



JEFFERSON PARISH DEPT OF COMMUNITY
DEVELOPMENT
HOME Developer Application

HOME DEVELOPER PROGRAM DEVELOPER QUESTIONS (OCTOBER 2020)

Question 1

When do you need the items below? Do you need them prior to making your preliminary recommendations or once you've made a funding decision?

- Management Plan
- Tenant Selection Plan
- 18-Month Lease Up Plan
- Market Assessment
- As-Built Appraisal

All of these are required before the final approval and before a project can move to the award phase and contract signing (per the Section B checklist). If any of these items are available (or samples from previous developments for the management, selection, and lease up plans), please go ahead and submit. Otherwise, these can be submitted following a positive recommendation from the Department's initial review.

Question 2

The proposed project is an interior and non-structural rehabilitation of these structures - because these are existing structures and the project will not be disrupting the land in any way, do you still require the following:

Architectural Plans?

Please review the policies and procedures to ensure the existing structure meets the construction and accessibility standards. The proposal should include the following items in lieu of full Architectural Plans (applicant should confer with Planning Department and Code Enforcement about what level of plans are needed to secure a building permit):

- Basic plans that show the existing layout, windows, doors, closets, and room dimensions
- Basic plans that show the required modifications to meet the construction and accessibility standards.
- Photos of the existing conditions with a narrative of what will be modified to help inform JPDCD understand the scope of the rehabilitation
- Lead based paint testing results, if available and applicable based on the age of the building.

Environmental Assessment?

The environmental review process is required for all HUD-assisted projects to ensure that the proposed project does not negatively impact the surrounding environment and that the property



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site itself will not have an adverse environmental or health effect on end users. The level of environmental review is ultimately determined in conjunction with the Parish. This determination will occur following the preliminary review.

Not every project is subject to a full environmental review (i.e., every project's environmental impact must be examined, but the extent of this examination varies), but every project must be in compliance with the National Environmental Policy Act (NEPA), and other related Federal and state environmental laws.

Rehabilitation projects may be eligible for a Categorical Exemption when the following conditions are met:

- (i) In the case of a building for residential use (with one to four units), the density is not increased beyond four units, and the land use is not changed;
- (ii) In the case of multifamily residential buildings:
 - (A) Unit density is not changed more than 20 percent;
 - (B) The project does not involve changes in land use from residential to non-residential; and
 - (C) The estimated cost of rehabilitation is less than 75 percent of the total estimated cost of replacement after rehabilitation.

Question 3

The application mentions required financial audits of all development partners, and I'm not quite clear on what you're looking for here since our LLC will be a brand new entity. Are you looking for tax returns for all partners in the LLC or are you looking for something else here?

For parties to the LLC that are individuals, provide IRS-accepted and approved tax returns for the individual.

For parties to the LLC that are other registered entities, provide most recent audit or audited financials. If no audit or audited financials are available, provide certified financials prepared or reviewed by an independent accountant.

Question 4

The application mentions that we need to provide proof of 10% equity contribution from the developer side. Our LLC will be a brand new entity. I'd be happy to show banks statements for the development team substantiating that we have funds to contribute, but I want to make sure I'm giving you the information that you need - can you please let me know what would suffice?

Correct, the application lists the following requirements under Section D:



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Documentation to demonstrate 10 percent of total development costs in net assets

Please also provide evidence of the 10% equity in available resources. Account statements for 2 consecutive months with 30 days of the application are preferred.

Additionally, please provide the ownership terms and agreement (if not included in the bylaws or articles of incorporation) that show levels of ownership of the LLC and the number of owners.

Question 5

Finally, you mentioned that you would get back to us with a few ideas for organizations that conduct formalized training for the HOME program and other requirements -- I captured NAHRO and, as we mentioned, we have already looked at many of the training/webinars on HUD Exchange as well, but please let us know if you or the team can point us to any additional organizations.

The HUD guide, **Compliance in HOME Rental Projects: A Guide for Property Owners**, is focused on long term compliance and has lots of good information. It is a bit older, published before the 2013 HOME rule change, but most of the information still holds.

NeighborWorks, LISC, and Enterprise Community Partners are all national technical assistance providers that may have some online trainings available.