

## EXHIBIT H-27 CHDO CERTIFICATION CHECKLIST

Complete the checklist, compile all required attachments and upload as a single PDF.

The information contained in this checklist refers to the definition of “Community Housing Development Organization” (CHDO) in Subpart A, Section 92.2 of the HOME Final Rule (24 CFR Part 92). Additional information applicable to CHDOs is found in Subpart G of the Final Rule.

**Any CHDO rental development award for the current HOME round will be provided in the form of a 0% interest loan equal in term to the period of affordability. Scheduled payments will be determined through final application underwriting. Any unpaid balance of the HOME loan at the maturity date shall be forgiven, unless the lender requires repayment due to an Event of Default outlined in the written agreement.**

**Questions? Contact: Carol Wells**, Home Program Coordinator, 515-452-0419,  
[carol.wells@iowaFinance.com](mailto:carol.wells@iowaFinance.com)

### APPLICANT INFORMATION

Applicant:

Federal EIN:

UEI Number:

Chief Executive:

Title:

Organizational Status (check all that apply):

- ☐ 501(c)(3)
 ☐ 501(c)(4)
 ☐ Section 905
 ☐ Faith-Based Organization  
☐ Institution of Higher Education
 ☐ Created by a governmental entity  
☐ Created by a for-profit entity

Address:

City:

State:

Zip Code:

Phone:

-

-

Fax:

-

-

Email:

#### Applicant Contact Information

Contact Name:

Title:

Phone:

-

-

Email:

## CHDO Legal Structure

A. The organization is organized under state or local law, as evidenced by:

☐ Charter, OR ☐ Articles of Incorporation

B. The organization has among its purposes the provision of decent housing that is affordable to low-income and moderate-income persons, as evidenced by the organization's:

☐ Charter;  
☐ Articles of Incorporation;  
☐ By-laws; OR  
☐ Resolutions

C. No part of the organization's net earnings inure to the benefit of any member, founder, contributor, or individual, as evidenced by:

☐ Charter, OR ☐ Articles of Incorporation

D. The organization is not controlled by or under the direction of any individual or entity seeking to derive profit or gain from the organization, as evidenced by:

☐ Charter;  
☐ Articles of Incorporation; OR  
☐ By-laws

E. The organization has one of the following IRS tax exempt statuses:

☐ Exemption under 501(c)(3) or 501(c)(4);  
☐ Subordinate of a central organization nonprofit under IRC Section 905; OR  
☐ A wholly-owned entity that is a disregarded entity separate from its owner for tax purposes is owned by entity with a tax exemption ruling from the IRS under Section 501(c)(3) or 501(c)(4).

F. The organization is not a governmental entity such as a participating jurisdiction, other jurisdiction, Indian tribe, public housing agency, Indian housing authority, housing finance agency, or redevelopment authority), as evidenced by:

☐ Charter, OR ☐ Articles of Incorporation

## INDEPENDENCE

- A. Public officials and employees of a governmental entity may comprise no more than one-third of the organization's board, as evidenced by (and confirmed by the current CHDO Board Roster provided as Exhibit #11):

☐ By-laws; ☐ Charter; OR ☐ Articles of Incorporation

- B. The officers or employees of a governmental entity cannot be officers or employees of the organization, as evidenced by (and confirmed by the current CHDO Staff Roster provided as Exhibit #12):

☐ By-laws; ☐ Charter; OR ☐ Articles of Incorporation

**Complete Section C only if the CHDO was created by a governmental entity.**

- C. If this organization was created by a governmental entity:

- (1) The governmental entity that created the organization may not appoint more than one-third of the board members, and board members appointed by the governmental entity may not, in turn, appoint the remaining two-thirds of the organization's board, as evidenced by the organization's (and confirmed by the current CHDO Board Roster provided as Exhibit #11 and CHDO Board Member Certifications as Exhibit #10):

☐ By-laws; ☐ Charter; OR ☐ Articles of Incorporation

**Complete Section D only if the CHDO was created by a for-profit entity.**

- D. If this organization has been sponsored or created by a for-profit entity:

- (1) The for-profit entity's primary purpose does not include the development or management of housing, such as a builder, developer, or real estate management firm, as evidenced by:

☐ The for-profit entity's By-laws; AND  
☐ The for-profit entity's Articles of Incorporation

- (2) The for-profit entity may not appoint more than one-third of the organization's board members, and for-profit-appointed members may not appoint the remaining two-thirds of the organization's board, as evidenced by the organization's:

☐ By-laws; ☐ Charter; OR ☐ Articles of Incorporation

- (3) The officers or employees of the sponsoring for-profit entity cannot be officers or employees of the CHDO, as evidenced by (and confirmed by the CHDO Board Roster provided as Exhibit #11 and CHDO Staff Roster provided as Exhibit #12):

☐ By-laws; AND ☐ The for-profit entity's Board Roster and Staff Roster

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

☐ By-laws; ☐ Charter; OR ☐ Articles of Incorporation

### III. ACCOUNTABILITY TO THE LOW-INCOME COMMUNITY

Total number of CHDO board members:  
Total number of current board vacancies:

A. The organization has a designated geographic service area (i.e. the “community” in which it produces housing). A “community” can be a neighborhood or neighborhoods, city, county, metropolitan area, or multi-county area (but not the entire state of Iowa). The CHDO’s service area is defined as follows:

B. At least one-third of the organization’s board members are: (1) low-income; (2) residents of low-income neighborhoods; or (3) designees of nonprofit organizations, as evidenced by the organization’s (and confirmed by the CHDO Board Roster provided as Exhibit #11):

☐ By-laws; ☐ Charter; OR ☐ Articles of Incorporation

C. The organization has a formally adopted process for low-income beneficiaries of HUD Programs to advise the organization in its decisions regarding the design, siting, development, and management of affordable housing, as evidenced by:

- ☐ By-laws; OR
- ☐ Resolutions (see sample in Appendix A); OR
- ☐ A written statement of operating procedures approved by the governing body; AND
- ☐ A written statement signed by the organization’s chief executive officer or president describing input sought and received on the current project proposal (to be included under Exhibit #9)

D. The organization has at least one year of serving the community within which the housing to be assisted with HOME funds is to be located, or, if it is a newly created organization formed by local churches, service organizations, or neighborhood organizations, its parent organization meets this requirement, 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 neighborhood organizations, a statement that documents that its parent organization has at least one year of experience in serving the community.

## IV. CAPACITY

- A. The organization has financial management systems that conform to 24 CFR 84.21 “Standards for Financial Management Systems,” as evidenced by:

- ☐ A notarized statement by the president or chief financial officer of the organization; OR  
☐ A certification from a Certified Public Accountant.

### Audit

Does your organization have an annual audit?

☐ Yes

☐ No

If “yes,” is the most recent audit current?

☐ Yes

☐ No

Please explain any “no” responses:

### Audit findings

Were there management or compliance findings in the last two years? ☐ Yes

☐ No

If “yes,” explain how those findings have been resolved:

**Note:** To be certified as a CHDO, the organization must have paid employees with demonstrated experience relevant to the CHDO’s role in undertaking the HOME activity to be funded. This does not include volunteers, donated or shared staff or services, or consultants except that during the first year of an organization’s participation as a CHDO, capacity can be demonstrated through a contract with a consultant who has housing development experience to train appropriate key staff of the organization. These capacity requirements for CHDO certification will be reviewed in conjunction with the organization’s application submission for HOME funding. No CHDO certification can be completed until the organization has satisfied all capacity requirements under the HOME rule.

**ACKNOWLEDGMENT, RELEASE OF INFORMATION AND CERTIFICATION**

I acknowledge that I have read and understand the CHDO Certification Checklist materials and HOME administrative rules. Further, I hereby give permission to the Iowa Finance Authority (IFA) to research the applicant's history, perform credit checks, contact the organization's financial institutions, and perform other related activities necessary for reasonable evaluation of this application. I understand that all information submitted to the IFA relating to this application is a public record. I certify that all representations, warranties, or statements made or furnished in connection with this application are true and correct in all material respects. I understand that it is a criminal violation under Iowa law to engage in deception and knowingly make, or cause to be made, directly or indirectly, a false statement in writing for the purpose of procuring assistance from a state agency or political subdivision.

Name:

Title:

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Signature

Date:

**Note:** The IFA will not provide assistance in situations where it is determined that any representation, warranty, or statement made in connection with this application is incorrect, false, misleading, or erroneous in any material respect. If assistance has already been provided by the IFA prior to discovery of the incorrect, false, or misleading representation, the IFA may initiate legal action to recover funds.



## SUMMARY OF REQUIRED EXHIBITS

The applicant must address each of the following as an attachment to this checklist.

Exhibit numbers should be clearly labeled in the submission.

<input type="checkbox"/>	<b>Exhibit #1 – CHDO Certification Checklist</b> Complete the CHDO Certification Checklist
Attach the following additional Exhibits to the CHDO Certification Checklist only if applicable (if an item on Exhibit #1, the CHDO Certification Checklist, is checked, a corresponding exhibit must be included in the CHDO Certification Checklist submission).	
<input type="checkbox"/>	<b>Exhibit #2 – Charter</b> Attach a copy of the CHDO's Charter or mission statement.
<input type="checkbox"/>	<b>Exhibit #3 – Articles of Incorporation</b> Attach a copy of the CHDO's Articles of Incorporation, highlighting text relevant to the CHDO Certification Checklist.
<input type="checkbox"/>	<b>Exhibit #4 – By-laws</b> Attach a copy of the CHDO's By-laws, highlighting text relevant to the CHDO Certification Checklist.
<input type="checkbox"/>	<b>Exhibit #5 – Tax Exemption Ruling</b> Attach a copy of the CHDO's: <ul style="list-style-type: none"> <li>• 501(c)(3) tax exemption ruling from the IRS;</li> <li>• 501(c)(4) tax exemption ruling from the IRS; or</li> <li>• Section 905 subordinate organization status, including documentation of the central organization's group 501(c) tax exemption designation.</li> </ul>
<input type="checkbox"/>	<b>Exhibit #6 – Purpose Resolution</b> If not clearly documented in Exhibits #2, #3, or #4, attach a resolution from the CHDO's board stating that the CHDO has among its purposes the provision of decent housing that is affordable to low-income and moderate-income persons.
<input type="checkbox"/>	<b>Exhibit #7 – Financial Accountability Standards</b> Attach one of the following stating that the CHDO's financial accountability standards conform to the requirements detailed in 24 CFR 84.21, "Standards for Financial Management Systems:" <ul style="list-style-type: none"> <li>• A notarized statement by the chief executive officer or the chief financial officer of the CHDO; or</li> <li>• A certification from a Certified Public Accountant.</li> </ul>
<input type="checkbox"/>	<b>Exhibit #8 – CHDO Experience</b> Attach one of the following, as applicable: <ul style="list-style-type: none"> <li>• A statement that documents at least one year of experience in serving the community; or</li> <li>• For newly created organizations formed by local churches, service organization, or neighborhood organizations, a statement that documents that the parent organization has at least one year of experience serving the community.</li> </ul> <p>In the statement, the organization must describe its history (or its parent organization's history) of serving the community by describing activities which it provided (or its parent organization provided), such as: developing new housing, rehabilitating existing stock and managing housing stock, or delivering non-housing services that have had lasting benefits for the community, such as counseling, food relief, or childcare facilities. The narrative statement must also include all housing development project experience. Please describe all development projects completed to date, including: a description of the project(s), location(s), number of units, type of housing, population(s) served, financing sources, and any on-going involvement in the project (if rental). Please also describe any projects that are currently under development and any future plans for development projects. List any federal, state, or local affordable housing program awards received by the organization during the past five years. Note the organization's total number of paid employees and specifically identify by name key employees with demonstrated experience relevant to the CHDO's anticipated role</p>

	in undertaking the HOME activity to be funded under any planned future funding application submission. The statement must be signed by the chief executive officer of the organization and attached to the CHDO Certification Checklist.
<input type="checkbox"/>	<p><b>Exhibit #9 – Low-Income Community Input</b>          If not clearly identified in Exhibit #4, attach one of the following to document that the CHDO has a formally adopted process for low-income beneficiaries to advise the CHDO on decisions regarding the design, siting, development, and management of housing:</p> <ul style="list-style-type: none"> <li>• Resolution (see sample in Appendix A); or</li> <li>• A written statement of operating procedures approved by the CHDO’s governing body.</li> </ul> <p>In an attached narrative, describe the CHDO’s formal “low-income community input” process. Please refer to Appendix A for suggestions. This exhibit must also include a written statement signed by the organization’s chief executive officer or president describing input sought and received on the current project proposal. Provide copies of minutes from one or more meetings or other appropriate evidence documenting the CHDO’s efforts to gather input from intended project or program beneficiaries and low-income residents of the community. <u>Note:</u> Input from the low-income community <b>is not met</b> solely by having low-income community representatives on the CHDO’s board. The CHDO must maintain records of low-income community input.</p>
<input type="checkbox"/>	<p><b>Exhibit #10 – CHDO Board Member Certifications</b>          Attach a completed Certification form (see Appendix B) from each CHDO board member listed in Exhibit #11.</p>
<input type="checkbox"/>	<p><b>Exhibit #11 – CHDO Board Roster</b>          Provide a list of the CHDO’s board members using the provided form (see Appendix C).</p>
<input type="checkbox"/>	<p><b>Exhibit #12 – CHDO Staff Roster</b>          Provide a list of the CHDO’s key staff members using the provided form, including resumes, job descriptions, and W-2s for staff assigned to the proposed HOME project (see Appendix D).</p>
<input type="checkbox"/>	<p><b>Exhibit #13 – Relationship with For-Profit Entities</b>          If the CHDO is sponsored or organized by a for-profit entity, attach a copy of the for-profit organization’s By-laws and a description of its corporate profile.</p>
<input type="checkbox"/>	<p><b>Exhibit #14 – Audit</b>          Attach a copy of the CHDO’s most recent annual audit report.</p>
<input type="checkbox"/>	<p><b>Exhibit #15 – Current Fiscal Year Operating Budget</b>          Attach a copy of the CHDO’s operating budget for the current fiscal year.</p>
<input type="checkbox"/>	<p><b>Exhibit #16 – IRS Form 990</b>          Provide a copy of the CHDO’s most recent IRS Form 990.</p>





## Appendix A (Exhibit #9)

### Sample Low-Income Community Input Resolution

The following is hereby resolved by the Board of Directors of \_\_\_\_\_ (CHDO),  
at a duly called meeting on \_\_\_\_\_ (date), at which a quorum was present:  
The following provision is hereby added to the By-laws, and shall be designated as Article  
\_\_\_\_\_.

For any housing project undertaken by this organization, there shall be a formal process by which we gather input from intended beneficiaries, low-income residents of the proposed project area, and other community members. This process will include:

- \_\_\_\_\_ Holding widely publicized open meetings;
- \_\_\_\_\_ Creating ad hoc committees of neighbors of a proposed development site;
- \_\_\_\_\_ Forming a neighborhood advisory council;
- \_\_\_\_\_ Temporarily expanding our governing board to include neighbors during the period of planning and development of the housing project;
- \_\_\_\_\_ Other: \_\_\_\_\_

Input will be sought on project design, location of sites, development, management, and any other relevant issues.

Printed Name of Authorized Official: \_\_\_\_\_

Title of Authorized Official: \_\_\_\_\_

Signature of Authorized Official: \_\_\_\_\_

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

### Description of Process for Obtaining Low-Income Input

The narrative description provided in Exhibit #9 to the CHDO Certification Checklist may address the following questions:

- In what ways was low-income input sought and implemented over the past year and what were the results?
- How have the low-income residents and program beneficiaries in your service area been involved with the CHDO to advise on policies and procedures, program design, site location(s), and the development and management of housing?
- Are there any unique approaches you have taken to obtain feedback from low-income residents?
- What options will be pursued to overcome any barriers to obtaining low-income input?

## Appendix B (Exhibit #10)

### Board Member Combined Certification for CHDO Status

### Part A: Public Official Certification

For the purposes of 24 CFR Part 92 (HOME Investment Partnerships Program), a “public official” is defined as any person serving in any of the following capacities:

- ☐ An elected official such as but not limited to a city council member, county supervisor, or a state legislator.
  - ☐ An appointed public official such as members of a planning or zoning commission or of any other regulatory and/or advisory commissions appointed by a public official.
  - ☐ A public employee such as any employee of the city, county, or state of Iowa.
  - ☐ A person appointed by a public official to serve on the CHDO board.
- ☐ By signing and dating this statement, I hereby certify that I **do** serve in one of the “public official” capacities previously stated (you must check at least one line above). End of certification. Sign below.
- ☐ By signing and dating this statement, I hereby certify that I **do not** serve in any of the “public official” capacities previously stated. Proceed to Part B.

### **Part B: Low-Income Representation Certification**

For the purposes of 24 CFR Part 92 (HOME Investment Partnerships Program), a person who does not serve as a "public official" in any elected or appointed capacity and who meets any of the following characteristics is recognized as representing the low-income community. By signing and dating this statement, I hereby certify that:

- ☐ I am a low-income resident of \_\_\_\_\_, a community in the CHDO's geographic service area.

*To qualify under this criterion, the board member must be a low-income resident of a community that the CHDO is planning to serve or is currently serving. "Low-income" is defined as having a gross annual household income at or below 80 percent of the area median, as defined by HUD.*

- ☐ I am a resident of a low-income neighborhood in \_\_\_\_\_, a community in the CHDO's service area.

*To qualify under this criterion, the board member must live in a low-income neighborhood where 51 percent or more of the residents are low-income. The board member does not have to be low-income.*

- ☐ I am an elected representative of \_\_\_\_\_, a low-income neighborhood organization within \_\_\_\_\_, a community in the CHDO's service area.

*To qualify under this criterion, the person must be elected by a low-income neighborhood organization to serve on the CHDO Board. The organization must be composed primarily of residents of a low-income neighborhood and its primary purpose must be to serve the interest of the neighborhood residents. Such organizations might include block groups, neighborhood associations, and neighborhood watch groups. The group must be a neighborhood organization and may not be the CHDO itself. If the board member is representing a low-income neighborhood organization, please attach a copy of the signed resolution from the neighborhood organization naming the individual as its representative on the CHDO Board.*

I further certify that I am a current member in good standing of the CHDO's governing Board.

(Signature)

(Date)

(Printed Name)

## CHDO Board Compliance Certification

I, \_\_\_\_\_ (Chairperson of the Board) certify that \_\_\_\_\_ (the CHDO) will at all times maintain at least one-third of the membership of the Board of Directors for: 1) residents of the CHDO's geographic service area who are low-income; 2) residents of the CHDO's geographic service area who live in a low-income neighborhood; or 3) representatives elected by a low-income neighborhood organization as evidenced by some action of the low-income neighborhood organization's governing body.

I further certify that the Board of Directors regarding the investment of HOME funds shall take no action without one-third low-income representation of the Board.

I further certify that no more than one-third of the Board membership shall be elected or appointed public officials or employees of a governmental entity (including the participating jurisdiction, other jurisdiction, Indian tribe, public housing authority, Indian housing authority, housing finance agency, or redevelopment authority). I further certify that no officer or employee of a governmental entity serves as an officer (e.g. CEO, CFO, or COO) or employee of the CHDO.

This certification approval is evidenced by a resolution adopted by the Board of Directors, dated and signed by the Chairperson of the Board.

Board Chairperson Signature

Typed Name:

Date: