

HOME INVESTMENT PARTNERSHIPS PROGRAM



Application for CHDO Certification



**Kane County/City of Elgin Consortium
Kane County Development and
Resource Management Department
719 Batavia Avenue
Geneva, Illinois 60134**

KANE COUNTY/CITY OF ELGIN HOME CONSORTIUM

Home Investment Partnerships Program

CHDO Certification Instructions

One goal of the Kane County/City of Elgin HOME Consortium is to build the capacity of area non-profit organizations with a demonstrated interest in developing affordable housing in the consortium area. The consortium will set-aside a minimum of 15% of its HOME allocation for projects that are owned, developed, and/or sponsored by Community Housing Development Organizations (CHDOs). CHDOs are non-profit organizations that meet certain requirements pertaining to their legal status, organizational structure, capacity, and experience. Prior to committing HOME funds to CHDO projects, however, the consortium must certify that they meet specific qualifying criteria, which are outlined in the HOME regulations found at 24 CFR Part 92.2.

This packet contains an application form and the instructions necessary to apply for CHDO Certification from the consortium. CHDO Certification is valid for a period of one year, after which time organizations must be recertified in order to remain eligible for the above-mentioned set-aside. While receiving CHDO Certification does not guarantee project funding, it does establish a “partnership” between the consortium and the non-profit organization as both share an interest in increasing the supply of affordable housing available to low- and moderate-income households in the consortium area.

Before You Begin

Prior to preparing an application for CHDO Certification, organizations should become familiar with the consortium’s Rental Housing Development Program Guidelines and the federal regulations that govern the HOME Program, which are found at 24 CFR Part 92. The guidelines may be obtained from the Kane County Development Department by calling 630-208-5351, and the regulations may be obtained from HUD’s website (www.hud.gov).

Submission Requirements

The application for CHDO Certification consists of the enclosed application form and various supporting documents, which are discussed in detail in Part B of the application. Together, the properly completed form and supporting documentation should be submitted to the Kane County Development Department, 719 Batavia Avenue, Geneva IL 60134. Application materials should not be bound. The consortium reserves the right to request additional information regarding any application submitted for CHDO Certification.

For Further Assistance

Please contact the Kane County Development Department, Building and Community Services Division, at 630-208-5351 or 630-444-3027, if you have questions regarding this application packet, or CHDO Certification in general.

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PART A: APPLICANT INFORMATION

Organization Name: _____

Street/Mailing Address: _____

City/State/Zip: _____

Executive Director Name: _____

Phone: _____

Fax: _____

E-mail Address: _____

Web Address: _____

I, the undersigned, certify that all information provided in this application, and all documents furnished in support of this application, are true and complete to the best of my knowledge and belief. I agree that the Kane County/City of Elgin Consortium may obtain verification from any source named herein.

Executive Director Signature: _____

Date of Signature: _____

PART B: SUPPORTING DOCUMENTATION REQUIREMENTS

The U.S. Department of Housing and Urban Development has established a number of specific criteria an organization must meet in order to qualify as a Community Housing Development Organization under the HOME Program. Please provide documentation that your organization meets the requirements listed below.

1. The organization must be organized under state or local laws, and no part of its net earnings inure to the benefit of any member, founder, contributor, or individual, as evidenced by its Charter or Articles of Incorporation.
2. The organization must have a tax exemption ruling from the Internal Revenue Service (IRS) under Section 501(c)(3) or (4) of the Internal Revenue Code of 1986, as evidenced by a 501(c)(3) or (4) certificate from the IRS.

3. The organization must have among its purposes the provision of decent housing that is affordable to low- and moderate- income persons, as evidenced by a statement in its Charter, Articles of Incorporation, By-Laws, or Resolutions.
4. The organization must conform to the financial accountability standards of 24 CFR Part 84.21, "Standards for Financial Management Systems", as evidenced by a notarized statement by the president or chief financial officer of the organization, a certification from a Certified Public Accountant, or a HUD approved audit summary.
5. The organization must have a demonstrated capacity for carrying out activities assisted with HOME funds, as evidenced by résumés and/or statements that describe the experience of key staff members who have successfully competed projects similar to those to be assisted with HOME funds, or contract(s) with consultant firms or individuals who have housing experience similar to projects to be assisted with HOME funds and who will train appropriate key staff of the organization.
6. The organization must have a history of serving the community within which housing to be assisted with HOME funds will be located, as evidenced by a statement that documents at least one year of experience in serving the community, or – for newly created organizations formed by local churches, service or community organizations – a statement that documents that its parent organization has at least one year experience in serving the community. The statement must describe the organization's history (or its parent organization's history) of serving the community by describing activities which it provided (or its parent organization provided), such as, developing new housing, rehabilitating existing stock and managing housing stock, or delivering non-housing services that have had lasting benefits for the community, such as counseling, food relief, or childcare facilities. The statement must be signed by the president of the organization or by a Kane County-approved representative.
7. The organization must maintain at least one-third of its governing board's membership for residents of low-income neighborhoods, other low-income community residents, or elected representatives of low-income neighborhood organizations, as evidenced by the organization's By-Laws, Charter, or Articles of Incorporation. A list of board members must be provided indicating which are low-income representatives and how they qualify as such. (Under the HOME Program, for urban areas, the term "community" is defined as one or several neighborhoods, a city, county, or metropolitan area. For rural areas, "community" is defined as one or several neighborhoods, a town, village, county, or multi-county area (but not the whole State) provided that the governing board contains low-income residents from each of the multi-county areas.)

8. The organization must provide a formal process for low-income, program beneficiaries to advise the organization in all of its decisions regarding the design, siting, development, and management of all HOME-assisted affordable housing projects, as evidenced by the organization's By-Laws, Resolutions, or a written statement of operating procedures approved by the governing body.
9. If the organization is chartered by a State or local government, the State or local government may not appoint more than one-third of the membership of the organization's governing body and the board members appointed by the state or local government may not, in turn, appoint the remaining two-thirds of the board members, and no more than one-third of the governing board members may be public officials, as evidenced by the organization's By-Laws, Charter, or Articles of Incorporation.
10. If the organization is sponsored or created by a for-profit entity, the for-profit entity may not appoint more than one-third of the membership of the organization's governing body, and the board members appointed by the for-profit entity may not, in turn, appoint the remaining two-thirds of the board members, as evidenced by the organization's By-Laws, Charter, or Articles of Incorporation.
11. The organization may not be controlled, or receive directions from individuals or entities seeking profit from the organization, as evidenced by its By-Laws, or a Memorandum of Understanding (MOU).
12. If the organization is sponsored or created by a for-profit entity, the for-profit entity's primary purpose may not include the development or management of housing and the organization must be free to contract for goods and services from vendor(s) of its own choosing, as evidenced by its By-Laws, Charter, or Articles of Incorporation.