

## HOME 2022-2023 NOFA Appendix B

### Community Housing Development Organization (CHDO) Certification Documents

#### Section I.

The 2013 Final Rule changed the definitions of “Owner”, “Developer” and “Sponsor” as they apply to CHDOs and effective project control (see Section II.A.2 of the 2022-2023 HOME NOFA). The Final Rule also requires that CHDOs demonstrate experience and capacity to carry out the obligations of each role that the CHDO will perform.

#### **Capacity of the CHDO**

The CHDO must demonstrate capacity for each role (Owner, Developer or Sponsor) it intends to undertake. The 2013 Final Rule emphasizes that the CHDO must have **paid key staff members** who have housing experience appropriate to the role the CHDO undertakes. Thus, a CHDO in the role of Developer must demonstrate development experience and a CHDO in the role of owner/manager must demonstrate ownership and management experience. If the CHDO lacks development experience or capacity it may be certified only as an Owner/Operator. Capacity is evaluated during the certification process as well as **each time** the CHDO applies for funding.

The capacity requirement cannot be met through the use of volunteers or staff that is donated by organization, including the parent organization, if applicable.

#### **Use of Consultants to Demonstrate Development Capacity (New CHDOs ONLY)**

The CHDO cannot rely exclusively upon consultants to demonstrate development capacity, but a consultant may be hired to fill a capacity gap, provided that the following conditions are met:

- a) The CHDO and consultant must enter into a written agreement which specifies the tasks to be performed by the consultant;
- b) The consultant must demonstrate sufficient experience to perform the assigned tasks;
- c) The written agreement must include a provision that the consultant will provide training to CHDO staff; and
- d) A detailed training plan must be submitted with the certification application. The plan must specifically state the scope of the training and a timeline for completion of the training. Training must commence within 6 months after the CHDO is certified and must be completed no later than two years of the certification date.

**Section II.** Section 92.300 of the 2013 Final Rule requires Participating Jurisdictions (PJs) to confirm and document the capacity of an existing CHDOs to own, develop, or sponsor housing **each time** it commits CHDO set-aside funds to an organization for a specific project. Please submit all of the documents listed in Section II.A(2) with your HOME Application. Attachments are available in the HOME Program CHDO Certification Application at: <https://www.hcd.ca.gov/grants-funding/active-funding/docs/2019-HOME-CHDO-Certification-Checklist-F.docx>

Board of Directors:

- Attachment 17.1 “Certification of Board Status”
- Attachment 16.1 “Board Member Certification” for each new Board Member, if any. Include this attachment only if any Board Members were added or changed since the initial date of the current certification. If no changes, so state in the Board Chair’s certification statement.
- Attachment 17.2 “CHDO Board Compliance Certification”

Staffing and Experience:

- Attachment 11.1 “Organization Staffing Plan”.
- Attachment 11.2 “Key Staff Core Competencies”.
- For new staff, if any, include resumes and statements describing their qualifications and experience in development, ownership and/or operation of affordable housing projects. Resumes must specifically describe the role and duties performed on prior projects.