Single Family Rehabilitation (SFR) Round 3 with Roof Only Option (SFR-R) and Disaster Contingency Award (DCA)

Application Webinar

January 10th, 2020
Introduction to the IHDA Community Affairs Team

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IHDA is a designated administrator of the Affordable Housing Trust Fund pursuant to the Illinois Affordable Housing Act [310 ILCS 65], funding source for the Single Family Rehab (SFR) Program.

SFR provides grants to units of local governments and nonprofit organizations who will assist low-income and very low-income homeowners with repairs to their homes to remove health and safety hazards by providing funds to replace costly maintenance items.

In previous rounds of the SFR Program, U.S. Department of Housing and Urban Development (HUD) Participating Jurisdictions were excluded from applying for funding. However, this program round is open to all qualifying applicant organizations throughout the state.
Program Summary and Background

- Round 3 of the Single Family Rehab Program provides $12,000,000 for a two-year program with grantees to be recommended after a competitive request for applications.

- **Round 3 includes a special Roof Only Option (SFR-R) and the Disaster Contingency Award (DCA)**

- The Disaster Contingency Award (DCA) component is new to this round of the SFR Program. It is available to participating grantees in need of additional assistance, following a state or federal disaster proclamation.
Eligible Units

Properties must be:

- Owner-occupied and the sole residence of all owners
- Real property in the state of Illinois
- Held in fee simple title (no contracts for deed or ownership held in trust)
- Clear of all contractor and tax liens
Eligible Units (Cont.)

- Homeowner income must not exceed 80% AMI
- Only one unit properties are eligible
- Condominiums must get approval of the condo association
- Mobile homes
  - Must be on permanent foundation
  - Must be able to record a mortgage against the property
  - Land underneath must be owned by the resident
Ineligible Units

- Mixed-use and commercial properties are not eligible

- Properties primarily used for business are not eligible under SFR (more than 50% of the floorspace is used for business)

- No reverse mortgages

- No investment properties

- No properties with a home equity line of credit are allowed
Terms of Assistance

- Households needing rehabilitation of their homes could receive $2,000 - $45,000 as a 5-year mortgage, forgiven at 1/60th a month.

- Participants may be eligible for roof only repairs if additional work is not required. Households needing only roof repairs (SFR-R) or replacement could receive $2,000 - $16,500 as a 3-year mortgage, forgiven at 1/36th a month.
  - Eligible SFR-R costs include gutters, rafters, soffits, fascia, and downspouts.

- Must meet all state, federal and local laws, as applicable.
Disaster Contingency Award (DCA) Component

- $2 million will be set aside to fund a reserve for repair assistance following a state or federal disaster proclamation.
  - $1 million will be available through this application process (DCA1).
  - $1 million will be available to new grantees through a separate application process (DCA2).

- The terms of assistance available to households receiving rehab through the DCA mirrors that of a standard SFR or SFR-R project.
  - Full SFR Project
    - Up to $45,000 with a 5-year mortgage, forgiven at 1/60th a month
  - SFR-R Project
    - Up to $16,500 with a 3-year mortgage, forgiven at 1/36th a month
Disaster Contingency Award (DCA) Component

- Illinois Disaster proclamations can be found on the Ready Illinois Press Release Page.
  
  Link:  https://www2.illinois.gov/ready/press/Pages/default.aspx

- IHDA staff will contact grantees in the case of a newly declared disaster to inform them they may be eligible for DCA funds.

- Grantees may access DCA funds for homes affected by a declared disaster dating back to January 1st, 2019.
  
  - IHDA must receive proof that a home was affected by a declared disaster and that the repair need is not a result of deferred maintenance.

  - An insurance claim related to the declared disaster, or other verified documentation, must be provided to IHDA staff for review for a DCA rehab project to be considered eligible.
### Terms of Assistance by Project Category

<table>
<thead>
<tr>
<th></th>
<th>SFR Project</th>
<th>Full SFR-R Project</th>
<th>DCA – SFR Project</th>
<th>DCA – SFR-R Project</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Maximum Funding Limit Per Project:</strong></td>
<td>$45,000</td>
<td>$16,500</td>
<td>$45,000</td>
<td>$16,500</td>
</tr>
<tr>
<td><strong>Affordability Period:</strong></td>
<td>Five Years</td>
<td>Three years</td>
<td>Five Years</td>
<td>Three Years</td>
</tr>
</tbody>
</table>
SFR with Roof Only Option Sample Image:
Scoring Process

Applications will be ranked against other applications to determine points to be awarded in the following categories:

- Organization and Applicant Capacity  Maximum: 25 points
- Team Capacity and Experience  Maximum: 30 points
- Program Impact  Maximum: 10 points
- Program Need and Demand  Maximum: 10 points
- Budget and Cost Reasonableness  Maximum: 10 points
- Readiness to Proceed  Maximum: 15 points
Application Requirements

- Completed application
- Submit your most recent independent financial audit
- Local elected officials information
- Revitalization plan(s), if applicable
- Any other appropriate document to support your proposal

*Name each exhibit as stated in the application, and electronically submit all documents as PDFs contained within a zipped file(s) to:*

TFSFRinfo@ihda.org

(email attachments cannot exceed 35 MB)

(Important Note: no .exe or similar extensions on any files or subfiles)

*Applications are due no later than Monday, February 3, 2020, by 3:00pm*
Applicant Checklist

Save each file as a separate PDF document, using the following naming conventions for each section:

Application Checklist
Submit your completed application and all supporting attachments to the Authority via email at TFSRInfo@hda.org. All materials must be digital; no hard copies will be accepted. Each exhibit must be submitted as an individual PDF document; please follow the naming conventions indicated below. All PDF documents must be submitted in zip file format.

1. Applicant Information Section
   Name: Application Information for <insert applicant name>

2. Organization and Applicant Capacity Section
   Name: Organisation and Applicant Capacity Section for <insert applicant name>
   a. Organization Overview and Housing Experience
   b. Most Current Annual Audit (Submit for partner Organizations)

3. Team Capacity and Experience
   Name: Team Capacity and Experience for <insert applicant name>
   a. Team Experience Narratives and Resumes
   b. Other Program Team Members
   c. Relevant Disaster Contingency Award (DCA) Experience

4. Program Impact
   Name: Program impact for <insert applicant name>
   a. Narratives/Studies
   b. Revitalization Plan, if applicable
   c. Consolidated Plan Certification, if applicable

Program Need and Demand
   Name: Program Need and Demand for <insert applicant name>
   a. Program Demand Narrative
   b. Community Support Narrative and Letters of Support
   c. Local Elected Officials Information Section

Budget and Cost Reasonableness
   Name: Budget and Cost Reasonableness for <insert applicant name>
   a. Program Financing Form
   b. Administrative Budget
   c. Disbursement Process

Readiness to Proceed
   Name: Readiness to Proceed for <insert applicant name>
   a. Participant Selection Plan to include Marketing and Selection Process
   b. Intake and Selection Procedures
   c. Community Impact Assessment
   d. Pre-Qualifying & Selecting Contractors

Certification
   Name: Certification for <insert applicant name>
SCORING CATEGORY 1: ORGANIZATION AND APPLICANT CAPACITY (MAX 25 POINTS)

Questions 9 - 10:

- Provide your most recent independent audit and address any deficiencies.
- What has your organization achieved in your community?
- What has your organization achieved in providing affordable housing?
SCORING CATEGORY 1: ORGANIZATION AND APPLICANT CAPACITY (CONT.)

Questions 11 -15:

- Have you had staff turnover?
- Provide your agency’s mission statement
- Past experience with SFR?
- Provide specific details of your past housing programs (see #14 below)

11. List any staff turnover in the past year or anticipated staff changes in the next six months.

12. Provide your agency’s mission statement and briefly describe the vision statement of your organization.

13. Has your agency been involved in a previous round of the Single Family Rehab program? If so, please select the applicable round(s):
   - Single Family Rehabilitation - Round 1
   - Single Family Rehabilitation - Round 2

14. Complete the housing experience chart below summarizing your agency’s past housing experience during the last 5 years in chronological order, including MDA programs, if applicable (attach additional sheets if necessary). If you have partner agencies involved in your program, please provide a housing experience chart for those entities as well.

15. Provide a summary about the programs listed above that have had the most impact in your community and share why they were so effective. Attach additional supporting documents if needed.
SCORING CATEGORY 2: TEAM CAPACITY AND EXPERIENCE (MAX 30 POINTS)

Questions 16 - 22:
- Address the experience and capacity of all categories listed
- Provide licenses, specific skills, resumes
- Add additional attachments, if needed.

Staff Positions:
- Program Manager
- Grant Manager
- Intake Specialist
- Rehab Specialist
- Property/Construction Inspector
- Environmental Specialist
SCORING CATEGORY 2: TEAM CAPACITY AND EXPERIENCE (CONT.)

- **Note:** Individual may wear more than one hat, but you must address each category separately.
Disaster Contingency Award (DCA)

- This component is new to this round of the SFR program
- Grantees may access DCA funds in the event of a state or federal declared disaster
- If your agency has experience in disaster recovery, document this in question #22
Question #23

- Provide community impact, reference data, housing studies, foreclosures

- Provide copy of ConPlan Certificate, if applicable. You can obtain a blank copy through the following link:

- Provide strategic plans, if available

- Be specific; be compelling

- “Tell your story”
SCORING CATEGORY 4: PROGRAM NEED AND DEMAND (MAX 10 POINTS)

Question #24-25

- Be specific to households in your community
- Supply waiting lists, if available
- Provide community input, evidence of public hearings, letters of support for this application

24. Describe the need for homeowner rehabilitation, including the need for a roof only option, if applicable, for low-income households in the communities included in your application. Include current documentation that evidences this. Relevant studies may include market studies, case studies, third party studies, etc. Consider availability and condition of housing stock, average costs, income and special needs of participants.

Notes: Do not include only raw census numbers as evidence of need. Successful applicants will demonstrate verifiable need for this program.

25. Describe the demand for homeowner rehabilitation for low-income households in the community:
   a. Describe any community input solicited by your agency for the proposed program, including public hearings, meetings, etc. Attach copies of letters of support from government officials, neighborhood groups, public agencies, and private individuals who are familiar with and supportive of your proposal. Letters of support should be no more than three months old.

b. Provide a narrative describing the housing rehabilitation requests fielded from your constituency. Include your current waiting list information, as well as documentation regarding roof only requests.
Question #26

- Provide a detailed administrative budget
- These are all grantee costs associated with running the SFR program
SCORING CATEGORY 5: BUDGET AND COST REASONABLENESS (MAX 10 POINTS)

Question #27

- Complete a reasonable budget for both SFR and SFR-R. The total amount indicated in the budget(s) should include any DCA award amounts that you are requesting.

- Include third-party vendor and in-house expected costs.

- How will you ensure rehabilitation costs are competitive and reasonable? Hint: Provide a sample of your computerized cost estimating system and describe your bidding procedure.

- What is your process for procuring third-party vendors and assuring their costs are reasonable?
**SCORING CATEGORY 5: BUDGET AND COST REASONABLENESS (CONT.)**

<table>
<thead>
<tr>
<th>Proposed Program Financing Plan for SFR:</th>
<th>Trust Fund</th>
<th>Other Sources</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Complete the chart for the average cost per home for the following:</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>a. Rehabilitation</td>
<td>$0.00</td>
<td></td>
<td>$0.00</td>
</tr>
<tr>
<td>b. Lead-based paint</td>
<td>$0.00</td>
<td></td>
<td>$0.00</td>
</tr>
<tr>
<td>c. Construction contingency</td>
<td>$0.00</td>
<td></td>
<td>$0.00</td>
</tr>
<tr>
<td>d. Construction Total ($a + b + c)</td>
<td>$0.00</td>
<td></td>
<td>$0.00</td>
</tr>
<tr>
<td>e. Title search</td>
<td>$0.00</td>
<td></td>
<td>$0.00</td>
</tr>
<tr>
<td>f. Third party Inspection Fees</td>
<td>$0.00</td>
<td></td>
<td>$0.00</td>
</tr>
<tr>
<td>g. Recording Fees</td>
<td>$0.00</td>
<td></td>
<td>$0.00</td>
</tr>
<tr>
<td>h. Lead wipes and lab fees</td>
<td>$0.00</td>
<td></td>
<td>$0.00</td>
</tr>
<tr>
<td>i. Relocation</td>
<td>$0.00</td>
<td></td>
<td>$0.00</td>
</tr>
<tr>
<td>j. Termite inspection/treatment</td>
<td>$0.00</td>
<td></td>
<td>$0.00</td>
</tr>
<tr>
<td>k. Other</td>
<td>$0.00</td>
<td></td>
<td>$0.00</td>
</tr>
<tr>
<td>l. Soft Cost Total ($e + f + g + h + i + k)</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>m. Project Delivery per home (max 15% of hard and soft costs)</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>n. Total Cost per Home <em>(j + m)</em></td>
<td>$0.00</td>
<td></td>
<td>$0.00</td>
</tr>
<tr>
<td>o. Projected number of homes</td>
<td>$0.00</td>
<td></td>
<td>$0.00</td>
</tr>
<tr>
<td>p. Total cost rehabilitation <em>(n x o)</em></td>
<td>$0.00</td>
<td></td>
<td>$0.00</td>
</tr>
<tr>
<td>q. Administrative Fee (5%)</td>
<td>$0.00</td>
<td></td>
<td>$0.00</td>
</tr>
<tr>
<td>r. Total Program Cost – SFR <em>(j + o)</em></td>
<td>$0.00</td>
<td></td>
<td>$0.00</td>
</tr>
</tbody>
</table>

*Total cost per home may not exceed $45,000.*

**Proposed Program Financing Plan for SFR R:**

<table>
<thead>
<tr>
<th>1. Complete the chart for the average cost per home for the following:</th>
<th>Trust Fund</th>
<th>Other Sources</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Roof Repair or Replacement</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>b. Soffits, downspouts, fascia</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>c. Construction contingency</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>d. Construction Total ($a + b + c)</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>e. Title search</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>f. Recording Fees</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>g. Other</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>h. Soft Cost Total ($e + f + g)</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>i. Project Delivery per home (max 15% of hard and soft costs)</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>j. Total Cost per Home <em>(j + m)</em></td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>k. Projected number of homes</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>l. Total cost of project <em>(j x k)</em></td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>m. Administrative Fee (5%)</td>
<td>$0.00</td>
<td></td>
<td>$0.00</td>
</tr>
<tr>
<td>n. Total amount – Roof Only Option <em>(j + m)</em></td>
<td>$0.00</td>
<td></td>
<td>$0.00</td>
</tr>
</tbody>
</table>

*Total cost per home may not exceed $16,500.*
SCORING CATEGORY 5: BUDGET AND COST REASONABILITYNESS (CONT.)

Question #28
❖ Explain cost estimating and bidding procedures

Question #29
❖ How are you determining reasonable third party vendor costs?

28. Please describe the specific steps the applicant takes to ensure that rehabilitation costs are competitive and reasonable.

29. Please describe the specific steps the applicant takes to ensure that third party vendor costs are reasonable.
SCORING CATEGORY 6: READINESS TO PROCEED (MAX 15 POINTS)

Questions 30-34

- Complete a Participant Selection Plan and submit with your application.
- Complete all questions in the Readiness to Proceed Section with details and evidence of all procedures.
- Readiness to Proceed includes processes for the following:
  - Intake and Selection of participants
  - Selection and prequalification of certified lead contractors and subcontractors
  - Selection and prequalification of contractors, including roofing contractors
  - Outreach and inclusion of MBE/WBE contractors
  - Construction management procedures (including lead procedures, and monitoring and inspecting work)

This section will likely require additional attachments in order to answer fully.
IHDA’s website contains the existing SFR application materials, the SFR Manual, additional guides, FAQs, and presentations for your reference.

- For Application Materials visit the following link:

  http://www.ihda.org/my-community/revitalization-programs/

- Select the SFR Round 3 section on the bottom portion of the website to access the application
VISIT AND USE OUR WEBSITE (Cont.)

- Select “Grant Application Materials” on the bottom of the screen:

- Here you will find the application, Term Sheet, PSP, and Trust Fund program rules:

  - Single Family Rehabilitation (SFR), Round 3 with Roof Only Option (SFR-R) and Disaster Contingency Award (DCA) Grant Application Materials:

    - Single Family Rehabilitation (SFR), Round 3 with Roof Only Option (SFR-R) and Disaster Contingency Award (DCA) Grant Application
    - Single Family Rehab Program (SFR) with Roof Only Option (SFR-R) (Round 3) and Disaster Contingency Award (DCA) Term Sheet
    - Participant Selection Plan (PSP)
    - Illinois Affordable Housing Trust Fund Program Rules
Other Resources

- SFR Program Manual—rehabilitation requirements for the construction component of SFR*
- SFR FAQ — Frequently Asked Questions related to the program
- IHDA Property Standards are available on the Revitalization and Repair Programs section, under My Community of IHDA webpage, https://www.ihda.org/my-community/revitalization-programs/ along with other SFR forms
- Remember Prevailing Wage does not apply for this Trust Fund program

*Note: The existing program manual does not yet include Round 3 program enhancements (DCA and state-wide coverage). However, manual does outline standard program protocols that will be extended into the new round of the SFR program.
To access the manual, navigate to the IHDA Revitalization and Repair Programs page on the IHDA website and select the SFR option. Link: http://www.ihda.org/my-community/revitalization-programs/
Select the Manuals and Forms drop down option
Select “SFR Program Manual” (See below)
Frequently Asked Questions (FAQ)

- Select “FAQs” in the top left portion of the screen to access the SFR FAQ

Revitalization And Repair Programs

IHDA understands that investing in homes and communities across the state is an effective way to combat the ongoing effects of the housing crisis and assist with revitalization efforts. We work with local governments and non-profit organizations to offer programs that address vacant residential properties and the blight that usually follows such properties. We also fund programs that allow homeowners to make necessary repairs and accessibility improvements, allowing residents to stay in their homes while improving the quality of single-family housing and helping to create vibrant neighborhoods throughout Illinois.
Hints

- Be thorough. Every point counts.
- Tell your story completely.
- Add attachments as needed.
- Make sure submission is complete.
- Review available resources.
Questions?
Thank you for attending!
Single Family Rehabilitation (SFR) Round 3 with Roof Only Option (SFR-R) and Disaster Contingency Award (DCA)

APPLICATIONS ARE DUE NO LATER THAN FEBRUARY 3rd by 3:00 p.m.