Type Non-Profit Organization Name Here

Before committing AHFA CHDO set-aside funds to an organization, AHFA must certify that the organization:

1. Meets the definition of a ‘‘community housing development organization’’ in §92.2;
2. Has a project eligible for the set-aside that the organization will own, develop, or sponsor in accordance with §92.300(a); and
3. Has paid staff with demonstrated experience appropriate to the role the organization will play for the project being funded.

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| **CHDO Requirements** | **Rule Citation** | **Requirement satisfied & documented** |
| **ORGANIZATIONAL REQUIREMENTS** | |  |
| **1. Legal structure** |  |  |
| 1.1. The organization is organized under state or local law. | §92.2 CHDO  Definition ¶ (1) |  |
| 1.2. The organization has among its purposes the provision of decent housing that is affordable to low-income and moderate-income persons. | §92.2 CHDO  Definition ¶ (7) |  |
| 1.3. The organization has no part of its net earnings inuring to the benefit of any member, founder, contributor, or individual. | §92.2 CHDO  Definition ¶ (2) |  |
| 1.4. The organization is not under the control or direction by any individual or entity seeking to derive profit or gain. | §92.2 CHDO  Definition ¶ (3) |  |
| * 1. The organization has one of the following IRS tax exempt statuses:      1. Exemption under 501(c)(3) or 501(c)(4);      2. Subordinate of a central nonprofit under IRC Section 905; or      3. A private nonprofit that is a wholly owned subsidiary of an organization that has 501(c)(3) or (c)(4) status and meets the CHDO definition. | §92.2 CHDO  Definition ¶ (4) |  |
| 1.6. The organization is not a governmental entity (any of the following: participating jurisdiction, other jurisdiction, Indian tribe, public housing agency, Indian housing authority, housing finance agency, or redevelopment authority). | §92.2 CHDO  Definition ¶ (5) |  |
| **2. Independence** |  |  |
| 2.1. Public officials & employees of a governmental entity may comprise no more than 1/3 of the board. | §92.2 CHDO  Definition ¶ (5) |  |
| 2.2. Officers and employees of a governmental entity cannot be officers (e.g. CEO, CFO, or COO) or employees of a CHDO. | §92.2 CHDO  Definition ¶ (5) |  |

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| **CHDO Requirements** | **Rule Citation** | **Requirement satisfied & documented** |
| 2.3. If the organization was created by a governmental entity, then the governmental entity that created the organization may not appoint more than 1/3 of the board members and board members appointed by the governmental entity may not appoint remaining 2/3. | §92.2 CHDO  Definition ¶ (5) | Applicable |
| 2.4. If the organization was created by a for-profit entity, then 2.4.1 through 2.4.4 apply: |  | Applicable |
| 2.4.1. The for-profit entity that sponsored or created the organization may not have as its primary purpose the development or management of housing, such as a builder, developer, or real estate management firm. | §92.2 CHDO  Definition ¶ (3)(i) |  |
| 2.4.2. The for-profit entity that created the organization may not appoint more than 1/3 board members, and for-profit-appointed members may not appoint remaining 2/3 of board. | §92.2 CHDO  Definition ¶ (3)(ii) |  |
| 2.4.3. Officers and employees of the for-profit entity that created the organization cannot be officers or employees of the CHDO. | §92.2 CHDO  Definition ¶ (3)(iv) |  |
| 2.4.4. The organization must be free to contract for goods & services with others. | §92.2 CHDO  Definition ¶ (3)(iii) |  |
| **3. Accountability to the Low-Income Community** |  |  |
| 3.1. The organization must have a designated 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). | §92.2 CHDO  Definition ¶ (8)(i) |  |
| 3.2. At least 1/3 of the board members are: 1) low-income; 2) residents of a low- income neighborhood; or 3) elected representatives of a low-income neighborhood organization. | §92.2 CHDO  Definition ¶ (8)(i) |  |
| 3.3. The organization has a formally adopted process for low-income beneficiaries to advise it on decisions regarding design, siting, development, and management of housing. | §92.2 CHDO  Definition ¶ (8)(ii) |  |
| 3.4. The organization has at least 1 year of serving the community, or, if it is formed by local churches, service organizations, or neighborhood organizations, its parent organization meets this requirement. | §92.2 CHDO  Definition ¶ (10) |  |
| **4. Capacity** |  |  |
| 4.1. The organization has financial management systems that conform to 2 CFR  200.302 and 200.303 | §92.2 CHDO  Definition ¶ (6) |  |

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| **CHDO Requirements** | **Rule Citation** | **Requirement satisfied & documented** |
| 4.2. The organization has paid employees with demonstrated experience relevant to the CHDO’s role in undertaking the HOME activity to be funded. (Note: this does not include volunteers, board members, donated or shared staff, or consultants – except as described in 4.1.1. below.) | §92.2 CHDO  Definition ¶ (9) |  |
| 4.2.1. During the first year of an organization’s funding as a CHDO only, capacity can be demonstrated through a contract with a consultant who has housing development experience to train appropriate key staff of the organization. | §92.2 CHDO  Definition ¶ (9) |  |
| **CHDO ROLE** | |  |
| **5. CHDO set-aside project**  CHDOs can undertake either homebuyer or rental projects, as described below, with CHDO set-aside funds: |  |  |
| 5.2. Rental projects in accordance with §92.252  To qualify under CHDO set-aside, must meet one of the following: |  | Applicable |
| 5.2.3. Sponsor:  Must meet one of the following: |  | Applicable |

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| * + - 1. The project will be owned and/or developed by an eligible CHDO affiliate, including:          * A wholly owned subsidiary of the CHDO; or          * A limited partnership of which the CHDO or its wholly owned subsidiary is the sole general partner; or          * A limited liability company of which the CHDO or its wholly owned subsidiary is the sole managing member. | §92.300(a)(4) |  |

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| **CHDO CERTIFICATION / RECERTIFICATION** |
| **8a. CHDO Certification**  The organization Type Non-Profit Organization Name Here  meets **all** CHDO regulatory thresholds, AND:  The organization has a project which meets the project eligibility requirements of 92.300 for a reservation of AHFA CHDO set-aside funds.   * + - Project Name: Type Project Name Here     - Project County: Type Project County Name Here   AHFA Reviewer Signature Date  AHFA Reviewer Name ­­­­­­  AHFA Reviewer Title ­­­­­­­­­­­­­­­­­­­­ |

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| **CHDO CERTIFICATION / RECERTIFICATION** |
| **8b. CHDO Recertification** (provide one sheet for each project recertification)  The organization Type Non-Profit Organization Name Here  meets **all** CHDO regulatory thresholds, AND:  The organization has a project previously awarded AHFA CHDO set-aside funds.   * + - Project Name: Type Project Name Here     - Project County: Type Project County Name Here     - Project Number: Type AHFA Project Number Here   AHFA Reviewer Signature Date  AHFA Reviewer Name ­­­­­­  AHFA Reviewer Title ­­­­­­­­­­­­­­­­­­­­ |