

# HABITAT FOR HUMANITY OF IOWA / STATE HOUSING TRUST FUND Project Based Awards

## CHECKLIST OF REQUIREMENTS

### **\*\*NEW CONSTRUCTION / ACQUISITION-REHAB / HANDICAPPED MODIFICATIONS\*\***

AFFILIATE NAME \_\_\_\_\_  
HOMEBUYER(S) NAME(S) \_\_\_\_\_  
ADDRESS OF HOME \_\_\_\_\_  
APPROX. CLOSING DATE \_\_\_\_\_

#### **ABOUT SHTF PROJECT BASED GRANTS:**

Habitat Iowa can write and administer a SHTF Project Based Grant for your affiliate. The maximum award, per calendar year, is \$50,000. Not all affiliates will qualify for this funding. If there is a Local Housing Trust Fund in your area, the affiliate MIGHT not qualify. Contact Habitat Iowa to verify your area will qualify.

The final Funding Agreement is between the Affiliate and the Iowa Finance Authority. At the close of the grant, Habitat Iowa will provide a FINAL PROGRAM FILE to be kept at the local affiliate. This file will contain all the required information that must be retained for the appropriate period of time – according to the IFA agreement. IFA WILL AUDIT THE FILE. Keep the file in a safe, accessible location.

Contact Christine Hall at [chall@iowahabitat.org](mailto:chall@iowahabitat.org) or 515-266-6886 with questions regarding the program.

## ELIGIBILITY REQUIREMENTS

### **PHONE CALL TO SSO TO DETERMINE ELIGIBILITY: 515-266-6882**

Eligible projects are *typically* those that:

1. Are not eligible for funding by a Local Housing Trust Fund, projects that fall within the approved geographic area, and projects that are supported in general by the Local Housing Trust Fund Board.
2. Are ready to proceed, but have NOT started. Ready to proceed is defined as:
  - a. A reasonable ability, as demonstrated in the application timeline, to expend at least 10% of the project's approved development budget and to request reimbursement for such project-related expenditures from the Project-Based Housing Program within six months of signing the award contract.
3. The affiliate must have site control at time of application. The following may be considered proper evidence of site control:
  - a. The affiliate holds title to the property on which the project will be located by a properly executed and recorded warranty deed, or a title opinion showing title in the name of the applicant, or a title guaranty certificate showing title in the affiliate name.
  - b. The applicant has an executed and exclusive purchase option agreement or other binding agreement that is valid for six months following the date of the application submission.
  - c. The affiliate has an executed purchase contract.
  - d. The affiliate has an executed lease or an option on a lease, which lease has a term not less than five years.
4. All other funding sources are identified and secured.
5. The family is selected.
6. Property is NOT located in a 1% or 100-year floodplain. HFH IA will check property against FEMA flood maps.

**\*\*\*Please note that the project cannot start until the IFA Board has approved the application. This generally takes two months from submitting ALL required materials to Habitat Iowa; however, could take longer based on IFA's schedule\*\*\***

## APPLICATION MATERIALS

Applications are now processed online only: Habitat Iowa will upload all documents and submit the completed application after a final review by the affiliate. The affiliate will need to submit the following items:

### APPLICATION INFORMATION WORKSHEET and ATTACHMENTS

- Brief description of the project: number of bedrooms, bathrooms, basement or slab, sf, etc.
- Exhibit 1A. W-9: Taxpayer Identification Number and Certification (form)
- Exhibit 1B. Iowa Great Places (if applicable)
- Exhibit 2. Need for Housing in the Community (SSO will write, with input from affiliate)
- Exhibit 3. Impact of Activity (SSO will write, with input from affiliate)
- Exhibit 4. Financial and Overall Feasibility of Activity (ability to perform & pay for project)
- Exhibit 5A. Local Support – Leveraging & Partners in Activity (letter of support from community)
- Exhibit 5B. Local Match – Leveraging & Partners in Activity (award letters, bank statements, etc.)
- Exhibit 6. Administrative Capacity of Project Sponsor (staff support, number of previous projects)
- Exhibit 7. Timeline (project milestones – reminder: project cannot start until IFA board approval)
- Exhibit 8. Minority Impact Statement (form)
- Exhibit 9. Local Housing Trust Fund Project Certification (form, if applicable)
- Exhibit 10. Site Control Documentation (warranty deed, purchase agreement, etc.)
- Exhibit 11. Environmental Questionnaire (form)
- Exhibit 12. City/Locality Map (SSO will prepare)
- Exhibit 13. Photographs of Existing Buildings (if applicable)
- Exhibit 14. Construction/Rehabilitation Cost Breakdown (form)
- Exhibit 15. Pro Forma (not applicable to most projects, used for rentals)
- Project-Based Application Certification (signature form)

### VERIFICATION OF CONTRACTOR REGISTRATION LAW

All affiliates and subcontractors must be registered per Iowa's Contractor Registration Law. If the Affiliate is not registered, do so now. Habitat Iowa will verify that your affiliate is registered on this list.

- Provide a list of anticipated subcontractors for this project. Please check the list. If they are not on the list, the affiliate cannot use them for this project – and SHOULD NOT use them for any project. Encourage the subcontractor to update his/her registration.

### INITIAL INCOME VERIFICATION

The verification of family income is a **very** important element of qualifying for funding. Homeowner income cannot exceed the **HUD County** income guidelines of 80% AMI. The affiliate must independently verify the family's income, including any household member over the age of 18 living in the home. In order to assure compliance and all sources of income verified in writing must be submitted. Please submit the following:

- Habitat for Humanity of Iowa/IFA Programs Income Worksheet
- Habitat for Humanity homeowner application
- A copy of the homeowner's most recent tax return
- ONE** of the two following items must be provided to verify the homeowner wage income:
  1. Written employer verification of income letter (**PREFERRED**)
  2. Two months of pay stubs with sufficient data to determine Year-To-Date income
- Child support received for the most recent 12-months verified by the County
- Social Security Income (SSI) and/or Social Security Disability Income (SSDI) benefit letter including the

date, name of recipient, and monthly amount

- To document self-employment income, please provide the most recent two years of their FULL Federal Tax Returns
- Zero Income Affidavit – for any adult (18 yrs. +) living in the home, who do not have income
- Any other applicable cash income source must be verified
- Under \$5,000 Asset Certification form

## **AFTER GRANT APPROVED / DURING CONSTRUCTION**

### **GRANT AGREEMENT**

IFA will mail, to your office, a SHTF Project Based Grant Agreement. Please quickly read and sign both copies and mail back to IFA. IFA will then get the required signature of IFA staff. A final copy will be mailed to your affiliate address. Once the affiliate receives the SIGNED Agreement, mail, email, or fax a copy to Habitat Iowa.

This agreement may note special considerations or requirements of the Affiliate prior to receiving the funding.

### **SEMI-ANNUAL REPORTING**

There are two reporting periods (per year) for this program (January-June & July-December). Habitat Iowa requires the semi-annual report information be given to the Habitat Iowa office by July 10 and January 10. Habitat Iowa will submit the Affiliate reports by July 15 and January 15 of each year the grant is open.

- IFA SHTF Exhibit C
- IFA SHTF Exhibit D

### **PAYMENT REQUEST**

Expenses will be reimbursed AFTER the affiliate purchases the materials. IFA will only reimburse materials after all special considerations and/or requirements are met in the Grant Agreement. This typically includes IFA's review of current family income. Please note that IFA considers family income verifications current if they do NOT EXCEED 120 DAYS OLD.

- Affiliates have 3 options during the SHTF project time frame for meeting the requirement of CURRENT income verification before submitting a payment request.
  1. If the initial income verification process happened within approx. 100 days of being awarded the SHTF application, there would be time to submit the income for verification to IFA for approval shortly after the award was made.
  2. The affiliate can choose to do a mid-project income verification – following all the same requirements for initial and final verifications.
  3. The affiliate can wait to make a payment request until the last few months of the project, after the affiliate has completed the REQUIRED final income verification. The final income verification must fall within 120 days of closing.
- Submit to Habitat Iowa by mail, email, or fax project receipts totaling the amount of the draw. The project receipts should clearly list the project address and indicate that they have been paid. Additional receipts may be needed.

### **FINAL INCOME VERIFICATION – within 120 days of closing**

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- A copy of the homeowner's most recent Federal Tax Return, if not already submitted
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**\*\*\*\*ALL SOURCES OF INCOME, EARNED AND UNEARNED, MUST BE VERIFIED\*\*\*\***

**Once the draw is approved, IFA will direct deposit the money into your account. Habitat Iowa will mail an invoice to your affiliate for the processing fee of 10% of the award or a minimum of \$1,500. This fee helps cover the cost of applying for and administering the SHTF grant for your affiliate.**