



City of Milwaukee

200 E. Wells Street
Milwaukee, Wisconsin
53202

Meeting Minutes

HOUSING TRUST FUND ADVISORY BOARD TECHNICAL REVIEW SUBCOMMITTEE

CRAIG KAMMHOLZ, CHAIR
Bethany Sanchez and Mike Soika

Staff Assistant, Terry MacDonald

*Phone: (414)-286-2233; Fax: (414) 286-3456, E-mail: tmacdo@milwaukee.gov
File Specialist, Joanna Polanco, E-mail: jpolan@milwaukee.gov*

Friday, May 11, 2007

1:30 PM

Room 301-B, City Hall

Meeting Convened: 1:35 P.M.

1. Roll call

Present 3 - Soika, Kammholz and Sanchez

Also present: Tom Gartner-Assistant City Attorney; Mr. Garry Werra-DOA-CBGA; Albert Franitza-Department of City Development; Joe'Mar Hooper-DOA-Budget and Management Analysis Division

2. Discussion and creation of application scoring measure

Mr. Kammholz asked Mr. Werra to start them off by giving an overview of the May 9, 2007 revised draft application.

Mr. Werra said he basically tried to do two things, one was to incorporate the changes requested by the Housing Trust Fund Advisory Board (HTFAB) at its May 2, 2007 meeting, an second to set up an initial frame work for scoring. He than gave and overview of the revisions he made to the draft application.

Ms. Sanchez said she has concerns with the last sentence in the first paragraph on page 2. She said her understanding on the request to change that sentence at the May 2, 2007 HTFAB meeting, was to take out any reference of supportive services. She said that they should either leave the whole sentence in, including the homebuyer example or take the whole sentence out completely. She said the sentence is not inaccurate as it is, but if the intent is to place brick and mortar projects as a priority and so as not confuse applicants by referring to services in the application they should consider removing the last sentence completely.

Mr. Soika said his recollection of the request was to delete the example in the parentheses only.

Mr. Kammholz said that they should leave it in for now, because even though they are going to prioritize brick and mortar projects they aren't going to exclude services.

Ms. Sanchez said her point is that "supportive", to her, means supporting homeless or people with disabilities and doesn't include homebuyer or home lender, so if they are going to leave the sentence in, they need to add homebuyer back in.

Mr. Werra suggested they could take out the word supportive. Ms. Sanchez said that would clear it up from her prospective.

Ms. Sanchez referred to page four and said the difference between the first and second paragraph isn't clear to her in the language that is used.

Mr. Werra replied said that most of the wording was taking straight from the actual resolution and some if it is hard to understand. Mr. Werra said he would contact Ms. Sanchez to work on cleaning up the language for the first and second paragraph on page four.

Ms. Sanchez referred to the second bullet point on page six and asked if they need to change it or go back and include some wording on page three under "Eligible Applicants" so that if there is a 3 year requirement it would be clear up front.

Mr. Kammholz suggested that the second bullet point on page 6 should read as follows: "Corporate or non-profit applicants should include audited financial statements for three years and if in existed for less the three years the annual financial statement."

Atty. Gartner said that they might want to have a broader disclaimer. He continued by giving examples.

Mr. Kammholz suggested changing "Corporate or non-nonprofit" to just "Applicants".

Mr. Werra read back the following suggested changes for the second bullet point on page 6: "Applicants should include audited financial statements for three years and if in existed for less the three years the financial statement to date (Balance sheets, cash flow statements, etc.). For special limited purpose corporations, the supporting organization's statements.

Ms. Sanchez asked if 5-year projected pro-forma (Bullet point ten) is enough time?

Mr. Werra replied that 5 years is questionable.

Mr. Kammholz said that they should add a "minimum" of 5 years.

Mr. Kammholz asked Mr. Werra if he wants to go through some of the other bullet point such as tax return, business plan, photos, etc?

Mr. Werra questioned the need for a business plan and asked who is going to review it and if they are really necessary. He further said that as far as site photos, they do ask for those.

Mr. Kammholz said that they should leave in business plan for now and have the full HTFAB discuss it at its next meeting.

Mr. Franitza asked if zoning is addressed in the application process? Mr. Werra replied in the affirmative and said it is in the beginning of the process.

Mr. Kammholz asked for an explanation on the changes made to page eight.

Mr. Werra replied that he removed the language "Create housing for the homeless" and

left in "Rehabilitation of Existing Facility and New Construction of Facility", he add the line at the bottom that says "Indicate the percentage..." and last he added signature lines for CBGA Chief Executive Officer and for an official of the Board of Directors.

Mr. Werra explained what had been changed on page nine. Mr. Kammholz suggested that they take out the word supportive, on page nine, under 1 b.

Mr. Kammholz asked if page nine is where the scoring would begin? Mr. Werra said that page nine is where they want to start looking at scoring.

Mr. Soika offered a hand out of recommendations for a rating system (Exhibit 2). He then explained how he came up with the categories and the rating points for each. He further said that he liked the idea of the formula used by Federal Home Loan Bank of Chicago (Exhibit 3).

Mr. Kammholz said the total point shown on Mr. Soika's hand out is 175. He than asked if the projects would need to meet a minimum criteria of the 175 in order to be considered for funding and than would those project with say a 100 point move the applicant into the next stage for potential awarding of housing trust funds?

Mr. Soika replied that he didn't attempt to get at the minimum score.

Mr. Kammholz said that they should come up with a strict point scale.

Ms. Sanchez questioned the "Construction Loan firmly committed" points.

Mr. Soika said that those points could be taken out.

Mr. Werra said that there should be some scoring for "loan committed."

Mr. Werra asked if they are changing the scoring for "Construction Loan firmly committed" to 5 points and leave the "Construction Loan Conditionally Committed" at 5 points?

Mr. Soika replied in the affirmative. Mr. Kammholz said that they should leave it as is for now and they can discuss it at the next HTFAB meeting.

Ms. Sanchez said there are two additional categories that she suggests they add and those are "Terms of Affordability" and how it addresses the "Needs in the Community."

Mr. Kammholz asked Ms. Sanchez what kind of points she would assign to those?

Ms. Sanchez said she would assign 15 points to "Terms of Affordability" and 10 points for "Needs in the Community."

Mr. Werra asked what the objective of affordability is and do they want to use a scale like what Mr. Soika had used for "Income Targets?"

Ms. Sanchez replied that the objective for the homeless is 50 years and Mr. Soika replied that for homeowner's it is 5 years.

Mr. Kammholz said they are in an agreement that there will be a scale setup for "Terms of Affordability" and asked Mr. Werra to put a scale together for review by the HTFAB

members.

Mr. Kammholz asked if they are all comfortable with the FHLB scoring measure? Mr. Werra said CBGA has a similar scoring measure to the FHLB of Chicago.

Atty. Gartner asked how is the number of units calculated?

Mr. Soika replied by referring the members to the formula used in the FHLB of Chicago application guidelines shown on page 7 and 8 (Exhibit 3).

Mr. Soika said he would work with Mr. Werra to put together a formula.

Mr. Kammholz continued with the review of Mr. Soika's handout and asked if "Equity Partners" should have a scale.

Mr. Werra gave an example of donated property and said a scale could be used.

Mr. Kammholz said that property should be changed to real estate. Mr. Kammholz said that they should delete "Equity Partners."

Mr. Werra replied that they could keep "Equity Partners", but no give it any points.

Mr. Soika explained what is meant by "Service Partners."

Mr. Kammholz suggested that they bring "Service Partners" down to five points or take it out completely. He then said they should leave it in and it could be discussed at the next HTFAB meeting.

Mr. Werra said he and Mr. Soika will get together to work out the scaling details for each item listed on Mr. Soika's handout.

Mr. Kammholz continued with the rest of Mr. Soika's recommendations, starting at "Agency/Staff Experience" to determine which ones need to be scaled.

Ms. Sanchez said that 15 points for "Agency/Staff Experience" doesn't seem to be enough points.

Mr. Werra said there is a big difference between agency and staff experience. Mr. Kammholz suggested that they break apart "Agency" and "Staff Experience" and give each 15 points.

Mr. Kammholz continued with "Accessibility improvements..." and said the points seem high and suggested that they lower the points to 10.

Mr. Kammholz moved on to "Use of area workers or emerging businesses."

Mr. Gartner asked if 18% EBE is going to be the requirement and are they going to require an EBE agreement for each project?

Mr. Soika said the ordinance doesn't say anything about EBE requirements.

Mr. Kammholz said that if they are going to include it, it should say RPP or EBE.

Mr. Gartner suggested addition points be given if an entity is committing to say 40% EBE instead of 18%. He then asked what is the intent?

Mr. Kammholz asked if they are saying that if they don't comply they would get 0 points and if they comply they would get 10 points? Mr. Soika said that they could use a sliding scale.

Mr. Kammholz continued with "Increase Neighborhood Diversity in Housing Choices" and said they should keep it in.

Mr. Soika said that the rest of the recommendations are in the legislation.

Ms. Sanchez referred to the draft HTF application and said on page 18 at the top they need to include for instances.

Mr. Werra referred the member to the bottom of page 18 and asked how is the living wage defined or will they use the block grant standards (\$7 per hour currently).

Mr. Kammholz said that they could use the block grant standard for now.

Mr. Werra said that he would put in parenthesis (\$7 per hour).

Ms. Sanchez said the intent of the funds is that it could be the first allocated or committed, but is to be the last dollars use.

Ms. Sanchez referred to page 20, the 3rd arrow point down and asked how does it relate to the grid on page 8?

Mr. Werra replied that the applicant will need a separate application for each project, because each project could be so different.

Mr. Werra referred to page 21 of the application and said this is where the language will go for the last money out.

Mr. Kammholz said that they need to make that distinction on the "last dollars out" upon the award and at the time the term sheet is drafted, so that the actual city funds will be last into the project. He said it is more of a disclosure, but if real comes to play is in the term sheet.

Mr. Gartner said that it seems that they want to say is that our dollars will be disbursed after all other sources of funding for the project are used.

Mr. Werra referred to the handouts he gave to the members and said that he will insert the rental limits (Exhibit 4) and the utility allowance numbers that is shown on the spreadsheet (Exhibit 5) on to page 21.

Mr. Kammholz asked if those could be attached as appendix?

Mr. Werra replied in the affirmative.

Atty. Gartner said that once the packet is put together they will need to add some disclaimers, such as the right to reject any application and even if an applicant has the highest score, that doesn't mean they are going to be approved.

Mr. Werra replied that they already included the disclaimers from the CBGA application, so he feels they have those covered.

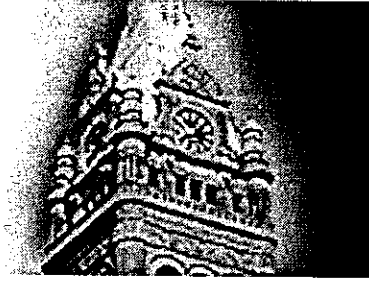
3. Next meeting date and time

Mr. Kammholz said that they will wait to set the next meeting date until after the May 22, 2007 HTFAB meeting. Members will then be contacted by the Staff Assistant, Ms. MacDonald to set the meeting date and time.

Meeting adjourned: 3:03 P.M.

Terry J. MacDonald
Staff Assistant

REVISED 5/9/07



CITY OF MILWAUKEE HOUSING TRUST FUND

APPLICATION FOR FUNDING
FY2007

DRAFT FOR DISCUSSION PURPOSES ONLY





CITY OF MILWAUKEE HOUSING TRUST FUND

DRAFT APPLICATION FOR FUNDING FY2007 DRAFT

BACKGROUND:

The City of Milwaukee Housing Trust Fund was created by the Common Council on September 9, 2006 for the purpose of improving housing conditions for low-income persons in the City and to provide support for non-profit and for-profit developers and governmental entities in the acquisition, construction, rehabilitation and accessibility modification of affordable housing for low-income households in Milwaukee. The Housing Trust Fund was also created to fund supportive services that assist low-income households in obtaining and maintaining affordable housing.

Comment [GMW1]: "(e.g., home-purchase counseling)" [this language removed per HTF Board directive on 05/02/07]

A diverse 13-member advisory board, serving staggered, 2-year terms, provides oversight of the Housing Trust Fund, as well as final funding recommendations to the City of Milwaukee Common Council. The Community Development Grants Administration (CDGA) Division of the City's Department of Administration administers the Housing Trust Fund.

The Housing Trust Fund Board is responsible for evaluating requests for funding from the Housing Trust Fund after those requests have been submitted to and reviewed by CDGA. In making funding-allocation decisions, the Board will also consider a report on Milwaukee's housing needs that is prepared annually by the Department of City Development.

Comment [GMW2]: "the Community Development Grants Administration Division and" [This language removed because CDGA does not prepare the document described, it is done by DCD]

FUNDING GUIDELINES

- A minimum of 25% of Housing Trust Fund dollars must be used to develop housing and provide services for people who are homeless.
- A minimum of 35% must be used to develop or rehabilitate rental housing.
- A minimum of 25% must be used to create and maintain home ownership opportunities.
- The remainder of the Fund (15% or less) is available for "flexible" use to respond to any other housing needs identified by the advisory board, subject to the requirements of the Housing Trust Fund.
- In any of these categories, Housing Trust Fund dollars may be used to fund accessibility or visitability improvements or modifications. However, at least 2% of available Housing Trust Fund dollars or \$100,000, whichever is less, must be used to fund accessibility improvements or modifications in any of the 3 funding categories (homeless, rental and home ownership) annually.

**HOUSING TRUST FUND ACTIVITIES MUST OCCUR IN
THE CITY OF MILWAUKEE**

Comment [GMW3]: Added for clarification

**REQUESTS FOR PROJECTS OR ACTIVITIES OUTSIDE OF THE CITY OF
MILWAUKEE WILL BE REJECTED**

Comment [GMW4]: Added per CDGA recommendation



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Trust Fund dollars must always be used to leverage and complement other sources of financing and to close funding gaps. Housing Trust Funds may not be used as the primary source of funds for any project.

ELIGIBLE APPLICANTS

Comment [GMW5]: Added for clarification consistent with HTF Board directive on 05/02/07

1. A nonprofit organization organized under Chapter 181 of the Wisconsin Statutes, qualified as a Section 501(c)(3) organization, at the time of grant application submission.
2. A for-profit organization organized and licensed to do business in the State of Wisconsin at the time of grant application submission.

Individuals may not apply for direct assistance from the Housing Trust Fund.

AFFORDABILITY REQUIREMENTS

1. Rental Housing: Rental Housing funded with Housing Trust Fund dollars shall remain affordable for a minimum of 30 years, with a review of the affordability requirement at 15 years. The advisory board shall have discretion to remove a particular housing development from the Housing Trust Fund program at the time of the 15-year review.
2. Owner-Occupied Housing and Homeownership: Housing Trust Fund dollars used for the acquisition, new construction or rehabilitation of an owner-occupied dwelling, will be forgiven if the owner lives in the home for at least 5 years. The requirement to live in the home for at least 5 years will be enforced through a deed restriction or other comparable security instrument approved by the Board. If the owner sells the home before the end of the 5-year period, the owner will be required to reimburse the Housing Trust Fund the entire loan amount unless the property is sold to another income-eligible household.

Housing Trust Fund dollars are available for home-buying counseling. Homebuyer counseling agencies must demonstrate that they serve low- and moderate-income clients. In addition, any organization that receives Housing Trust Fund money for this purpose must demonstrate that it has the ability to assist disabled individuals (e.g., the location is accessible and the organization offers translation services, materials in Braille, etc.).

3. Housing and Services for the Homeless: All Housing developed for the Homeless must remain as homeless housing for a minimum of 50 years.



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INCOME ELIGIBILITY

1. Owner-Occupied Housing: Financial assistance from the Housing Trust Fund for the acquisition, new construction or rehabilitation of owner-occupied housing is limited to households with incomes at or below 100% of the County Median Income, where "income" is calculated using the Census Bureau Long Form method.

The maximum income for homeowners seeking financial assistance for rehabilitation projects is limited to 65% of County Median Income (currently \$43,680) for substantial work (e.g., work valued at more than \$5,000) and 100% of County Median Income for more modest projects (e.g., work valued at \$5,000 or less). Income limits are subject to change annually.

2. Rental Housing and Housing for the Homeless: Financial assistance from the Housing Trust Fund for rental housing and projects for the homeless (acquisition, new construction or rehabilitation) is limited to projects that serve households/individuals at or below 50% of the County Median Income (currently \$33,600).

APPLICATION SCORING

The advisory board will give weighted consideration to applications that will:

- Leverage other funds (private and/or public).
- Serve the lowest-income segment of the population.
- Extend the term of affordability beyond the minimum required by the Housing Trust Fund.
- Use workers from the neighborhood and/or give priority to emerging business enterprise contractors.
- Encourage more neighborhood diversity and increase housing choices within the neighborhood.
- Use green building principles.
- Coordinate with and enhance the work of other entities in the neighborhood, such as employers, business improvement districts, schools, job training agencies or social service agencies.
- Facilitate the movement of persons from institutions into the community.
- Use contractors who pay family-supporting wages.



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OTHER REQUIREMENTS

The following accessibility standards apply to all new construction or substantial rehabilitation of housing supported by Housing Trust Fund dollars:

- Section 504 of the Rehabilitation Act of 1973.
- Fair Housing Act as amended.
- Americans with Disabilities Act (with respect to marketing-office and common areas).
- Wisconsin Open Housing Act.
- Architectural Barriers Act.
- The design principles of any one of the following:
 1. Aging in place
 2. Universal design
 3. Any other accessible and/or adaptable design criteria approved by the Housing Trust Fund Advisory Board.
- For new housing units in one- to three-unit structures, each ground-floor unit shall be constructed to the following "visitability" standards:
 1. One zero-step entrance to the dwelling unit that will permit a visitor using a wheelchair to enter the main-level floor of the dwelling unit through a doorway entrance that has a minimum 32" clear passage opening.
 2. Usable path of travel throughout the interior main-level floor of the dwelling unit that is no narrower than 36" at any point except for interior doorway openings with a minimum 32" clear passage opening.
 3. Powder room (half bath) on the main-level floor that has:
 - i. A doorway entrance with a minimum 32" clear passage opening;
 - ii. Sufficient space to close the entrance door while the room is occupied;
 - iii. A minimum 30" by 48" floor space clearance; 4) reinforced walls for future installation of grab bars to provide access to the toilet if necessary.
- Any of these standards (except standards imposed by federal or state law) may be waived or reduced by the Housing Trust Fund's advisory board, upon consultation with appropriate City staff, if project site conditions are unsuitable, but any such waiver does not exempt the project from all other applicable requirements regarding accessibility and visitability.



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INSTRUCTIONS FOR COMPLETING THE APPLICATION

Submission of an application does not guarantee funding. For all projects financed by the Housing Trust Fund, Trust Fund dollars must be used to leverage and complement other sources of financing and to close funding gaps. *Housing Trust fund dollars may not be used as the sole source of funding.*

Completed applications and required attachments must be received at the Community Development Grants Administration office *no later than (TIME) on (DATE)*. No extensions will be granted. Submit the original and fifteen (15) copies to:

Mr. Steven L. Mahan, Director
Community Development Grants Administration
200 East Wells Street, Room 606
Milwaukee, Wisconsin 53202

Comment [GMW6]: Increased to allow a copy for each Board member (13) and 3 CDGA staff (Steve, Hettie, Garry)

Questions may be directed to the office of Community Development Grants Administration at (414) 286-3647. Your application will begin when your complete application has been received, including all items indicated below:

- A fully completed application. If a question does not apply, indicate this on the application.
- Corporate applicants should include financial statements for three years (balance sheets, cash flow statements, and profit and loss statements).
- Tax returns for three years (Individual 1040, Corporate 1120 and Partnership 1065).
- Project or Business plan
- Site photos showing front and rear of building (if applicable). If vacant land, pictures from the north, south, east and west.
- Market analysis for projects containing twelve or more residential units.
- Resumes and qualifications of the development team.
- Project cost analysis including acquisition, construction, rehabilitation, renovation and other applicable costs,
- Source of funding. Provide copies of any financial commitments obtained for acquisition, construction and permanent loans.
- A 5-year projected pro-forma
- An affordability analysis indicating the income level household that can afford the proposed housing at current interest rates or rent levels.
- Post rehabilitation or new construction appraisal
- Reserved for additional requirements
- Reserved for additional requirements



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NOTICES

The City of Milwaukee reserves the right to reject any or all proposals. Contract awards based on submitted proposals shall further be subject to actual availability of sufficient Housing Trust Funds. Should the availability of Housing Trust Funds be reduced, the City of Milwaukee Common Council can modify and reduce the award. In the event of such a modification or reduction, the recipient shall be notified in advance of the pending Common Council meeting where such action shall take place.

All materials submitted shall become public records retained by the City of Milwaukee, with the following exceptions: late and/or incomplete applications or requests for funding for projects that are not a part of this solicitation, will be returned to the applicant without further review, and materials not requested as part of the application packet will be discarded.

If Applicant makes a false statement or misrepresentation in this Application to obtain Housing Trust Funds and funds are awarded, the funds and contract will be in default and the City may declare all of any part of the funds paid out immediately due and repayable to the City and the contract voided.

FUNDING DECISION

The actual decision to award funds is considered first by the City of Milwaukee Housing Trust Fund Advisory Board and forwarded to the Common Council for final review and approval. Funding recommendations by CDGA staff are advisory to the Housing Trust Fund Board. Applicants that are not recommended for funding, will be notified by mail.

In addition, the Housing Trust Fund Board may designate an agency to act as a subrecipient in any manner it deems appropriate to carry out an eligible activity, per the Housing Trust Fund regulations.



CITY OF MILWAUKEE HOUSING TRUST FUND

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Organization Name: _____

Organization Address: _____ City _____ Zip _____

Contact Person: _____ Title _____

Telephone Number: _____ Fax: _____

E-Mail: _____ FEIN _____

Indicate the amount requested in the appropriate category below. ***Please submit a separate application for each category being requested.***

Activity	2007 Funds Available	Amount Requested
Homelessness (25% Minimum)	\$625,000	
- Rehabilitation of Existing Facility		\$
- New Construction of Facility		\$
- Provide Supportive Services		\$
Rental Housing (35% Minimum)	\$875,000	
- Rehab of Existing Structure		\$
- New Construction		\$
Home Ownership (25% Minimum)	\$625,000	
- Rehabilitation of Existing Structure(s)		\$
- New Construction		\$
- Owner-Occupied Rehabilitation		\$
- Homebuyer Counseling Services		\$
- Post-Purchase Counseling Services		\$
Other Needs as Identified (15% Maximum)	\$375,000	\$
TOTAL	\$2,500,000	\$
Indicate the percentage and amount of HTF funds requested that will be used to fund accessibility improvements or modifications. →		_____ % \$ _____

Comment [GMW7]: "Create Housing for the Homeless" [this language removed per HTF Board directive on 05/02/07]

Comment [GMW8]: Added per HTF Board directive on 05/02/07

Comment [GMW9]: Added per CDGA recommendation

Proposals must be authorized and signed by the Chief Executive Officer ~~AND~~ an official of the Board of Directors.

Signature: _____
Printed Name: _____

Date: _____
Title: _____

Signature: _____
Printed Name: _____

Date: _____
Title: _____



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HOUSING TRUST FUND**

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PART I: PROJECT DESCRIPTION

1. **Describe the Project:** Briefly identify the project location and the specific activity to be completed.

a. **If project involves construction or rehabilitation, please attach photos of the site and sketches or drawings of the proposed project.**

- Photos and/or sketches are attached
- Project does not involve construction or rehabilitation

b. **If the project involves the provision of supportive services, briefly describe the specific services to be provided.**

Project does not involve the provision of supportive services

Comment [GMW10]: "for the homeless" [this language removed per HTF Board directive on 05/02/07]

2. **Households/Clients Served:** Briefly describe the specific population to be served, including target income level and special needs populations, as applicable.

3. **Indicate the unduplicated number of units/household to be served**



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DRAFT* APPLICATION FOR FUNDING FY2007 *DRAFT

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Reviewer's Comments:	Score:
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**CITY OF MILWAUKEE
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PART II: PROJECT TIMELINE

Comment [GMW11]: Added for consistent with HTF Board directive on 05/02/07

1. Complete a timeline for the project, indicating critical events, such as construction start/finish dates, lease up/sales, etc.

MONTH	EVENT(S)

<i>DO NOT WRITE BELOW</i> <i>For City of Milwaukee HTF Use Only</i>	
Reviewer's Comments:	Score:



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PART III: PROJECT SITE CONTROL, ZONING, & ENVIRONMENTAL ISSUES

1. Site Control is in the form of:

- Deed
Purchase Agreement
Option (Expiration Date)
Other

a. Please Attach Written Documentation of Site Control

2. Site is currently zoned:

a. Please Attach Written Verification of Zoning Designation

3. Is the zoning appropriate for your project?

Yes No

If no, is rezoning currently in process and when is it anticipated that this issue will be resolved?

Date

4. Describe what, if any, Environmental Assessment activities have been conducted.

Blank lines for describing environmental assessment activities.

a. Please attach a copy of any environmental findings/reports received.

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Table with 2 columns: Reviewer's Comments, Score



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PART IV: PROJECT FINANCING

1. Please Attach the Following Items

- Sources and Uses of all funds
- Development Budget
- Project 5-Year Pro-Forma
- Cash Flow Statement

2. Please describe the specific use of Housing Trust Fund dollars (i.e.:

3. Has the project secured a firm commitment from a construction lender?

___ Yes ___ No

4. Has the project received a conditional commitment from a construction lender?

___ Yes ___ No

5. Provide the following information and attach written verification of any commitments received. If you do not have any commitments, provide the name of the lender you are working with.

Lender Name _____ Phone number _____

Contact Person _____

Address _____

Commitment Amount \$ _____ Rate/Term _____



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6. Identify the project total amount of other funds (private and/or public) that would be leveraged by the Housing Trust Fund dollars?

Funding Source	Amount Leveraged
	\$
	\$
	\$
	\$
	\$
	\$
TOTAL FUNDS LEVERAGED	\$

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Reviewer's Comments:	Score:



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PART V: CAPACITY AND EXPERTISE

1. Has your agency previously undertaken this type of project before?

___ Yes ___ No

a. If yes, identify the three most recent projects completed:

2. Identify the staff responsible to complete the project and indicate any experience specifically related to this project

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Reviewer's Comments:

Score:



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PART VI: FURTHERANCE OF HOUSING TRUST FUND GOALS

Comment [GMW12]: The act of furthering, advancing, or helping forward

1. Describe the accessibility improvements or modifications that will be included as a part of this project:

2. Explain how this project serves the lowest-income segment of the population:

3. Does the project affordability period exceed the minimum period required by the Housing Trust Fund (please refer to page 3)?

____ Yes ____ No

Affordability Period Required by HTF: _____ (years)

Affordability Period Proposed for Project: _____ (years)



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3. Will this project utilize workers from the neighborhood and/or give priority to emerging business enterprise contractors?

Yes No

a. If yes, please describe:

4. Does this project encourage neighborhood diversity and increase housing choices within the neighborhood?

Yes No

a. If yes, please describe:

5. Will this project utilize green building principles?

Yes No

a. If yes, please describe:



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6. Will this project coordinate with and enhance the work of other entities in the neighborhood, such as employers, business improvement districts, schools, job training agencies or social service agencies?

____ Yes ____ No

a. If yes, please describe:

7. Will this project facilitate the movement of persons from institutions into the community?

____ Yes ____ No

a. If yes, please describe:

8. Will the project use contractors who pay family-supporting wages (family supporting wages are defined as \$ _____ per hours)?

____ Yes ____ No

a. If yes, please describe:

Comment [GMW13]: How does HTF Board define a "living wage" Will payroll registers be required as part of monitoring?



**CITY OF MILWAUKEE
HOUSING TRUST FUND**

DRAFT APPLICATION FOR FUNDING FY2007 DRAFT

*DO NOT WRITE BELOW
For City of Milwaukee HTF Use Only*

Reviewer's Comments:

Score:



CITY OF MILWAUKEE HOUSING TRUST FUND

DRAFT APPLICATION FOR FUNDING FY2007 DRAFT

PROPOSAL CHECKLIST - YEAR 2007

Completed applications and all required attachments must be physically received and time-stamped (postmark not acceptable) at the Community Development Grants Administration office no later than (TIME) on (DATE). No extensions will be granted.

Submit the original and fifteen (15) copies to:

Mr. Steven L. Mahan, Director
Community Development Grants Administration
200 East Wells Street, Room 606
Milwaukee, Wisconsin 53202

Comment [GMW14]: Increased to allow a copy for each Board member (13) and 3 CDGA staff (Steve, Hettie, Garry)

Faxed or electronic applications will not be accepted. All proposals received after the closing date noted above will be returned to the applicant without review.

PLEASE BE CERTAIN TO

- Complete and submit *1 original and 15 unbound copies* of all documents:
- Attach all required supporting documentation as requested in the application.
- If you are applying for more than one activity, you must submit a separate application with all required documentation.
- Follow the prescribed format for Application preparation closely. Present information in the order indicated.
- If you replicate this application, it must be consistent in all aspects with the original Housing Trust Fund Application
- Do not submit materials other than those specifically requested. Letters of Support and Appendices submitted under separate cover will be discarded.

If your Application is funded, some additional documentation will be required prior to executing a contract between the City of Milwaukee and your organization.



**CITY OF MILWAUKEE
HOUSING TRUST FUND**

DRAFT APPLICATION FOR FUNDING FY2007 DRAFT

**ADDITIONAL ITEMS THAT NEED TO BE INCORPORATED
INTO THE APPLICATION...**

*** Need to indicate that HTF \$ will be the last \$ in.

**City of Milwaukee Housing Trust Fund
Income Limits – 2007**

Income Level	Household Size							
	1	2	3	4	5	6	7	8
30% (ELI)	14,100	16,150	18,150	20,150	21,750	23,400	25,000	26,600
50% (VLI)	23,500	26,900	30,250	33,600	36,300	39,000	41,650	44,350
80% (LI)	37,650	43,000	48,400	53,750	58,050	62,350	66,650	70,950

Note: Income Limits are based on the HUD Section 8 Limits and are subject to change annually.



**CITY OF MILWAUKEE
HOUSING TRUST FUND**

DRAFT APPLICATION FOR FUNDING FY2007 DRAFT

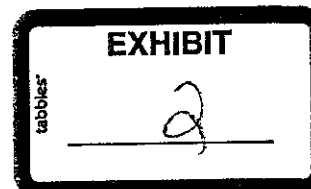
**City of Milwaukee Housing Trust Fund
Rent Limits – 2007**

	Number of Bedrooms						
	Efficiency	1	2	3	4	5	6
Base Rent (If Rent Includes Utilities)	510	608	726	873	942	1075	1176
Utility Allowance	0	0	0	0	0	0	0
Adjusted Rent (If Tenant Pays Utilities)							

Note: 1. Rent Limits are based on the HUD Low HOME Rent Limits and are subject to change annually.
2. Utility allowances determined by HACM and are subject to change annually

Comment [GMW15]: Requested from HACM 05/03/07

HTF Rating Point System - Draft Recommendation		
	Possible Points	Total Points
Leveraged Dollars - 25 Points Available		
HTF \$ = 1-2% of total project cost	25	25
HTF \$ = 3-5% of total project cost	20	
HTF \$ = 6-10% of total project cost	15	
HTF \$ = 11 - 15% of total project cost	10	
HTF \$ = > 15% of total project cost	5	
Construction Loan firmly committed		
	10	10
Construction Loan Conditionally Committed		
	5	5
Income Targets - 25 Points Available		
# of units with residents below 150% of income target	25	25
# of units with residents below 130% of income target	20	
# of units with residents below 125% of income target	15	
# of units with residents below 115% of income target	10	
# of units with residents at income target	5	
# of units above income target	-10	
Equity Partners		
Cash or donated property. In-kind services don't qualify	10	10
Service Partners		
Provision of services on site w/out use of HTF \$	10	10
Agency / Staff Experience		
Experience with same type/similar project	15	15
Accessibility improvements or modifications		
	15	15
Use of area workers or emerging businesses		
	10	10
Increase neighborhood diversity in housing choices		
	10	10
Utilize Green building Principles		
	10	10
Coordinate with Community Institutions		
	10	10
Move persons from institutions to community		
	10	10
Contractors pay family supporting wages		
	10	10
Total Points		175



Applications must be received in our office by 5:00 p.m. on Thursday, March 15, 2007.

General Instructions

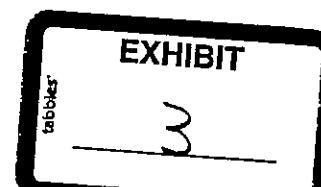
- 1) Provide an original application and three copies. The application must be signed by an authorized signer for both the member and sponsor applicants.
- 2) All pages should be single sided, securely stapled or clipped, and preferably 8 1/2 x 11.
- 3) Required exhibits and other attachments must be labeled and placed in numerical order behind the application using index tabs with corresponding exhibit numbers.
- 4) All parts of the application and all required exhibits must be fully completed to be considered in the competition. **Late applications will not be considered for purposes of scoring.**

The application is available on the Community Investment web site (at <http://ci.fhlbc.com>) of the Federal Home Loan Bank of Chicago (the "Bank"). Click on Affordable Housing Program; Application Process; then link to the application.

Eligibility Requirements

Prior to scoring, applications will be evaluated to determine that they meet the eligibility requirements per section 951.5(c) of the AHP Regulations and the Bank's AHP Implementation Plan (the "Implementation Plan"). Eligibility requirements include, but are not limited to, the following items:

- 1) AHP subsidy must be used for purchase, construction or rehabilitation costs that are integral or essential to the housing unit(s).
- 2) Income Targeting requirements:
 - a) At least 20% of the units in a rental project must be occupied by and affordable to households with incomes less than 50% of the area median income per HUD income guidelines.
 - b) Households in owner-occupied projects must earn less than or equal to 80% of the area median income per HUD income guidelines.
- 3) AHP assisted owner-occupied units must be retained as affordable for a minimum of 5 years.
- 4) AHP assisted rental units must be retained as affordable for a minimum of 15 years.
- 5) Project readiness must be demonstrated. Critical pieces of financing must be committed, and projects involving new construction must include evidence of site control and zoning.
- 6) There must be a need for the AHP subsidy (see Section II.B.2 of the Implementation Plan). Development and operating costs should be within feasibility guidelines (as further outlined in Exhibit I to the Implementation Plan, the "Feasibility Guidelines"). If they are not, applicant must provide an explanation.
- 7) Project feasibility: Evaluation of project feasibility, as further outlined in the Feasibility Guidelines, will be based on the following:
 - a) Local market need and demand for the proposed development
 - b) Development experience, management experience and capacity of the development team
 - c) Financial feasibility and project readiness. The Bank's review will include an analysis of the sources and uses of funds, project costs, and operational feasibility.
- 8) Project must comply with federal and state fair housing laws and regulations.



- 9) Member institution must be a member of the Bank at time of application and at time of AHP disbursement.
- 10) The amount of AHP subsidy any single member may receive may not exceed 25% of the subsidy awarded or the subsidy announced for each application period, whichever is greater.
- 11) The maximum amount of AHP subsidy per project to \$500,000. Consortium and multi-member projects where the AHP funds are broadly distributed over multiple government jurisdictions may request a waiver from this requirement.

An application failing to meet eligibility requirements will be deemed ineligible and will not be considered for funding.

AHP Regulations

The Affordable Housing Program (AHP) regulations, 12 CFR, Part 951, can be found at www.access.gpo.gov. Select GPO Access, Online Federal Information, Code of Federal Regulations, 12CFR951.

Application Instructions

These instructions are meant to clarify sections of the application where questions commonly arise. The identifying numbers and letters on the instructions correspond with the identifying numbers and letters on the application.

Detailed information regarding the Bank's scoring guidelines are included under Section IV-Scoring, starting on page 5.

I. Contact Information

Sponsor Information: Please be sure that the sponsor entity is appropriate for the structure of your project. Organizations using tax credits should consult a tax attorney and tax accountant prior to applying for AHP funding to determine the impact of the AHP subsidy to the project, and to confirm that the appropriate party is named as the project sponsor.

Requests for a subsequent change or modification of the project sponsor is at the bank's discretion, and may not be approved.

II. Type of Subsidy

Check either Direct Subsidy or Subsidized Advance. A Direct Subsidy is a grant that involves a cash outlay that must be repaid if the property is sold before the end of the retention period.

If you are applying for a Subsidized Advance, contact Community Investment staff prior to submitting your application to ensure that the subsidy is delivered in the most appropriate manner. Also, please be aware that AHP awards for subsidized advances are for a subsidy amount only; the Bank does not commit to a rate at the time of approval. Prepayment of advance and/or sale of the property prior to the end of the retention period may result in a repayment of the AHP subsidy.

III. Project Information and Eligibility Requirements

A. Name and Location

Enter the project site location or the project site address. For scattered site projects, please attach a listing of sites if known; if unknown state that "sites are to be determined." Do not list the sponsor's address, unless the sponsor address is the same as the project address.

B. Type of Project

1. The application must be for either an owner-occupied or a rental project. If the project includes both owner-occupied and rental segments, you must submit two separate AHP applications.
2. Single family properties include buildings of 1-4 units whether owner-occupied or rental; Multifamily properties are buildings with 5 or more units. For group home rental projects with more than one independent household residing in a unit, you should consider each separate household as a unit.
3. If the project is lease-to-purchase ("LTP"), please explain the conditions of the program in Section III. C., Project Description. In most instances, LTP projects will be scored as rental projects; therefore, please include corresponding documents for rental projects. Existing LTP projects that will use the AHP subsidy for downpayment assistance to purchase units during the upcoming 12 months are an exception, and will be scored as owner-occupied projects. Please consult with Community Investment staff to ensure you are submitting proper documentation.
4. Though the project may include commercial or non-housing space, the costs associated with developing the commercial/non-housing space of the project are not an eligible use of AHP funds. The application must clearly show that no AHP funds are being used for the development of the commercial/non-housing space and that the housing segment of the project will not be used to subsidize the operation of the commercial/non-housing space.

Applications including commercial/non-housing space must submit separate Development Budgets, 15-Year Operating Budgets and Sources and Uses Statements (Exhibits III and V respectively) for the commercial/non-housing space and the housing space.

6. Though the project may include supportive services, the costs associated with the provision of services are not an eligible use of AHP funds. Applications including supportive services must submit a separate, self-sustaining 15-Year Operating Budget (Exhibit III) for services.

D. Subsidy Description

2a. AHP subsidies must be used for one of two broad purposes:

- to finance the purchase, construction and/or rehabilitation of owner-occupied housing for households with incomes at or below 80% of area median income (AMI); or
- to finance the purchase, construction and/or rehabilitation of rental housing, of which at least 20% of the units will be occupied by, and affordable to, households with incomes at or below 50% of AMI.

Eligible uses include, but are not limited to:

- downpayment assistance
- hard construction costs
- soft costs
- land acquisition, in connection with new construction

- gap financing
- homeownership counseling costs, provided that such costs are incurred in connection with counseling for homebuyers who actually purchase an AHP assisted unit and the cost of the counseling has not been covered by another funding source, including the member.

The AHP subsidy may not be used to capitalize operating or other reserves, to directly or indirectly fund services, or to fund commercial or unrelated non-housing space.

The application must specify what eligible uses the AHP award will be used for as it relates to the project. For example, if the application indicates that the award will be used for downpayment assistance, the project sponsor must obtain the approval of the Bank if they wish to change the project so that funds are used for land acquisition or any other eligible use.

E. Sponsor Capacity

If the sponsor does not have experience with projects of similar size and scope, indicate who the sponsor will partner with (consultant, developer, etc.) to bring the project to fruition. Provide qualifications and experience for all parties, including the project sponsor in Exhibit XIV.

F. Prior AHP Subsidy

Please provide requested information.

G. Application to more than one Federal Home Loan Bank

Please provide requested information.

H. Project Readiness

Some or all of the AHP subsidy approved under the Bank's competitive application program must be likely to be drawn down or used by the project to procure other financing commitments within one year of the date of approval of the application for AHP funding.

Project readiness is assessed based on the firm commitment of all sources of critical financing. Development projects must also submit evidence of site control and zoning.

I. Interest in Project

In the case of real estate that is sold to a project by a member that is providing the AHP subsidy to the project, or property sold to the project upon which the member holds a mortgage or lien, an appraisal completed by a state certified or licensed appraiser must be included with the application. The appraisal must be performed within six months prior to the date the Bank disburses the AHP subsidy to the project.

J. Fair Housing

AHP regulations require that projects must comply with applicable Federal and State laws on fair housing and housing accessibility, including, but not limited to, the Fair Housing Act, the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, and the Architectural Barriers Act of 1969 and must demonstrate how the project will be affirmatively marketed. We urge you to contact legal counsel or an organization with expertise on these laws. Refer to the HUD website at www.hud.gov for information on fair housing.

K. Local Market Conditions

The application must include a market analysis that describes local market conditions and illustrates market demand for the type of housing being developed. Include data and other relevant facts that sufficiently demonstrate the need for and viability of the proposed project. Rental projects involving new construction should provide a third party market study completed within the last 18 months. Owner-occupied projects should provide information on the availability of homes in the targeted locations and at the targeted price points identified in the application. Attach such market analysis as Exhibit XII.

L. Long-Term Retention and Repayment

Retention

AHP regulations require that owner-occupied projects retain the units as affordable for five (5) years from the closing date of the purchase of the home. For rental projects, the units must be retained as affordable for fifteen (15) years from the date of project completion. Projects that do not meet the minimum retention period will not be considered for funding.

Some examples of acceptable types of retention documentation include deed restrictions, land covenants, and junior mortgages. All retention documents must be recorded.

Repayment

Specific language must be contained within a document such as a soft second mortgage, an Affidavit of Interest, a Deed Restriction, or a third party agreement between the member and the sponsor, ensuring that funds will be returned to the Bank in the event that repayment is required. All repayment documents must be recorded.

IV. Scoring Criteria

Projects meeting all eligibility requirements will be reviewed and scored based on nine scoring criteria that equal a maximum of 100 points. The applications receiving the highest overall scores will be recommended to the Affordable Housing Committee of the Bank's Board of Directors for award approval. Such Committee will approve applications sufficient to exhaust the AHP funds available for the applicable round.

Each of the nine scoring criteria has been assigned a maximum point value, and is designated as either a fixed point or variable point scoring item. Fixed point criteria (i.e., pass/fail) are those that cannot be satisfied in varying degrees ("Fixed"). Applications meeting a fixed point criterion will receive the maximum number of points allocated to that category. Variable point criteria are those where there are varying degrees by which an application can satisfy the criteria ("Variable"). The application(s) best achieving each variable point criterion shall receive the maximum point score available for that category, with the remaining applications scored on a declining scale.

1. Donated / Discounted Government or Other Properties (5 points - Variable)

Projects that can document the financing of housing using a significant proportion, defined as a minimum of 20% of the total land or units, of (1) land or units donated or conveyed to the project by the Federal government or any agency or instrumentality thereof, or (2) land or units donated or conveyed by any other party, for an amount that is at least 20% below the fair market value ("FMV") of the units or land conveyed. FMV must be supported by a third-party appraisal completed within 12 months prior to the AHP application date.

Applicants must indicate what is being donated or sold to the project at a discount, and include addresses if multiple land parcels or buildings are involved.

Evidence of donation or conveyance must be included as an attachment to the application to receive credit for donated properties. For properties conveyed at a discount to FMV, an appraisal completed within 12 months prior to AHP application date and evidence of conveyance cost are required to receive credit. The discount is calculated by subtracting the actual cost of all land or units in the project from the FMV of all the land or units in the project, and dividing the result by the FMV.

Rehabilitation-only projects that do not involve the acquisition of land or buildings are not eligible to receive points in this category.

Points will be awarded as follows:

5 points	If property or units are fully donated by a non-affiliated third party.
4 points	If conveyed by a non-affiliated third party and discount is between 80-99.99% of FMV per appraisal.
3 points	If conveyed by a non-affiliated third party and discount is between 60-79.99% of FMV per appraisal.
2 points	If conveyed by a non-affiliated third party and discount is between 40-59.99% of FMV per appraisal.
1 point	If at least 20% of (1) the land or units are donated or conveyed by the federal government; or (2) land or units donated or conveyed by a third party are discounted between 20-39.99% of FMV per appraisal. A maximum of 1 point will be awarded for the conveyance of land or units with a discount of at least 20% by a subsidiary or affiliate of the ownership entity, or other entity with an ownership interest in the project.

2. Project Sponsorship (5 points - Variable)

Project-sponsorship by a not for profit organization, a state or political subdivision of a state, a state housing agency, a local housing authority, a Native American Tribe, an Alaskan Native Village, or the government entity for Native Hawaiian Home Lands that:

- has any ownership interest in a rental project; or
- is integrally involved in an owner-occupied project, by exercising control over the development or management of the project, by providing homebuyer/homeowner counseling, or by qualifying borrowers and providing or arranging financing for the owners of the housing.

Demonstrated sponsor capability and past track record will also be taken into consideration. Attach evidence of sponsor capacity as Exhibit XIV for sponsors and co-sponsors.

Rental Projects	
1 point	Criteria 1: Sponsor must have non-profit status (or be a state or political subdivision of a state, a state housing agency, a local housing authority, Native American Tribe, an Alaskan Native Village, or the government entity for Native American Home Lands) and ownership interest in the project.
1 point	Criteria 2: If Criteria 1 is met and if ownership interest by non-profit sponsor exceeds 50% of the managing member or general partner.
1 point	Criteria 3: If Criteria 1 and 2 are both met and the non-profit sponsor plays an integral role in the project by directly exercising operational control over the development or property management of the project or by directly providing supportive services to residents of the project.
1-2 points	Criteria 4: If Criteria 1, 2 and 3 are all met and non-profit sponsor has related experience in the completion or operation of at least 2 projects of similar size and scope, applicants will receive 1 point. If Criteria 1, 2 and 3 are all met and non-profit sponsor has related experience in the completion or operation of at least 3 projects of similar size and scope, applicants will receive 2 points.

Owner-Occupied Projects	
2 points	Criteria 1: Sponsor must have non-profit status (or be a state or political subdivision of a state, a state housing agency, a local housing authority, Native American Tribe, an Alaskan Native Village, or the government entity for Native American Home Lands) and the sponsor plays an integral role in the project, by exercising control over the development or management of the project, by providing homebuyer/homeowner counseling, or by qualifying borrowers and providing or arranging financing for the owners of the housing units.
1 point	Criteria 2: If Criteria 1 is met and if non-profit sponsor plays more than one integral role, as defined in the preceding cell above, in the project.
1-2 points	Criteria 3: If Criteria 1 is met and non-profit sponsor played an integral role, as defined above, in the successful completion and administration of at least 2 projects of similar size and scope, applicants will receive 1 point. If Criteria 1 is met and the non-profit sponsor has played an integral role, as defined above, in the successful completion and administration of more than 3 projects of similar size and scope, applicant will receive 2 points.

3. Targeting (20 points - Variable)

The Bank will consider the extent to which the project creates housing for very low, low or moderate income households. For purposes of this scoring criterion, applications for owner-occupied and rental projects will be scored separately.

Owner-Occupied Projects

Points will be awarded to projects that finance the purchase, construction and/or rehabilitation of owner-occupied homes for low and moderate income households in that priority order. For owner-occupied projects, incomes cannot exceed 80% of the Area Median Income ("AMI") and units must be retained as affordable for a minimum of 5 years.

Owner-occupied projects will be awarded points on a declining scale. Those with the greatest percentage of households with low incomes (60% of AMI or less) and moderate incomes (61%-80% of AMI), in that order, will receive the most points. A weighted average is calculated with the greater weight given to low income households. The following formula is used to determine the score:

$$20 \left[\frac{B}{A} \right] + 12 \left[\frac{C}{A} \right] = \text{SCORE}$$

Where: A = Total Number of Units
 B = Number of Units <= 60% of AMI
 C = Number of Units 61% - 80% of AMI

Rental Projects

Points will be awarded to projects that finance the purchase, construction, and/or rehabilitation of rental housing, of which at least 20% of the units in the project will be occupied by, and affordable to, very low income households with incomes at or below 50% of AMI. For rental projects, units must be retained as affordable for a minimum of 15 years.

- a. Rental projects where 60% or more of the total units will be occupied by, and affordable to, very-low income households (at or below 50% of AMI) will receive 20 points.
- b. Rental projects that do not meet the 60% very low income criteria will be awarded points on a declining scale based on the percentage of units in a project that are reserved for very-low income households and on the percentage of remaining units reserved for moderate income households. Rental projects will be scored using the following formula:

$$25 \left[\frac{B - (.20(A))}{.80(A)} \right] + 15 \left[\frac{C}{.80(A)} \right] + 3 \left[\frac{D}{.80(A)} \right] + 0 [E] = \text{VALUE}$$

- Where:
- A = Total Number of Units
 - B = Number of Units <= 50% of AMI
 - C = Number of Units 51% - 60% of AMI
 - D = Number of Units 61% - 80% of AMI
 - E = Number of Units >80% of AMI

In addition to indicating the number of units in the project committed to each income group, please indicate the number of Family, SRO (single room occupancy units) and Group Bed Units. Group Bed Units are defined as two or more independent households residing in a unit where each separate household is considered a unit for AHP purposes. This is generally seen in group homes or similar projects.

4. Promotion of Empowerment (5 points - Variable)

Up to 5 points are available for projects that empower residents by providing housing in combination with empowerment program(s) as identified in the application.

Sponsors must provide a service plan (Exhibit XV-A) to receive points. The sponsor must explain how each service will economically empower and benefit the residents and indicate the plan to deliver services, if services will not be available on site. Such service plan(s) should indicate how sponsor will track, monitor, and demonstrate that the empowerment services listed are provided.

In addition to Exhibit XV-A, to receive points for sponsor-provided activities or services, the application must include a brochure or annual report detailing the services to be provided to the tenants or homebuyers. If these materials are not available, an expanded service plan including detailed descriptions of services the sponsor will directly provide to the residents will be acceptable. Applicants must also indicate the source of funding for each of the activities the sponsor will provide. These attachments should be included under tab XV-A of the application.

To receive points for services provided by organizations other than the sponsor, a Commitment to Provide Services (pre-printed form included with the application) should be completed by each service provider, and included as Exhibit XV-B. Exhibit XV-A must also be completed. If there is insufficient room on the exhibit to provide a complete description of services, the service provider should provide documentation on all services to be offered to the project on their letterhead in addition to completing and signing Exhibit XV-A.

Points will not be awarded for commitments dated more than one year prior to the AHP application date.

Applications will be scored in the following manner, based on information contained in the Commitments to Provide Services and sponsor-provided documentation.

Rental Projects	
1 point	Employment services and/or job training programs to assist residents with procuring employment. These services must include at least one of the following: welfare to work programs, on- or off-site job opportunities, or job search assistance including career counseling.
1 point	Training/Education services to residents that include one of the following: adult accredited education programs, vocational training, youth* education programs, saving and budgeting education, or computer classes. *Youth programs qualify, only if they serve as a substitute for childcare.
1 point	Comprehensive case management services, mental and behavioral health services, substance abuse prevention and treatment programs, or residential support services. Services provided must promote economic betterment by supporting residents' ability to find or sustain employment or be self-sufficient.

1 point	Resident involvement in decision-making affecting the creation or operation of the project via resident council or resident participation on the board.
1 point	Donated/discounted day care services.

Owner-Occupied Projects	
1 point	Pre-purchase homebuyer counseling if counseling is mandatory for all AHP-assisted homebuyers.
½ - 1 point	1 point will be awarded for post-purchase homebuyer counseling if counseling is mandatory for all AHP-assisted homeowners. ½ point will be awarded if counseling is available, but not mandatory.
1 point	Financial literacy training, if mandatory for all AHP-assisted homebuyers. Course content must include budgeting, credit topics, and a predatory lending component.
1 point	Sweat equity if mandatory for all homebuyers/homeowners. Applicants must submit program description that clearly notes sweat equity to receive points.
1 point	One-on-one homebuyer or homeowner counseling, if mandatory for all homebuyers/homeowners.

5. Housing for Homeless Households (5 points - Fixed)

Projects that (i) create rental housing, excluding overnight shelters, reserving at least 20% of the units for homeless households, (ii) create transitional housing for homeless households permitting a minimum of six months occupancy, or (iii) create permanent owner-occupied housing reserving at least 20 percent of the units for homeless households, are eligible to receive 5 points, if referral source(s) and source of funding for specialized services (if provided) are identified, and an acceptable supportive service plan for homeless residents has been provided. Units designated as "reserved" must be used only for homeless households throughout the retention period. If qualified homeless households are not available, the unit(s) must remain vacant until a homeless household is found to occupy the unit.

A homeless household is defined as:

A household made up of one or more individuals, other than individuals imprisoned or otherwise detained pursuant to state or federal law, who:

1. lack a fixed, regular, and adequate nighttime residence; or
2. have a primary nighttime residence that is:
 - a. a supervised publicly or privately operated shelter designed to provide temporary living accommodations (including welfare hotels, congregate shelters, and transitional housing for the mentally ill); or
 - b. an institution that provides a temporary residence for individuals intended to be institutionalized; or
 - c. a public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings.

6. District Priority 1 (24 points - Variable)

a. Member Financial Participation (5 points-Variable)

This scoring criterion measures the extent to which a member participates financially in a project, excluding pass-through of the AHP subsidy. Attach a Commitment of Member Financial Involvement as *Exhibit XVII* to receive points in this category.

Rental Projects	
3 points	If member applicant provides long-term financing to the project (i.e., permanent financing, letter of credit for credit enhancement or tax credit equity), which constitutes at least 20% of total project costs. Points will also be awarded to consortium projects providing long-term financing to the project if member participation constitutes at least 20% of total project costs. To receive points, the minimum loan term must be 15 years.
1 point	If member is providing <i>only</i> intermediate or short-term financing to the project (i.e., construction loan, bridge loan, letters of credit for credit enhancement) or permanent financing which constitutes less than 20% of total project costs.
1 point	If member is providing concessionary rates or fees, fee waivers or donations to the project.
1 point	If member provides both short-term <i>and</i> long-term financing.

Owner-Occupied Projects	
4 points	If member applicant(s) will definitively provide financing (with a minimum loan term of 5 years) to at least 50% of all qualified homebuyers/homeowners.
2 points	If member applicant(s) will provide only short-term financing to the project (i.e., construction loan or bridge loan), or will definitively provide financing with a minimum 5 year loan term to at least 20% of homebuyers/homeowners.
1 point	If member applicant(s) will provide financing with a minimum 5 year loan term to 10% - 20% of homebuyers/homeowners.
1 point	If member will provide concessionary rates or fees, fee waivers or donations to the project.

b. Community Involvement (3 points-Variable)

The Bank will consider the extent to which the application demonstrates support for the project by local government, other than as project sponsor, in the form of property tax deferment or abatement, zoning changes or variances, infrastructure improvements, fee waivers or other similar forms of non cash assistance or demonstrated support for the project by community organizations or individuals, other than as project sponsors, through their commitment of donated goods and services, or volunteer labor. Points are allocated to the extent the application includes documentation of active support for the project by local government, community organizations or individuals, other than the project sponsors. Commitments must be documented by those organizations and attached as Exhibit XV to receive points. Letters of support that simply endorse the project as being good or necessary for the community will not garner any points.

1 point	Demonstrated support for the project by a local government (other than as a project sponsor) in the form of property tax deferment or abatement, zoning changes or variances, infrastructure improvements, or fee waivers.
1 point	Donated or discounted materials, services or labor.
1 point	If multiple organizations, businesses, etc. provide donated or discounted services, materials, or labor.

c. Special Needs Housing (6 points-Fixed)

The financing of housing where at least 20% of the units are reserved for occupancy by households with special needs will receive 6 points.

Units designated as "special needs housing" may only be used for the identified population(s), and no other. If qualified tenants in the target population are not available, the units must remain vacant until an eligible household is found to occupy the housing unit. Special needs housing includes housing for:

- the elderly
- mentally or physically disabled persons

- persons recovering from physical, alcohol, or drug abuse
- persons with HIV/AIDS

Referral source(s) and source of funding for specialized services (if provided) must be identified.

d. First-Time Homebuyer (5 points-Fixed)

Projects that provide financing of housing for first-time homebuyers will receive 5 points. 80% of the units must be reserved for, and sold to, first-time homebuyers to qualify for credit. A first-time homebuyer is defined as a household meeting any one of the following criteria:

- An unmarried individual or an individual and his or her spouse, who has/have not owned a home during the three-year period immediately prior to the date of purchase of a home with the AHP subsidy.
- A divorced or legally separated individual who has only owned a home with a (former) spouse.
- An unmarried individual or an individual and his or her spouse who has/have only owned a home that was not in compliance with State, local, or model building codes and which cannot be brought into compliance for less than the cost of constructing a permanent structure.

e. Rural Housing (5 points-Variable)

Points will be awarded on a pro rata basis, based on the percentage of units that satisfies the criterion.

The Bank's definition of a rural area will be consistent with the Rural Housing Service, U.S. Department of Agriculture definition per 7 C.F.R. 3550.10. To determine if a particular location is designated as rural per 7 CFR 3550.10, please refer to <http://eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do>. Depending on the project type, click on "single Family" or "multifamily" and enter the property address.

If the property location is considered rural, but located in a county with ineligible areas, please submit a USDA map of that county as Exhibit XVIII, locating the property on the map. Contact information for Rural Development offices is as follows:

Wisconsin: (715) 345-7620 Illinois: (217) 403-6200

7. District Priority 2 (6 points - Variable)

The creation of housing that satisfies one of the following second district priorities:	
<ul style="list-style-type: none"> • At least of 20% of total housing units are located in Indian areas as defined by Native American Housing Assistance and Self-Determination Act; or 	Fixed
<ul style="list-style-type: none"> • At least 20% of total housing units are located in state or federally declared disaster areas; or 	Fixed
<ul style="list-style-type: none"> • At least 20% of total housing units have 4 or more bedrooms (excludes group homes); or 	Fixed
<ul style="list-style-type: none"> • Project meets the definition of Mixed Income housing, as defined below: <ul style="list-style-type: none"> • Rental projects with at least 20 % unrestricted units; or • Housing located in census tracts where the median income exceeds 80% of median income for the county or metropolitan area that the project is located in. <p>Applicants must provide information or statistics as evidence that the project meets the mixed income criterion. Census tract income information can be found on http://www.ffiec.gov. Enter property address in the <i>Geocoding Mapping System</i>. Click on "Search", then "Get Census Demographic."</p> 	Fixed Variable

The income for the census tract is divided by the HUD median income for the county. A Census Tract Median Family Income of greater than 80% of the median income for the county or metropolitan area is necessary to qualify for points under this criterion.

Note that results for the above calculation may differ from the FFIEC calculation, particularly in rural locations.

If project is located in an Indian area, state or federally declared disaster area or in a census tract that qualifies for District Priority 2 credit, supporting documentation must be submitted with the application (Exhibit XX) to receive points.

Scattered site projects, in which some of the properties qualify for mixed income credit, will be scored on a pro rata basis, based on the percentage of units in mixed income projects or mixed income locations.

8. AHP Subsidy per Unit (16 points - Variable)

The Bank will consider how effectively the project uses AHP subsidy dollars. Scoring is based on the extent to which the project proposes to use the least amount of AHP subsidy per AHP targeted unit (units <= 80% of AMI), i.e.:

$$\frac{\text{AHP Subsidy}}{\# \text{ of units } \leq 80\% \text{ AMI}} = \$ \text{ Subsidy per Unit}$$

Owner-occupied and Rental projects will be scored separately. Rental projects with 24 units or less will be scored the same as owner-occupied projects.

Owner-Occupied Projects & Rental Projects: 24 units or less	
\$ Subsidy per Unit	Points
\$5,000 or less	16
\$5,001 - \$6,000	15
\$6,001 - \$6,500	14
\$6,501 - \$7,000	13
\$7,001 - \$7,500	12
\$7,501 - \$8,000	11
\$8,001 - \$8,500	10
\$8,501 - \$9,000	9
\$9,001 - \$9,500	8
\$9,501 - \$10,000	7
\$10,001 - \$10,500	6
\$10,501 - \$11,000	5
\$11,001 - \$11,500	4
\$11,501 - \$12,000	3
\$12,001 - \$12,500	2
\$12,501 - \$13,000	1
More than \$13,000	0

Rental Projects: 25 or more units	
\$ Subsidy per Unit	Points
\$4,000 or less	16
\$4,001 - \$5,000	15
\$5,001 - \$5,500	14
\$5,501 - \$6,000	13
\$6,001 - \$6,500	12
\$6,501 - \$7,000	11
\$7,001 - \$7,500	10
\$7,501 - \$8,000	9
\$8,001 - \$8,500	8
\$8,501 - \$9,000	7
\$9,001 - \$9,500	6
\$9,501 - \$10,000	5
\$10,001 - \$10,500	4
\$10,501 - \$11,000	3
\$11,001 - \$11,500	2
\$11,501 - \$12,000	1
More than \$12,000	0

In the case of an application for a project financed by a subsidized advance, the total amount of AHP subsidy used by the project shall be estimated based on the Bank's cost of funds as of the date on which all applications are due for the funding period in which the application is submitted.

9. Community Stability (14 points - Variable)

Points will be awarded as follows:

9 points	Demolition of distressed properties and replacement with new construction; major rehabilitation of vacant or abandoned buildings; or rehabilitation-only projects with costs exceeding \$40,000/unit, if no acquisition is involved.
8 points	New construction on vacant land; purchase of existing units with significant rehabilitation (>50% of total development costs); adaptive re-use; or rehabilitation-only projects with rehabilitation costs of \$25,001-\$40,000/unit if no acquisition is involved.
7 points	Purchase of existing units with rehabilitation (rehabilitation cost between 25%-50% of total development cost); or rehabilitation-only projects with rehabilitation cost between \$10,001 - \$25,000/unit, if no acquisition is involved.
6 points	Purchase of existing units with rehabilitation costs of less than 25% of total development cost; or rehabilitation-only projects with rehabilitation costs of \$1,500-\$10,000/unit, if no acquisition is involved.
5 points	Purchase of existing units with minimal rehabilitation (less than \$1,500/unit) or no rehabilitation.

Bonus points

1 point	Project meets housing needs defined in a neighborhood stabilization plan, documented by a statement from municipality, or excerpt from community stabilization plan.
1 point	Live Near Work Initiative or Employer Assisted Housing Programs, if documented.
2-3 points	Projects involving the preservation of existing affordable housing units with land use covenants that will expire within the next 3 years are eligible to receive 2 points, if documented. Projects with land use covenants <u>and</u> rent/operating subsidies expiring within the next 3 years are eligible to receive 3 points, if documented.

Applicants must indicate whether displacement will occur, and whether or not there is a resettlement plan. Any project that displaces residents must provide a plan for relocation of those to be displaced as Exhibit XVI.

Documentation for Live-Near-Work Initiatives must include certification from local employer(s) stating (i) the number of employees earning incomes at the level proposed by the project, which must equal or exceed the number of low-income units proposed, (ii) that the employer has difficulty attracting a quality workforce due to the lack of affordable housing within a 5 mile radius (ten for rural areas) of the worksite, and (iii) the employer supports construction of the proposed project. Jobs must be appropriate for the tenant population to be served. (For example, Supportive Living Facilities do not qualify for these points.) The employer(s) must indicate how they will advertise positions to project residents, and how the housing units will be advertised to their employees. Projects involving rehabilitation of existing units will be considered for points in this category, only if at least 50% of the units are unoccupied at the time of the application. More than one employer may be identified, as long as the aggregate number of positions equals or exceeds the number of low-income units indicated in the application.

V. Certifications

The Bank will require applicants to certify that the named parties for the sponsor and member, for contact information and reporting, funding, and monitoring purposes are duly authorized to represent those organizations, and to make commitments on behalf of those organizations. Additionally, those parties signing the application are duly authorized to sign the application on behalf of the organization.

VI. Exhibits

Capitalized terms used in the exhibit instructions below are defined within the exhibit(s) to which they refer.

1. Exhibit I-A Owner-Occupied Project Worksheet

If the project area includes more than one county or metropolitan area with differing income guidelines, the sponsor should select a representative area and indicate the area used. Please use the HUD Income Guidelines* for the area indicated when completing the Maximum Annual Income at targeted income level. Monthly Income at targeted income level is calculated by dividing the Maximum Annual Income by 12.

For each of the income groups targeted, include a financing scenario for a typical owner-occupied transaction, showing cost of home including closing costs and any rehab costs; and total funding sources, including buyer's downpayment, amount of AHP subsidy, other grants, and other financing in addition to the first mortgage. Under Mortgage Information, please indicate the rate and term, the monthly principal and interest, monthly taxes and insurance, and any monthly condo association fees.

The total cost of the home, including closing costs, should equal the total funding sources. Total Cost for the average home multiplied by number of units in the project should coincide with Total Uses of Funds reflected on Exhibit V, the Sources and Uses Statement. Financing and mortgage information, should coincide with the Sources table on Exhibit V, the Sources and Uses Statement.

Housing Expense to Income Ratio is calculated by dividing the Total Monthly Housing Expense by Total Monthly Income.

2. Exhibit I-B Owner-Occupied Checklist

The Owner-Occupied Checklist requires an explanation of any cost or ratio outside of the Bank's Feasibility Guidelines.

Projects will not automatically be excluded from scoring if they fall outside of the ranges listed; however applicants must justify why the cost or ratio is appropriate. The Bank reserves the right to reduce requested subsidy amounts if the project fails to satisfy published financial feasibility guidelines and/or fails to adequately document a need for the subsidy requested. Additionally, projects failing to adequately explain items falling outside of the Bank's feasibility ranges may be deemed ineligible.

Depending on the project, explanations may also be requested for items falling within the ranges listed.

3. Exhibit II-A Rental Project Worksheet

The purpose of the Rental Project Worksheet is to insure that rents are affordable to households of the appropriate family size.

Project Area If the project area includes more than one county or metropolitan area with differing income guidelines, list all counties or metropolitan areas. Use the HUD Income Guidelines* for the area indicated when calculating Column E of the table.

Column B & C Fill in the number of units and number of bedrooms. Group homes and 1 person units without a separate bedroom (e.g. studio apartment, etc.) should indicate 0 bedrooms.

* Income guidelines published annually by the Department of Housing & Urban Development (HUD) are located at <http://ci.fhlbc.com> under Administrative Information. Click on HUD Income Guidelines.

- Column D Field will populate with presumed household size for that type unit based on the AHP Regulations (1.5 persons per bedroom).
- Column E Identify the targeted income group for those units.
- Column F Using the HUD Income Guidelines, fill in the "adjusted income limits" for each of the project areas that correspond to the household size in (D) and the targeted income group in (E).

To determine the half person family sizes calculate the average household income limit using the limit above and below the half size household (i.e., the qualifying income for 4.5 persons is the average of the four and five persons household income limits, as shown in the example on the first line of the table).

Corresponding income definitions are:

<u>Exhibit IIA Column E</u>	<u>HUD Income Guidelines</u>
<=50% of AMI	VERY LOW - INCOME
51-60% of AMI	60% INCOME LIMITS
61-80% of AMI	LOW INCOME LIMITS

Actual tenant income may be less than the maximum amount, but cannot exceed it. If your targeted population has income below 50% of AMI, use the 50% limit.

- Column G Fill in the proposed monthly rent for that type of unit. (Tenant's Annual Rent should correlate with the Gross Residential Rents listed on the Operating Budget, Exhibit III.)
- Column I Fill in the tenant's share of the rent (rent less assistance payment). This will be the same as Column H unless a portion of the rent is subsidized.
- Column J Field will calculate, dividing the Tenant Rent Share by the target monthly income (Column I divided by 12 months). For all units, the ratio must be 30% or less.

4. Exhibit III Development Budget & Operating Pro forma for Rental Projects

Applications for rental projects must include a detailed Development Budget and a 15 year Operating Pro-forma.

The Development Budget should represent the actual outlay of cash needed to pay for materials, labor, and acquisition or other costs of completing such project. Do not include in-kind donations, voluntary professional labor or services, or sweat equity.

The developer fee should reflect developer overhead and profit only. All other project expenses should be appropriately detailed as either a hard or soft-cost line item.

Since AHP funds can be used to pay only for costs associated with the purchase, construction and/or rehabilitation of housing, projects involving non-housing related space (such as an exercise room, non-housing related office space, etc.) and/or services must demonstrate that the AHP subsidy will only be used for eligible purposes.

- Projects including commercial space must separate out development costs and operating costs associated with the commercial space. This can be done as separate columns on the development/operating budget

or by submitting two separate budgets. The operating pro forma for commercial space must self-sustaining.

- Projects including on-site residential services provided by the sponsor/project owner (such as supportive services, case management, etc.) must submit separate operating budgets, including income and expenses, for housing and services. The service budget must be self-sustaining.

5. Exhibit IV-A Rental Project Checklist

The Rental Project Checklist requires an explanation of any cost or ratio outside of the Bank's Feasibility Guidelines, as reflected on the Rental Project Checklist and in the Bank's AHP Implementation Plan. Projects will not automatically be excluded from scoring if they fall outside of the ranges listed; however applicants must justify why the cost or ratio is appropriate.

Projects failing to adequately explain items falling outside of the Bank's feasibility ranges may be deemed ineligible. Additionally, the Bank reserves the right to reduce requested subsidy amounts if a project fails to satisfy the Feasibility Guidelines and/or fails to adequately document a need for the subsidy requested.

Depending on the location and type of project, explanations may also be requested for items falling within the ranges listed.

6. Exhibit V Sources and Uses Statement

Total Sources must equal Total Uses of Funds.

If the project includes commercial space, a separate Sources and Uses Statement is required for the commercial space.

Projects involving new construction of owner-occupied projects should submit a Sources and Uses Statement that reflects the sale to the homebuyers.

Sources

List all Permanent Sources of Project Funding in the Source of Funds table. Name the specific financing source and the amount. Refer to the Description Code list to describe the type of financing; indicate one type code only per line item.

Verification of financing commitments must be attached as Exhibit XVII. Projects without documented commitments of critical financing sources may be deemed ineligible.

Owner-occupied projects should include the borrower's downpayment as an equity source so that the sources and uses balance.

Permanent Financing

Indicate the rate to be charged on any permanent financing. Projects seeking a spread exceeding 300 basis points over the Bank's CIP rate for a comparable term may be deemed ineligible and will not be considered for funding. If your project includes financing with a spread exceeding 300 basis points, you will be required to provide an explanation in a Clarification Request.

Interim Financing

Detail any interim financing, showing the amount, type of financing, rate, term, and spread to be charged. Projects seeking a spread exceeding 300 basis points over the Bank's CIP rate for a comparable term may be deemed ineligible and will not be considered for funding. If your project includes financing with a spread exceeding 300 basis points, you will be required to provide an explanation in a Clarification Request.

Tax Credits

If tax credits are used, indicate the amount of tax credits requested per year. Include the equity from the tax credits in the sources table and attach verification of your allocation and commitment from equity provider as Exhibit XVII.

Uses

Provide the amounts for each use of funds in the Uses Table. Uses should represent the actual outlay of cash needed to pay for materials, labor, and acquisition or other costs of completing such project. For multifamily projects, this table should summarize the more detailed Development Budget submitted as Exhibit III.

Non-cash costs should not be included as a use of funds. Do not include in-kind donations, voluntary professional labor or services or sweat equity.

7. Exhibit VI AHP Needs Analysis Summary

Completion of Exhibit VI is required for owner-occupied projects with sponsor-provided mortgage financing. The Excel spreadsheet containing Exhibit VI is available on our website. If you cannot access the Bank's Community Investment website or Excel, contact the Community Investment Group at (312) 565-5745 for assistance with the calculations.

A) Cash Required to Complete Project:

Enter Total Uses from Exhibit V (Sources & Uses of Funds). Note that Uses per Exhibit V should not include the value of any donated or discounted land, materials, labor, sweat-equity or any non-cash contributions.

B) Cash Sources Other than Sponsor:

Cash Sources other than Sponsor includes project-specific support, such as grants from foundations or corporations, CBDG or HOME funds. Please label sources and attach verification of committed funding as Exhibit XVII.

Total Cash Sources Other than Sponsor will calculate automatically.

C) Cash Contributions from Sponsor:

- Enter total downpayments from homebuyers for all homes included in the project.
- Enter Monthly principal and interest ("P& I") payments for all homes included in the project. (Multiply P&I for typical owner-occupied transaction reflected on Exhibit I-A (Owner-Occupied Project Worksheet) by number of homes included in the project.)
- Enter the term of loan(s) in number of months.
- The present value of monthly mortgage payments and Total Cash Contributions from Sponsor will automatically calculate.

AHP Needs Analysis Summary:

- Funding Gap will automatically calculate.
- Amount of AHP subsidy cannot exceed the Funding Gap.

RENT ASSISTANCE PROGRAM
UTILITY ALLOWANCE SCHEDULE

Voucher Payment Standard revised 10/1/06

Utility Allowance effective 10/1/06

BEDROOM SIZE: Maximum allowable rent is all following utilities are paid by Landlord	BUILDING TYPE: Detached Single										BUILDING TYPE: Duplex										BUILDING TYPE: Three or More Units																											
	0BD	1BD	2BD	3BD	4BD	5BD	6BD	0BD	1BD	2BD	3BD	4BD	5BD	6BD	0BD	1BD	2BD	3BD	4BD	5BD	6BD	0BD	1BD	2BD	3BD	4BD	5BD	6BD																				
1. HEATING Gas	\$29	\$36	\$58	\$71	\$85	\$97	\$110	\$608	\$726	\$915	\$942	\$1,083	\$1,225	\$27	\$33	\$54	\$66	\$79	\$90	\$103	\$510	\$608	\$726	\$915	\$942	\$1,083	\$1,225	\$25	\$31	\$50	\$61	\$73	\$83	\$95	\$56	\$69	\$113	\$139	\$164	\$190	\$217	\$31	\$38	\$62	\$76	\$88	\$102	\$116
Oil	\$66	\$80	\$131	\$162	\$191	\$221	\$252	\$74	\$122	\$151	\$177	\$206	\$234	\$61	\$74	\$122	\$151	\$177	\$206	\$234	\$56	\$69	\$113	\$139	\$164	\$190	\$217	\$56	\$69	\$113	\$139	\$164	\$190	\$217	\$56	\$69	\$113	\$139	\$164	\$190	\$217	\$56	\$69	\$113	\$139	\$164	\$190	\$217
Electric	\$36	\$44	\$72	\$88	\$102	\$119	\$135	\$41	\$67	\$82	\$95	\$111	\$125	\$33	\$41	\$67	\$82	\$95	\$111	\$125	\$31	\$38	\$62	\$76	\$88	\$102	\$116	\$31	\$38	\$62	\$76	\$88	\$102	\$116	\$31	\$38	\$62	\$76	\$88	\$102	\$116	\$31	\$38	\$62	\$76	\$88	\$102	\$116
2. WATER HEATING Gas	\$8	\$10	\$12	\$15	\$16	\$19	\$22	\$10	\$12	\$15	\$16	\$19	\$22	\$8	\$10	\$12	\$15	\$16	\$19	\$22	\$8	\$10	\$12	\$15	\$16	\$19	\$22	\$8	\$10	\$12	\$15	\$16	\$19	\$22	\$8	\$10	\$12	\$15	\$16	\$19	\$22	\$8	\$10	\$12	\$15	\$16	\$19	\$22
Oil	\$20	\$23	\$28	\$34	\$40	\$46	\$51	\$23	\$28	\$34	\$40	\$46	\$51	\$20	\$23	\$28	\$34	\$40	\$46	\$51	\$20	\$23	\$28	\$34	\$40	\$46	\$51	\$20	\$23	\$28	\$34	\$40	\$46	\$51	\$20	\$23	\$28	\$34	\$40	\$46	\$51	\$20	\$23	\$28	\$34	\$40	\$46	\$51
Electric	\$14	\$18	\$23	\$28	\$32	\$36	\$40	\$18	\$23	\$28	\$32	\$36	\$40	\$14	\$18	\$23	\$28	\$32	\$36	\$40	\$14	\$18	\$23	\$28	\$32	\$36	\$40	\$14	\$18	\$23	\$28	\$32	\$36	\$40	\$14	\$18	\$23	\$28	\$32	\$36	\$40	\$14	\$18	\$23	\$28	\$32	\$36	\$40
3. LIGHTING/ REFRIGERATION	\$15	\$22	\$28	\$31	\$34	\$37	\$40	\$22	\$28	\$31	\$34	\$37	\$40	\$15	\$22	\$28	\$31	\$34	\$37	\$40	\$15	\$22	\$28	\$31	\$34	\$37	\$40	\$15	\$22	\$28	\$31	\$34	\$37	\$40	\$15	\$22	\$28	\$31	\$34	\$37	\$40	\$15	\$22	\$28	\$31	\$34	\$37	\$40
4. COOKING Gas	\$5	\$6	\$7	\$8	\$9	\$10	\$11	\$6	\$7	\$8	\$9	\$10	\$11	\$5	\$6	\$7	\$8	\$9	\$10	\$11	\$5	\$6	\$7	\$8	\$9	\$10	\$11	\$5	\$6	\$7	\$8	\$9	\$10	\$11	\$5	\$6	\$7	\$8	\$9	\$10	\$11	\$5	\$6	\$7	\$8	\$9	\$10	\$11
Electric	\$5	\$7	\$9	\$10	\$11	\$12	\$13	\$7	\$9	\$10	\$11	\$12	\$13	\$5	\$7	\$9	\$10	\$11	\$12	\$13	\$5	\$7	\$9	\$10	\$11	\$12	\$13	\$5	\$7	\$9	\$10	\$11	\$12	\$13	\$5	\$7	\$9	\$10	\$11	\$12	\$13	\$5	\$7	\$9	\$10	\$11	\$12	\$13
5. WATER & SEWER TRASH SNOW&ICE	\$16	\$16	\$18	\$28	\$31	\$33	\$36	\$16	\$18	\$28	\$31	\$33	\$36	\$16	\$16	\$18	\$28	\$31	\$33	\$36	\$16	\$16	\$18	\$28	\$31	\$33	\$36	\$16	\$16	\$18	\$28	\$31	\$33	\$36	\$16	\$16	\$18	\$28	\$31	\$33	\$36	\$16	\$16	\$18	\$28	\$31	\$33	\$36
6. STOVE	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1
7. REFRIGERATOR	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2
8. FIXED CHARGES Electric	\$7	\$7	\$7	\$7	\$7	\$7	\$7	\$7	\$7	\$7	\$7	\$7	\$7	\$7	\$7	\$7	\$7	\$7	\$7	\$7	\$7	\$7	\$7	\$7	\$7	\$7	\$7	\$7	\$7	\$7	\$7	\$7	\$7	\$7	\$7	\$7	\$7	\$7	\$7	\$7	\$7	\$7	\$7	\$7	\$7	\$7	\$7	\$7
Gas	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10

Cranston-Gonzales Act

SEC-215 -- QUALIFICATION AS AFFORDABLE HOUSING.

(a) Rental Housing.-

(1) Qualification.-Housing that is for rental shall qualify as affordable housing under this title only if the housing-

(A) bears rents not greater than the lesser of

- (i) the existing fair market rent for comparable units in the area as established by the Secretary under section 8 of the United States Housing Act of 1937, or
- (ii) a rent that does not exceed 30 percent of the adjusted income of a family whose income equals 65 percent of the median income for the area, as determined by the Secretary, with adjustment for smaller and larger families, except that the Secretary may establish income ceilings higher or lower than 65 percent 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 fair market rents, or unusually high or low family incomes;

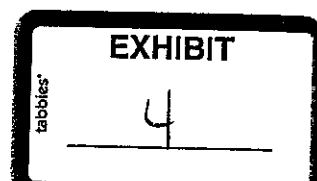
(B) has not less than 20 percent of the units

- (i) occupied by very low-income families who pay as a contribution toward rent (excluding any Federal or State rental subsidy provided on behalf of the family) not more than 30 percent of the family's monthly adjusted income as determined by the Secretary, or
- (ii) occupied by very low-income families and bearing rents not greater than the gross rent for rent-restricted residential units as determined under section 42(g)(2) of the Internal Revenue Code of 1986;

(C) is occupied only by households that qualify as low-income families;

(D) is not refused for leasing to a holder of a voucher or certificate of eligibility under section 8 of the United States Housing Act of 1937 because of the status of the prospective tenant as a holder of such voucher or certificate of eligibility;

(E) will remain affordable, according to binding commitments satisfactory to the Secretary, for the remaining useful life of the property, as determined by the Secretary, without regard to the term of the mortgage or to transfer of ownership, or for such other period that the Secretary determines is the longest feasible period of time consistent with sound economics and the purposes of this Act; and



(B) at a price consistent with guidelines that are established by the participating jurisdiction and determined by the Secretary to be appropriate

(i) to provide the owner with a fair return on investment, including any improvements, and

(ii) to ensure that the housing will remain affordable to a reasonable range of low income homebuyers; and

(5) if newly constructed, meets the energy efficiency standards promulgated by the Secretary in accordance with section 109 of this Act.