



Community Housing Development Organization
CHDO
Certification Application

Return complete application and all requested documentation
to:

HOME Program Manager
Arkansas Development Finance Authority
900 West Capitol, Suite 310
Little Rock, AR 72201

Revised October 2014

Arkansas Development Finance Authority
COMMUNITY HOUSING DEVELOPMENT ORGANIZATION
CERTIFICATION CHECKLIST

Legal Name of Organization		Tax ID Number
Mailing Address		City
Contact Name		Contact's Title
Contact's Email Address		Phone Number
Board President Name		Phone Number
SELECT THE CHDO SET-ASIDE ELIGIBLE ACTIVITY(IES) YOUR ORGANIZATION PLANS TO UNDERTAKE AS A CHDO (check all that apply)		
<input type="checkbox"/> Acquisition and/or rehabilitation of rental property		<input type="checkbox"/> Acquisition and/or rehabilitation of homebuyer property
<input type="checkbox"/> New construction of rental housing		<input type="checkbox"/> New construction of homebuyer property
<input type="checkbox"/> Direct financial assistance to purchasers of HOME-assisted housing sponsored or developed by a CHDO with HOME funds		
BELOW LIST THE TARGET GEOGRAPHIC AREA(S) OF THE ORGANIZATION (Include a copy of map with identified boundaries of target area)		
1.		3.
2.		4.

Board President/Chairman Signature

Date

Please complete the applicant portion of this checklist. Include the requested information in the Attachments indicated and check-off the item in the checklist. Articles of Incorporation, By-Laws, Charters, Memorandums of Understanding, Contracts, Certifications and Resolutions must be signed and dated by the Board President or other authorized signor. Incomplete applications will not be considered. ADFA Staff will visit your organization prior to certification.

LEGAL STATUS	
	<p>The nonprofit organization is organized under State or local laws, as evidenced by:</p> <p><input type="checkbox"/> A Charter, OR</p> <p><input type="checkbox"/> Articles of Incorporation</p>
	<p>No part of its net earnings inure to the benefit of any member, founder, contributor, or individual, as evidenced by:</p> <p><input type="checkbox"/> A Charter, OR</p> <p><input type="checkbox"/> Articles of Incorporation</p>
	<p>Has a tax exemption ruling from the Internal Revenue Service (IRS) under Section 501(c)(3) or 501(c)(4) of the Internal Revenue Code of 1986, as evidenced by:</p> <p><input type="checkbox"/> A 501(c)(3) or 501(c)(4) Certificate/Determination from the IRS</p> <p style="text-align: center;">OR</p> <p><input type="checkbox"/> Is classified as a subordinate of a central organization non-profit under section 905 of the Internal Revenue code, as evidenced by:</p> <p><input type="checkbox"/> A group exemption letter from the IRS that includes the CHDO</p>
	<p>Has among its purposes the provision of decent housing that is affordable to low- and moderate-income people, as evidenced by a statement in the organization's:</p> <p><input type="checkbox"/> Charter,</p> <p><input type="checkbox"/> Articles of Incorporation,</p> <p><input type="checkbox"/> By-laws, OR</p> <p><input type="checkbox"/> Resolutions</p>

CAPACITY – Financial

Conforms to the financial accountability standards of 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;
- AND**
- A certification from a Certified Public Accountant; **OR**
- A HUD approved audit summary.

CAPACITY - Experience

Has demonstrated a capacity for carrying out activities assisted with HOME funds, as evidenced by:

- Resumes and/or statements that describe the experience of key **paid** staff members (full-time or part-time) who have successfully completed projects similar to those to be assisted with HOME funds,
- OR**
- For New CHDOs only**, Contract(s) with consulting firms or individuals who have housing experience similar to projects to be assisted with HOME funds to train appropriate key staff of the organization.

Has a history of serving the community where housing to be assisted with HOME funds is to be located, as evidenced by:

- Statement signed by the Board President that details at least one year of experience in serving each community which for which Certification is sought and provide supporting documentation.
- 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 of experience in serving the community.

(The CHDO or its parent organization must be able to show one year of serving the community prior to the date of the participating jurisdiction provides HOME funds to the organization. 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 housing 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 or other official of the organization).

ORGANIZATIONAL STRUCTURE

Maintains 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.

ORGANIZATIONAL STRUCTURE

Provides 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, **OR**
- Resolutions, **AND**
- A written statement of operating procedures approved and signed by the governing body.

ORGANIZATIONAL STRUCTURE

A CHDO may be chartered by a State or local government, however, the State or local government may not appoint: (1) more than one-third of the membership of the organization's governing body; (2) the board members appointed by the State or local government may not, in turn, appoint the remaining two-thirds of the board members; and (3) no more than one-third of the governing board members are public officials (including any employees of the PJ), as evidenced by the organization's:

- By-Laws,
- Charter, **OR**
- Articles of Incorporation.

ORGANIZATIONAL STRUCTURE

If the CHDO 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 CHDO'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 CHDO's:

- By-Laws,
- Charter, **OR**
- Articles of Incorporation.

RELATIONSHIP WITH FOR-PROFIT ENTITIES

The CHDO is not controlled, nor receives directions from individuals, or entities seeking profit from the organization, as evidenced by:

- Organization's By-Laws,
- Memorandum of Understanding (MOU)

A Community Housing Development Organization may be sponsored or created by a for-profit entity, however:

(1) The for-profit entity's primary purpose does not include the development or management of housing, as evidenced:

- In the for-profit organization's By-Laws,

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

- By-laws
- Charter, OR
- Articles of Incorporation

I attest that to the best of my knowledge the above information is true and correct and that this information is supported by appropriate documentation in the organization's files.

Signature: _____ Typed Name: _____
Board President/Chairman

Date: _____

Community Housing Development Organization Certification Application

ATTACHMENT A

Legal Name of Organization: _____

IRS Tax Exempt Number: _____

One page explanation of how the Board of Directors is involved in the operation of the agency, including how often the Board meets, how the Board monitors and provides oversight for the agency's programs.

Attach the minutes of the three (3) most recent Board meetings.

Complete Certifications of Low-Income Representatives of the Board

Provide a completed Certification of Board Status form.

List staff members employed by the organization, including how many are **paid** (full-time or part-time), their specific responsibilities related to housing programs, and how many years' experience each staff member has in housing.

Provide the following supporting documentation for **paid** staff:

W-2s for each employee

If contract employee, executed contract for employee and 1099

Copy for your Check Registry for the most recent 12 months

Copy of your most recent 12 months Bank Statements

Provide copies of a valid HOME Certification Certificate for each staff, if applicable.

Submit the most recent audited financial statements of the organization and its sponsoring organization.

Include a copy of the organization's strategic management plan that demonstrates the agency's short term and long-term goals, objectives, and plans to achieve them.

Please include documentation of operating funds from other sources, including how much received annually from each source.

Explanation of any other programs, other than the proposed HOME program, operated by the organization, including the program(s) and its funding source(s).

One page explanation of your agency's experience in housing, particularly in providing housing to low and very low-income households.

Copy of Charter, By-laws and Resolutions

CERTIFICATION OF LOW-INCOME REPRESENTATION

Applicants should request that each board member representing the interests of low-income families in the Applicant's target community complete this certification. Please maintain a copy of this certification in your files. These certifications will be reviewed during monitoring visit by the State.



Board Member Name: _____

I certify that I am a current member in good standing of the governing board for _____ (name of the Applicant organization) and that I represent the interests of low-income families in the Applicant's target community. Please check and complete one of the following:

- I am a low-income resident of _____, the Applicant's target community.

- I am a resident of a low-income neighborhood in _____, the Applicant's target community.

- I am an elected representative of _____, a low-income neighborhood organization within _____, the Applicant's target community.

If the applicant is representing a low-income neighborhood organization, please attach copy of signed resolution from the neighborhood organization naming the individual as their representative on the CHDO.

(Signature) _____
(Date)

CERTIFICATION OF BOARD STATUS

Applicants must complete the following **Certification of Board Status** and submit it along with their application for State CHDO certification. Please list each board member by name, then place a check indicating the representation that member brings to the Board. Please list only current or approved board members. Do not list prospective board members who have not been approved to join the board.

Board Member Name	Residential Address	LOW- INCOME	Public Institution	Religious Organization	FOR PROFIT	Occupation Place of Employment

I certify that the above listing of current, participating board members is accurate.

President/Chairman
Signature

Date