:</i>			
<i>Are gates required by municipality?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
<i>ADA Accessible?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
<i>Number:</i>	Existing:		Proposed:
PROJECT SIGN	Age (Yrs)		Poor <input type="checkbox"/> Fair <input type="checkbox"/> Good <input type="checkbox"/> Excellent <input type="checkbox"/>
<i>Lighted?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
<i>Sign to be Replaced?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
<i>ADA/Fair Housing Logos?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
OTHER			
<i>Support Beams Material</i>			Poor <input type="checkbox"/> Fair <input type="checkbox"/> Good <input type="checkbox"/> Excellent <input type="checkbox"/>
<i>Joists</i>			Poor <input type="checkbox"/> Fair <input type="checkbox"/> Good <input type="checkbox"/> Excellent <input type="checkbox"/>
<i>Overhang provided?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
<i>Soffit ventilation provided per code?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
<i>Piers/Columns/Porches</i>	Age (Yrs)		Poor <input type="checkbox"/> Fair <input type="checkbox"/> Good <input type="checkbox"/> Excellent <input type="checkbox"/>
<i>HVAC, Adequate Venting?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Last Inspection Date:





## DSHA – CNA ENVIRONMENTAL DUE DILIGENCE CHECKLIST

*Must be completed by all rehabilitation projects*

Project Name:	Percentage of Units Inspected: _____ %		
Date:	Percentage of Site Walked and Observed: _____ %		
Completed by:	Original Construction Date: _____		
Environmental Risks	Observed	Possible	Not Observed
Asbestos	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Asbestos Containing Materials	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lead Paint	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Underground Storage Tanks, Lines and Vents	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Above Ground Chemical Storage or Products	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Visible Soil Discoloration	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Buried Waste	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
PCB Transformers or Light Ballast	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Surface Water Discharge	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sensitive Adjacent Properties	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Potential Contaminated Adjacent Properties	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Air Emissions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Wetlands Areas	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sanitary Sewer Failure	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
On-lot Septic	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Private Water Supply	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Surface Impoundment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Excessive Noise	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Foul Odors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
French Drain or Disposal Pit	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Unsafe Material Management Practices	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Pipe Leaks	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mold	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Radon Gas	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sink Holes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Steep Slopes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Poor Drainage	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ponds or Streams	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## Attachment D - Uniform Physical Condition Standards (UPCS) for Multifamily Housing Rehabilitation

Inspectable Item	Observable Deficiency	Type and Degree of Deficiency That Must Be Addressed
<b><i>NOTE: Deficiencies highlighted in orange are life-threatening and must be addressed immediately if the housing is occupied.</i></b>		
<b>Requirements for the Site:</b>		
Fencing and Gates	Damaged/Falling/Leaning	Fence or gate is missing or damaged to the point it does not function as it should
	Holes	Hole in fence or gate is larger than 6 inches by 6 inches
	Missing Sections	An exterior fence, security fence or gate is missing a section which could threaten safety or security
Grounds	Erosion/Rutting Areas	Runoff has extensively displaced soils which has caused visible damage or potential failure to adjoining structures or threatens the safety of pedestrians or makes the grounds unusable
	Overgrown/Penetrating Vegetation	Vegetation has visibly damaged a component, area or system of the property or has made them unusable or unpassable
	Ponding/Site Drainage	There is an accumulation of more than 5 inches deep and/or a large section of the grounds-more than 20%-is unusable for its intended purpose due to poor drainage or ponding
Health & Safety	Air Quality - Sewer Odor Detected	Sewer odors that could pose a health risk if inhaled for prolonged periods
	Air Quality - Propane/Natural Gas/Methane Gas Detected	Strong propane, natural gas or methane odors that could pose a risk of explosion/ fire and/or pose a health risk if inhaled
	Electrical Hazards - Exposed Wires/Open Panels	Any exposed bare wires or openings in electrical panels (capped wires do not pose a risk)
	Electrical Hazards - Water Leaks on/near Electrical Equipment	Any water leaking, puddling, or ponding on or immediately near any electrical apparatus that could pose a risk of fire, electrocution or explosion
	Flammable Materials - Improperly Stored	Flammable materials are improperly stored, causing the potential risk of fire or explosion
	Garbage and Debris - Outdoors	Too much garbage has gathered-more than the planned storage capacity, or garbage has gathered in an area not sanctioned for staging or storing garbage or debris
	Hazards - Other	Any general defects or hazards that pose risk of bodily injury
	Hazards - Sharp Edges	Any physical defect that could cause cutting or breaking of human skin or other bodily harm
	Hazards - Tripping	Any physical defect in walkways or other travelled area that poses a tripping risk
	Infestation - Insects	Evidence of infestation of insects-including roaches and ants-throughout a unit or room, food preparation or storage area or other area of building substantial enough to present a health and safety risk
	Infestation - Rats/Mice/Vermin	Evidence of rats or mice--sightings, rat or mouse holes, or droppings substantial enough to present a health and safety risk
Mailboxes/Project Signs	Mailbox Missing/Damaged	Mailbox cannot be locked or is missing
	Signs Damaged	The project sign is not legible or readable because of deterioration or damage
Parking Lots/ Driveways/Roads	Cracks	Cracks that are large enough to affect traffic ability over more than 5% of the property's parking lots/driveways/roads or pose a safety hazard
	Ponding	3 inches or more of water has accumulated making 5% or more of a parking lot/driveway unusable or unsafe
	Potholes/Loose Material	Potholes or loose material that have made a parking lot/driveway unusable/unpassable for vehicles and/or pedestrians or could cause tripping or falling

	Settlement/Heaving	Settlement/heaving has made a parking lot/driveway unusable/unpassable or creates unsafe conditions for pedestrians and vehicles
Play Areas and Equipment	Damaged/Broken Equipment	More than 20% of the equipment is broken or does not operate as it should or any item that poses a safety risk
	Deteriorated Play Area Surface	More than 20% of the play surface area shows deterioration or the play surface area could cause tripping or falling and thus poses a safety risk
Refuse Disposal	Broken/Damaged Enclosure-Inadequate Outside Storage Space	A single wall or gate of the enclosure has collapsed or is leaning and in danger of falling or trash cannot be stored in the designated area because it is too small to store refuse until disposal
Retaining Walls	Damaged/Falling/Leaning	A retaining wall is damaged and does not function as it should or is a safety risk
Storm Drainage	Damaged/Obstructed	The system is partially or fully blocked by a large quantity of debris , causing backup into adjacent areas or runoffs into areas where runoff is not intended
Walkways/Steps	Broken/Missing Hand Railing	The hand rail is missing, damaged, loose or otherwise unusable
	Cracks/Settlement/Heaving	Cracks, hinging/tilting or missing sections that affect traffic ability over more than 5% of the property's walkways/steps or any defect that creates a tripping or falling hazard
	Spalling/Exposed rebar	More than 5% of walkways have large areas of spalling--larger than 4 inches by 4 inches--that affects traffic ability
<b>Requirements for Building Exterior:</b>		
Doors	Damaged Frames/Threshold/Lintels/Trim	Any door that is not functioning or cannot be locked because of damage to the frame, threshold, lintel or trim
	Damaged Hardware/Locks	Any door that does not function as it should or cannot be locked because of damage to the door's hardware
	Damaged Surface (Holes/Paint/Rusting/Glass)	Any door that has a hole or holes greater than 1 inch in diameter, significant peeling/cracking/no paint or rust that affects the integrity of the door surface, or broken/missing glass
	Damaged/Missing Screen/Storm/Security Door	Any screen door or storm door that is damaged or is missing screens or glass--shown by an empty frame or frames or any security door that is not functioning or is missing
	Deteriorated/Missing Caulking/Seals	The seals/caulking is missing on any entry door, or they are so damaged that they do not function as they should
	Missing Door	Any exterior door that is missing
Fire Escapes	Blocked Egress/Ladders	Stored items or other barriers restrict or block people from exiting
	Visibly Missing Components	Any of the functional components that affect the function of the fire escape--one section of a ladder or railing, for example--are missing
Foundations	Cracks/Gaps	Large cracks in foundation more than 3/8 inches wide by 3/8 inches deep by 6 inches long that present a possible sign of a serious structural problem, or opportunity for water penetration or sections of wall or floor that are broken apart
	Spalling/Exposed Rebar	Significant spalled areas affecting more than 10% of any foundation wall or any exposed reinforcing material--rebar or other
Health and Safety	Electrical Hazards - Exposed Wires/Open Panels	Any exposed bare wires or openings in electrical panels (capped wires do not pose a risk)
	Electrical Hazards - Water Leaks on/near Electrical Equipment	Any water leaking, puddling or ponding on or immediately near any electrical apparatus that could pose a risk of fire, electrocution or explosion
	Emergency Fire Exits - Emergency/Fire Exits Blocked/Unusable	The exit cannot be used or exit is limited because a door or window is nailed shut, a lock is broken, panic

		hardware is chained, debris, storage, or other conditions block exit
	Emergency Fire Exits - Missing Exit Signs	Exit signs that clearly identify all emergency exits are missing or there is no illumination in the area of the sign
	Flammable/Combustible Materials - Improperly Stored	Flammable materials are improperly stored, causing the potential risk of fire or explosion
	Garbage and Debris - Outdoors	Too much garbage has gathered-more than the planned storage capacity or garbage has gathered in an area not sanctioned for staging or storing garbage or debris
	Hazards - Other	Any general defects or hazards that pose risk of bodily injury
	Hazards - Sharp Edges	Any physical defect that could cause cutting or breaking of human skin or other bodily harm
	Hazards - Tripping	Any physical defect in walkways or other travelled area that poses a tripping risk
	Infestation - Insects	Evidence of infestation of insects-including roaches and ants-throughout a unit or room, food preparation or storage area or other area of building substantial enough to present a health and safety risk
	Infestation - Rats/Mice/Vermin	Evidence of rats or mice--sightings, rat or mouse holes, or droppings substantial enough to present a health and safety risk
Lighting	Broken Fixtures/Bulbs	10% or more of the lighting fixtures and bulbs surveyed are broken or missing
Roofs	Damaged Soffits/Fascia	Soffits or fascia that should be there are missing or so damaged that water penetration is visibly possible
	Damaged Vents	Vents are missing or so visibly damaged that further roof damage is possible
	Damaged/Clogged Drains	The drain is damaged or partially clogged with debris or the drain no longer functions
	Damaged/Torn Membrane/Missing Ballast	Ballast has shifted and no longer functions as it should or there is damage to the roof membrane that may result in water penetration
	Missing/Damaged Components from Downspout/Gutter	Drainage system components are missing or damaged causing visible damage to the roof, structure, exterior wall surface, or interior
	Missing/Damaged Shingles	Roofing shingles are missing or damaged enough to create a risk of water penetration
	Ponding	Evidence of standing water on roof, causing potential or visible damage to roof surface or underlying materials
Walls	Cracks/Gaps	Any large crack or gap that is more than 3/8 inches wide or deep and 6 inches long that presents a possible sign of serious structural problem or opportunity for water penetration
	Damaged Chimneys	Part or all of the chimney has visibly separated from the adjacent wall or there are cracked or missing pieces large enough to present a sign of chimney failure or there is a risk of falling pieces that could create a safety hazard
	Missing/Damaged Caulking/Mortar	Any exterior wall caulking or mortar deterioration that presents a risk of water penetration or risk of structural damage
	Missing Pieces/Holes/Spalling	Any exterior wall deterioration or holes of any size that present a risk of water penetration or risk of structural damage
	Stained/Peeling/Needs Paint	More than 20% of the exterior paint is peeling or paint is missing and siding surface is exposed thereby exposing siding to water penetration and deterioration
Windows	Broken/Missing/Cracked Panes	Any missing panes of glass or cracked panes of glass where the crack is either greater than 4" and/or substantial enough to impact the structural integrity of the window pane

	Damaged Sills/Frames/Lintels/Trim	Sills, frames, lintels, or trim are missing or damaged, exposing the inside of the surrounding walls and compromising its weather tightness
	Damaged/Missing Screens	Missing screens or screens with holes greater than 1 inch by 1 inch or tears greater than 2 inches in length
	Missing/Deteriorated Caulking/Seals/Glazing Compound	There are missing or deteriorated caulk or seals--with evidence of leaks or damage to the window or surrounding structure
	Peeling/Needs Paint	More than 20% of the exterior window paint is peeling or paint is missing and window frame surface is exposed thereby exposing window frame to water penetration and deterioration
	Security Bars Prevent Egress	The ability to exit through egress window is limited by security bars that do not function properly and, therefore, pose safety risks
<b>Requirements for Building Systems</b>		
Domestic Water	Leaking Central Water Supply	Leaking water from water supply line is observed
	Missing Pressure Relief Valve	There is no pressure relief valve or pressure relief valve does not drain down to the floor
	Rust/Corrosion on Heater Chimney	The water heater chimney shows evidence of flaking, discoloration, pitting, or crevices that may create holes that could allow toxic gases to leak from the chimney
	Water Supply Inoperable	There is no running water in any area of the building where there should be
Electrical System	Blocked Access/Improper Storage	One or more fixed items or items of sufficient size and weight impede access to the building system's electrical panel during an emergency
	Burnt Breakers	Carbon residue, melted breakers or arcing scars are evident
	Evidence of Leaks/Corrosion	Any corrosion that affects the condition of the components that carry current or any stains or rust on the interior of electrical enclosures, or any evidence of water leaks in the enclosure or hardware
	Frayed Wiring	Any nicks, abrasion, or fraying of the insulation that exposes any conducting wire
	Missing Breakers/Fuses	Any open and/or exposed breaker port
	Missing Outlet Covers	A cover is missing, which results in exposed visible electrical connections
Elevators	Not Operable	The elevator does not function at all or the elevator doors open when the cab is not there
Emergency Power	Auxiliary Lighting Inoperable (if applicable)	Auxiliary lighting does not function
Fire Protection	Missing Sprinkler Head	Any sprinkler head is missing, visibly disabled, painted over, blocked, or capped
	Missing/Damaged/Expired Extinguishers	There is missing, damaged or expired fire extinguisher in any area of the building where a fire extinguisher is required
Health & Safety	Air Quality - Mold and/or Mildew Observed	Evidence of mold or mildew is observed that is substantial enough to pose a health risk
	Air Quality - Propane/Natural Gas/Methane Gas Detected	Strong propane, natural gas or methane odors that could pose a risk of explosion/ fire and/or pose a health risk if inhaled
	Air Quality - Sewer Odor Detected	Sewer odors that could pose a health risk if inhaled for prolonged periods
	Electrical Hazards - Exposed Wires/Open Panels	Any exposed bare wires or openings in electrical panels (capped wires do not pose a risk)
	Electrical Hazards - Water Leaks on/near Electrical Equipment	Any water leaking, puddling, or ponding on or immediately near any electrical apparatus that could pose a risk of fire, electrocution or explosion
	Elevator - Tripping	An elevator is misaligned with the floor by more than 3/4 of an inch. The elevator does not level as it should, which causes a tripping hazard

	Emergency Fire Exits - Emergency/Fire Exits Blocked/Unusable	The exit cannot be used or exit is limited because a door or window is nailed shut, a lock is broken, panic hardware is chained, debris, storage, or other conditions block exit
	Emergency Fire Exits - Missing Exit Signs	Exit signs that clearly identify all emergency exits are missing or there is no illumination in the area of the sign
	Flammable Materials - Improperly Stored	Flammable materials are improperly stored, causing the potential risk of fire or explosion
	Garbage and Debris - Indoors	Too much garbage has gathered--more than the planned storage capacity or garbage has gathered in an area not sanctioned for staging or storing garbage or debris
	Hazards - Other	Any general defects or hazards that pose risk of bodily injury
	Hazards - Sharp Edges	Any physical defect that could cause cutting or breaking of human skin or other bodily harm
	Hazards – Tripping Hazards	Any physical defect in walkways or other travelled area that poses a tripping risk
	Infestation - Insects	Evidence of infestation of insects--including roaches and ants--throughout a unit or room, food preparation or storage area or other area of building substantial enough to present a health and safety risk
	Infestation - Rats/Mice/Vermin	Evidence of rats or mice--sightings, rat or mouse holes, or droppings substantial enough to present a health and safety risk
HVAC	Boiler/Pump Leaks	Evidence of water or steam leaking in piping or pump packing
	Fuel Supply Leaks	Evidence of any amount of fuel leaking from the supply tank or piping
	General Rust/Corrosion	Significant formations of metal oxides, significant flaking, discoloration, or the development of a noticeable pit or crevice
	Misaligned Chimney/Ventilation System	A misalignment of an exhaust system on a combustion fuel-fired unit (oil, natural gas, propane, wood pellets etc.) that causes improper or dangerous venting of gases
Roof Exhaust System	Roof Exhaust Fan(s) Inoperable	The roof exhaust fan unit does not function
Sanitary System	Broken/Leaking/Clogged Pipes or Drains	Evidence of active leaks in or around the system components or evidence of standing water, puddles or ponding--a sign of leaks or clogged drains
	Missing Drain/Cleanout/Manhole Covers	A protective cover is missing
<b>Requirements for Common Areas</b>		
Basement/Garage/Carport	Baluster/Side Railings - Damaged	Any damaged or missing balusters or side rails that limit the safe use of an area
Closet/Utility/Mechanical	Cabinets - Missing/Damaged	10% or more of cabinet, doors, or shelves are missing or the laminate is separating
Community Room	Call for Aid - Inoperable	The system does not function as it should
Halls/Corridors/Stairs	Ceiling - Holes/Missing Tiles/Panels/Cracks	Any holes in ceiling, missing tiles or large cracks wider than 1/4 of an inch and greater than 11 inches long
Kitchen	Ceiling - Peeling/Needs Paint	More than 10% of ceiling has peeling paint or is missing paint
Laundry Room	Ceiling - Water Stains/Water Damage/Mold/Mildew	Evidence of a leak, mold or mildew--such as a darkened area--over a ceiling area greater than 1 foot square
Lobby	Countertops - Missing/Damaged	10% or more of the countertop working surface is missing, deteriorated, or damaged below the laminate--not a sanitary surface to prepare food
Office	Dishwasher/Garbage Disposal - Inoperable	The dishwasher or garbage disposal does not operate as it should
Other Community Spaces	Doors - Damaged Frames/Threshold/Lintels/Trim	Any door that is not functioning or cannot be locked because of damage to the frame, threshold, lintel or trim
Patio/Porch/Balcony	Doors - Damaged Hardware/Locks	Any door that does not function as it should or cannot be locked because of damage to the door's hardware

Restrooms	Doors - Damaged Surface (Holes/Paint/Rust/Glass)	Any door that has a hole or holes greater than 1 inch in diameter, significant peeling/cracking/no paint or rust that affects the integrity of the door surface, or broken/missing glass
Storage	Doors - Damaged/Missing Screen/Storm/Security Door	Any screen door or storm door that is damaged or is missing screens or glass--shown by an empty frame or frames or any security door that is not functioning or is missing
	Doors - Deteriorated/Missing Seals (Entry Only)	The seals/caulking is missing on any entry door, or they are so damaged that they do not function as they should
	Doors - Missing Door	Any door that is missing that is required for the functional use of the space
	Dryer Vent - Missing/Damaged/Inoperable	The dryer vent is missing or it is not functioning because it is blocked. Dryer exhaust is not effectively vented to the outside
	Electrical - Blocked Access to Electrical Panel	One or more fixed items or items of sufficient size and weight impede access to the building system's electrical panel during an emergency
	Electrical - Burnt Breakers	Carbon residue, melted breakers or arcing scars are evident
	Electrical - Evidence of Leaks/Corrosion	Any corrosion that affects the condition of the components that carry current or any stains or rust on the interior of electrical enclosures or any evidence of water leaks in the enclosure or hardware
	Electrical - Frayed Wiring	Any nicks, abrasion, or fraying of the insulation that exposes any conducting wire
	Electrical - Missing Breakers	Any open and/or exposed breaker port
	Electrical - Missing Covers	A cover is missing, which results in exposed visible electrical connections
	Floors - Bulging/Buckling	Any flooring that is bulging, buckling or sagging or a problem with alignment between flooring types
	Floors - Floor Covering Damaged	More than 10% of floor covering has stains, surface burns, shallow cuts, small holes, tears, loose areas or exposed seams.
	Floors - Missing Floor/Tiles	More than 5% of the flooring or tile flooring is missing
	Floors - Peeling/Needs Paint	Any painted flooring that has peeling or missing paint on more than 10% of the surface
	Floors - Rot/Deteriorated Subfloor	Any rotted or deteriorated subflooring greater than 6 inches by 6 inches
	Floors - Water Stains/Water Damage/Mold/Mildew	Evidence of a leak, mold or mildew--such as a darkened area--covering a flooring area greater than 1 foot square
	GFI - Inoperable	The GFI does not function
	Graffiti	Any graffiti on any exposed surface greater than 6 inches by 6 inches
	HVAC - Convection/Radiant Heat System Covers Missing/Damaged	Cover is missing or substantially damaged, allowing contact with heating/surface elements or associated fans
	HVAC - General Rust/Corrosion	Significant formations of metal oxides, flaking, or discoloration--or a pit or crevice
	HVAC - Inoperable	HVAC does not function. It does not provide the heating and cooling it should. The system does not respond when the controls are engaged
	HVAC - Misaligned Chimney/Ventilation System	Any misalignment that may cause improper or dangerous venting of gases
	HVAC - Noisy/Vibrating/Leaking	HVAC system shows signs of abnormal vibrations, other noise, or leaks when engaged
	Lavatory Sink - Damaged/Missing	Sink has extensive discoloration or cracks in over 50% of the basin or the sink or associated hardware have failed or are missing and the sink can't be used
	Lighting - Missing/Damaged/Inoperable Fixture	More than 10% of the permanent lighting fixtures are missing or damaged so they do not function
	Mailbox - Missing/Damaged	The U.S Postal Service mailbox cannot be locked or is missing



	Outlets/Switches/Cover Plates - Missing/Broken	Outlet or switch is missing or a cover plate is missing or broken, resulting in exposed wiring
	Pedestrian/Wheelchair Ramp	A walkway or ramp is damaged and cannot be used by people on foot, in wheelchair, or using walkers
	Plumbing - Clogged Drains	Drain is substantially or completely clogged or has suffered extensive deterioration
	Plumbing - Leaking Faucet/Pipes	A steady leak that is adversely affecting the surrounding area
	Range Hood /Exhaust Fans - Excessive Grease/Inoperable	A substantial accumulation of dirt or grease that threatens the free passage of air
	Range/Stove - Missing/Damaged/Inoperable	One or more burners are not functioning or doors or drawers are impeded or on gas ranges pilot is out and/or flames are not distributed equally or oven not functioning
	Refrigerator - Damaged/Inoperable	The refrigerator has an extensive accumulation of ice or the seals around the doors are deteriorated or is damaged in any way which substantially impacts its performance
	Restroom Cabinet - Damaged/Missing	Damaged or missing shelves, vanity top, drawers, or doors that are not functioning as they should for storage or their intended purpose
	Shower/Tub - Damaged/Missing	Any cracks in tub or shower through which water can pass or extensive discoloration over more than 20% of tub or shower surface or tub or shower is missing
	Sink - Missing/Damaged	Any cracks in sink through which water can pass or extensive discoloration over more than 10% of the sink surface or sink is missing
	Smoke Detector - Missing/Inoperable	Smoke detector is missing or does not function as it should
	Stairs - Broken/Damaged/Missing Steps	A step is missing or broken
	Stairs - Broken/Missing Hand Railing	The hand rail is missing, damaged, loose or otherwise unusable
	Ventilation/Exhaust System - Inoperable	exhaust fan is not functioning or window designed for ventilation does not open
	Walls - Bulging/Buckling	Bulging, buckling or sagging walls or a lack of horizontal alignment
	Walls - Damaged	Any hole in wall greater than 2 inches by 2 inches
	Walls - Damaged/Deteriorated Trim	10% or more of the wall trim is damaged
	Walls - Peeling/Needs Paint	10% or more of interior wall paint is peeling or missing
	Walls - Water Stains/Water Damage/Mold/Mildew	Evidence of a leak, mold or mildew--such as a common area--covering a wall area greater than 1 foot square
	Water Closet/Toilet - Damaged/Clogged/Missing	Fixture elements--seat, flush handle, cover etc.--are missing or damaged or the toilet seat is cracked or has a broken hinge or toilet cannot be flushed
	Windows - Cracked/Broken/Missing Panes	Any missing panes of glass or cracked panes of glass where the crack is either greater than 4" and/or substantial enough to impact the structural integrity of the window pane
	Windows - Damaged Window Sill	The sill is damaged enough to expose the inside of the surrounding walls and compromise its weather tightness
	Windows - Inoperable/Not Lockable	Any window that is not functioning or cannot be secured because lock is broken
	Windows - Missing/Deteriorated Caulking/Seals/Glazing Compound	There are missing or deteriorated caulk or seals--with evidence of leaks or damage to the window or surrounding structure
	Windows - Peeling/Needs Paint	More than 10% of interior window paint is peeling or missing
	Windows - Security Bars Prevent Egress	The ability to exit through the window is limited by security bars that do not function properly and, therefore, pose safety risks
Health & Safety	Air Quality - Mold and/or Mildew Observed	Evidence of mold or mildew is observed that is substantial enough to pose a health risk

	Air Quality - Propane/Natural Gas/Methane Gas Detected	Strong propane, natural gas or methane odors that could pose a risk of explosion/ fire and/or pose a health risk if inhaled
	Air Quality - Sewer Odor Detected	Sewer odors that could pose a health risk if inhaled for prolonged periods
	Electrical Hazards - Exposed Wires/Open Panels	Any exposed bare wires or openings in electrical panels (capped wires do not pose a risk)
	Electrical Hazards - Water Leaks on/near Electrical Equipment	Any water leaking, puddling or ponding on or immediately near any electrical apparatus that could pose a risk of fire, electrocution or explosion
	Emergency Fire Exits - Emergency/Fire Exits Blocked/Unusable	The exit cannot be used or exit is limited because a door or window is nailed shut, a lock is broken, panic hardware is chained, debris, storage, or other conditions block exit
	Emergency Fire Exits - Missing Exit Signs	Exit signs that clearly identify all emergency exits are missing or there is no illumination in the area of the sign
	Flammable/Combustible Materials - Improperly Stored	Flammable or combustible materials are improperly stored, causing the potential risk of fire or explosion
	Garbage and Debris - Indoors	Too much garbage has gathered-more than the planned storage capacity or garbage has gathered in an area not sanctioned for staging or storing garbage or debris
	Garbage and Debris - Outdoors	Too much garbage has gathered-more than the planned storage capacity or garbage has gathered in an area not sanctioned for staging or storing garbage or debris
	Hazards - Other	Any general defects or hazards that pose risk of bodily injury
	Hazards - Sharp Edges	Any physical defect that could cause cutting or breaking of human skin or other bodily harm
	Hazards - Tripping	Any physical defect in walkways or other travelled area that poses a tripping risk
	Infestation - Insects	Evidence of infestation of insects-including roaches and ants-throughout a unit or room, food preparation or storage area or other area of building substantial enough to present a health and safety risk
	Infestation - Rats/Mice/Vermin	Evidence of rats or mice--sightings, rat or mouse holes, or droppings substantial enough to present a health and safety risk
Pools and Related Structures	Fencing - Damaged/Not Intact	Any damage that could compromise the integrity of the fence
Trash Collection Areas	Chutes - Damaged/Missing Components	Garbage has backed up into chutes, because the collection structure is missing or broken or compactors or components--chute, chute door, and other components--have failed
<b>Requirements for the Units:</b>		
Bathroom	Bathroom Cabinets - Damaged/Missing	Damaged or missing shelves, vanity tops, drawers, or doors that are not functioning as they should for storage or their intended purpose
	Lavatory Sink - Damaged/Missing	Any cracks in sink through which water can pass or extensive discoloration over more than 10% of the sink surface or sink is missing
	Plumbing - Clogged Drains, Faucets	Drain or faucet is substantially or completely clogged or has suffered extensive deterioration
	Plumbing - Leaking Faucet/Pipes	A steady leak that is adversely affecting the surrounding area
	Shower/Tub - Damaged/Missing	Any cracks in tub or shower through which water can pass or extensive discoloration over more than 20% of tub or shower surface or tub or shower is missing
	Ventilation/Exhaust System – Absent/Inoperable	exhaust fan is not functioning or window designed for ventilation does not open
	Water Closet/Toilet - Damaged/Clogged/Missing	Fixture elements--seat, flush handle, cover etc.--are missing or damaged or the toilet seat is cracked or has a broken hinge or toilet cannot be flushed

Call-for-Aid (if applicable)	Inoperable	The system does not function as it should
Ceiling	Bulging/Buckling/Leaking	Bulging, buckling or sagging ceiling or problem with alignment
	Holes/Missing Tiles/Panels/Cracks	Any holes in ceiling, missing tiles or large cracks wider than 1/4 of an inch and greater than 6 inches long
	Peeling/Needs Paint	More than 10% of ceiling has peeling paint or is missing paint
	Water Stains/Water Damage/Mold/Mildew	Evidence of a leak, mold or mildew--such as a darkened area--over a ceiling area greater than 1 foot square
Doors	Damaged Frames/Threshold/Lintels/Trim	Any door that is not functioning or cannot be locked because of damage to the frame, threshold, lintel or trim
	Damaged Hardware/Locks	Any door that does not function as it should or cannot be locked because of damage to the door's hardware
	Damaged/Missing Screen/Storm/Security Door	Any screen door or storm door that is damaged or is missing screens or glass--shown by an empty frame or frames or any security door that is not functioning or is missing
	Damaged Surface - Holes/Paint/Rusting/Glass/Rotting	Any door that has a hole or holes greater than 1 inch in diameter, significant peeling/cracking/no paint or rust that affects the integrity of the door surface, or broken/missing glass
	Deteriorated/Missing Seals (Entry Only)	The seals/caulking is missing on any entry door, or they are so damaged that they do not function as they should
	Missing Door	Any door that is required for security (entry) or privacy (Bathroom) that is missing or any other unit door that is missing and is required for proper unit functionality
	Electrical System	Blocked Access to Electrical Panel
	Burnt Breakers	Carbon residue, melted breakers or arcing scars are evident
	Evidence of Leaks/Corrosion	Any corrosion that affects the condition of the components that carry current or any stains or rust on the interior of electrical enclosures or any evidence of water leaks in the enclosure or hardware
	Frayed Wiring	Any nicks, abrasion, or fraying of the insulation that exposes any conducting wire
	GFI - Inoperable	The GFI does not function
	Missing Breakers/Fuses	Any open and/or exposed breaker port
	Missing Covers	A cover is missing, which results in exposed visible electrical connections
Floors	Bulging/Buckling	Any flooring that is bulging, buckling or sagging or a problem with alignment between flooring types
	Floor Covering Damage	More than 10% of floor covering has stains, surface burns, shallow cuts, small holes, tears, loose areas or exposed seams.
	Missing Flooring Tiles	Any flooring or tile flooring that is missing
	Peeling/Needs Paint	Any painted flooring that has peeling or missing paint on more than 10% of the surface
	Rot/Deteriorated Subfloor	Any rotted or deteriorated subflooring greater than 6 inches by 6 inches
	Water Stains/Water Damage/Mold/Mildew	Evidence of a leak, mold or mildew--such as a darkened area--covering a flooring area greater than 1 foot square
Health & Safety	Air Quality - Mold and/or Mildew Observed	Evidence of mold or mildew is observed that is substantial enough to pose a health risk
	Air Quality - Sewer Odor Detected	Sewer odors that could pose a health risk if inhaled for prolonged periods
	Air Quality - Propane/Natural Gas/Methane Gas Detected	Strong propane, natural gas or methane odors that could pose a risk of explosion/ fire and/or pose a health risk if inhaled
	Electrical Hazards - Exposed Wires/Open Panels	Any exposed bare wires or openings in electrical panels (capped wires do not pose a risk)

	Electrical Hazards - Water Leaks on/near Electrical Equipment	Any water leaking, puddling or ponding on or immediately near any electrical apparatus that could pose a risk of fire, electrocution or explosion
	Emergency Fire Exits - Emergency/Fire Exits Blocked/Unusable	The exit cannot be used or exit is limited because a door or window is nailed shut, a lock is broken, panic hardware is chained, debris, storage, or other conditions block exit
	Emergency Fire Exits - Missing Exit Signs	Exit signs that clearly identify all emergency exits are missing or there is no illumination in the area of the sign
	Flammable Materials - Improperly Stored	Flammable materials are improperly stored, causing the potential risk of fire or explosion
	Garbage and Debris - Indoors	Too much garbage has gathered-more than the planned storage capacity or garbage has gathered in an area not sanctioned for staging or storing garbage or debris
	Garbage and Debris - Outdoors	Too much garbage has gathered-more than the planned storage capacity or garbage has gathered in an area not sanctioned for staging or storing garbage or debris
	Hazards - Other	Any general defects or hazards that pose risk of bodily injury
	Hazards - Sharp Edges	Any physical defect that could cause cutting or breaking of human skin or other bodily harm
	Hazards - Tripping	Any physical defect in walkways or other travelled area that poses a tripping risk
	Infestation - Insects	Evidence of infestation of insects-including roaches and ants-throughout a unit or room, food preparation or storage area or other area of building substantial enough to present a health and safety risk
	Infestation - Rats/Mice/Vermin	Evidence of rats or mice--sightings, rat or mouse holes, or droppings substantial enough to present a health and safety risk
Hot Water Heater	Misaligned Chimney/Ventilation System	Any misalignment that may cause improper or dangerous venting of gases
	Inoperable Unit/Components	Hot water from hot water taps is no warmer than room temperature indicating hot water heater is not functioning properly
	Leaking Valves/Tanks/Pipes	There is evidence of active water leaks from hot water heater or related components
	Pressure Relief Valve Missing	There is no pressure relief valve or pressure relief valve does not drain down to the floor
	Rust/Corrosion	Significant formations of metal oxides, flaking, or discoloration--or a pit or crevice
HVAC System	Convection/Radiant Heat System Covers Missing/Damaged	Cover is missing or substantially damaged, allowing contact with heating/surface elements or associated fans
	Inoperable	HVAC does not function. It does not provide the heating and cooling it should. The system does not respond when the controls are engaged
	Misaligned Chimney/Ventilation System	Any misalignment that may cause improper or dangerous venting of gases
	Noisy/Vibrating/Leaking	The HVAC system shows signs of abnormal vibrations, other noise, or leaks when engaged
	Rust/Corrosion	Deterioration from rust or corrosion on the HVAC system in the dwelling unit
Kitchen	Cabinets - Missing/Damaged	10% or more of cabinet, doors, or shelves are missing or the laminate is separating
	Countertops - Missing/Damaged	10% or more of the countertop working surface is missing, deteriorated, or damaged below the laminate -- not a sanitary surface to prepare food
	Dishwasher/Garbage Disposal - Inoperable	The dishwasher or garbage disposal does not operate as it should
	Plumbing - Clogged Drains	Drain is substantially or completely clogged or has suffered extensive deterioration
	Plumbing - Leaking Faucet/Pipes	A steady leak that is adversely affecting the surrounding area

	Range Hood/Exhaust Fans - Excessive Grease/Inoperable	A substantial accumulation of dirt or grease that threatens the free passage of air
	Range/Stove - Missing/Damaged/Inoperable	One or more burners are not functioning or doors or drawers are impeded or on gas ranges pilot is out and/or flames are not distributed equally or oven not functioning
	Refrigerator- Missing/Damaged/Inoperable	The refrigerator has an extensive accumulation of ice or the seals around the doors are deteriorated or is damaged in any way which substantially impacts its performance
	Sink - Damaged/Missing	Any cracks in sink through which water can pass or extensive discoloration over more than 10% of the sink surface or sink is missing
Laundry Area (Room)	Dryer Vent - Missing/Damaged/Inoperable	The dryer vent is missing or it is not functioning because it is blocked. Dryer exhaust is not effectively vented to the outside
Lighting	Missing/Inoperable Fixture	A permanent light fixture is missing or not functioning, and no other switched light source is functioning in the room
Outlets/Switches	Missing	An outlet or switch is missing
	Missing/Broken Cover Plates	An outlet or switch has a broken cover plate over a junction box or the cover plate is missing
Patio/Porch/Balcony	Baluster/Side Railings Damaged	Any damaged or missing balusters or side rails that limit the safe use of an area
Smoke Detector	Missing/Inoperable	Smoke detector is missing or does not function as it should
Stairs	Broken/Damaged/Missing Steps	A step is missing or broken
	Broken/Missing Hand Railing	The hand rail is missing, damaged, loose or otherwise unusable
Walls	Bulging/Buckling	Bulging, buckling or sagging walls or a lack of horizontal alignment
	Damaged	Any hole in wall greater than 2 inches by 2 inches
	Damaged/Deteriorated Trim	10% or more of the wall trim is damaged
	Peeling/Needs Paint	10% or more of interior wall paint is peeling or missing
	Water Stains/Water Damage/Mold/Mildew	Evidence of a leak, mold or mildew covering a wall area greater than 1 foot square
Windows	Cracked/Broken/Missing Panes	Any missing panes of glass or cracked panes of glass where the crack is either greater than 4" and/or substantial enough to impact the structural integrity of the window pane
	Damaged Window Sill	The sill is damaged enough to expose the inside of the surrounding walls and compromise its weather tightness
	Missing/Deteriorated Caulking/Seals/Glazing Compound	There are missing or deteriorated caulk or seals--with evidence of leaks or damage to the window or surrounding structure
	Inoperable/Not Lockable	Any window that is not functioning or cannot be secured because lock is broken
	Peeling/Needs Paint	More than 10% of interior window paint is peeling or missing
	Security Bars Prevent Egress	The ability to exit through the window is limited by security bars that do not function properly and, therefore, pose safety risks