

CHAPTER 3

APPLICATION INTRODUCTION

Chapter 3 of the Housing Trust Fund (HTF) Guidelines and Procedures Handbook contains instructions for the General (Multifamily) Application forms. All HTF application forms are available to download from the [Multifamily Housing](#) page. If you have questions on any of this material, please do not hesitate to contact staff for further clarification.

Application Assistance

Housing Trust Fund staff is available to provide information about the application and funding requirements to project developers. Staff can address questions concerning HTF guidelines and procedures. Applicants have the sole responsibility for drafting HTF applications. Predevelopment assistance may be available from Impact Capital as noted in Chapter 1.

Before you begin preparation of a HTF application we recommend the following:

- Begin the process early.
- Review the HTF Guidelines and Procedures Handbook thoroughly to understand HTF guidelines and procedures.
- If you have questions, call for clarification **as early as possible in the process.**

Other Funding Sources

Coordination with Other Funding Sources: HTF review will include coordination and timing of investment with other local, state, and federal funding sources to ensure complete and ready projects.

Predevelopment Financing: Nonprofit applicants may apply for funding to cover essential predevelopment costs through Impact Capital. Impact Capital administers a program that provides risk capital for low-income housing development projects through loans and recoverable grants.

For more information regarding these funds, contact:

- In Western Washington:
 - Jon Clarke at (206) 587-3200 x 225, or
 - Laurie Olson at (206) 587-3200 x226
- In Eastern or Central Washington: Terri Symbol at (509) 456-8088

CHAPTER 3

APPLICATION PROCESS

Section 300 Purpose

This chapter provides information on the application process. This includes information on application submission, notification of funding decisions and project debriefing. Please refer to Chapter 2 for a full description of the criteria used in reviewing, evaluating and prioritizing applications for funding. The information provided by applicants in response to the application package is the basis for all funding decisions. If you still have questions or need further clarification, please call a staff member.

300.1 Application Instructions

Applications must be **submitted in two stages**. The purpose of the first stage is to provide the Department of Commerce with an indication of the amount of funds that will be requested and the types of projects proposed. It also allows additional staff time to ensure applicants are in compliance on existing HTF contracts, request financial statements if necessary and discuss the proposed project with the applicant. **Note** not all stage 1 applicants are invited to submit a Stage 2 application. Staff will determine if the applicant should submit a Stage 2 application based upon several factors, to include, but not limited to, project readiness to proceed in a timely manner, organization capacity, availability of funds or other project and/or organizational related issues. **Further note**, an invite to submit a Stage 2 application does not imply or ensure the project will receive HTF funding.

300.2 Stage 1

Stage 1 Application must be received by 5:00 pm
on the due date published for the current round.

Stage 1 Applications are accepted electronically at ctedhtfapp@cted.wa.gov

Submit all forms in the original format (Word or Excel). Do not image your documents or submit in Portable Document Format (PDF). Signatures are **not** required for the electronic submission of applications at Stage 1.

Please type the applicant name and the project name in the subject line of the email. Label each of the electronic documents with the applicant name, the project name (where known/feasible) and the form number. Send a separate email for each application being submitted. Indicate if there are additional attachments such as financial or supporting documents in the first line of the body of the email. To ensure applications are received, all applicants will be sent an email confirmation. If confirmation is not received by 12 noon on the day following the Stage 1 due date, applicants are responsible for contacting Housing Trust Fund staff immediately by telephone.

Stage 1 of the application consists of the following:

Forms 1 & 2 - Project Summary, Project Readiness and Applicant Information

Provide as much information as you have available at this stage about your proposed project(s).

Funding Limit Waiver Letter, if applicable

Attach a Funding Limit Waiver request letter if your project is required to do so as detailed in Chapter 2. Refer to Chapter 2 for Funding Waiver policy guidelines and content requirements for waiver request letters.

Financial Information

If necessary, staff will contact applicants who have submitted Stage 1 documents to request updated audit reports and financial statements. Notification of the need to submit additional financial information will be made before the due date for Stage 2. This information must be submitted prior to or with Stage 2 of the application by the Stage 2 due date.

This financial information should include:

- Complete audit reports for each of the past two years for the applicant, including an OMB circular A-133 supplement as appropriate, any audit findings, corrective action plan, management letter and agency response.
- If the applicant organization has not been audited, financial statements for each of the past two fiscal years and a year to date statement certified by the applicant’s Chief Financial Officer. Financial statements will include balance sheets and cash flow, revenue and expense and long-term debt statements.
- If the applicant has not been audited, copies of filed tax return 990 forms for the past two years if a nonprofit organization or submit the previous year 990 form if the applicant is new and only has one.
- Outstanding HTF annual reports for previously funded projects.

New applicants who have never received a HTF award will be contacted and should be prepared to submit the above financial information in addition to the following:

- Certification from the Washington State Secretary of State that the applicant is registered to do business in Washington as a non-profit organization in accordance with RCW 24.03.
- Letter from the Internal Revenue Service that designates the applicant as a tax-exempt non-profit organization.

NOTE: Applicants must submit Stage 1 requirements in order to be considered for Stage 2.

300.3 Stage 2

Stage 2 Application must be received by 5:00 pm on the due date for the current round.
Faxed or e-mailed materials will *not* be accepted in lieu of the required hardcopy binder.

Stage 2 of the application consists of the remaining application requirements as described in this chapter.

Complete the application in accordance with the Table of Contents/ Checklist provided with the Combined Application. Create tabs, using the numbering system in the table of contents located in the Combined Application. Include the attachments listed in the HTF Addendum behind the

Tab indicated in the Addendum. Do not substitute any forms. Place the responses and attachments under the appropriate tab with Sections first, followed by Forms and then required attachments.

Both the Combined Application Self-Certification Checklist **AND** the HTF Addendum Self-Certification Checklist are **REQUIRED** to ensure that your application meets all the application requirements and is complete.

Application Format

All applications must be submitted in the following format:

- One hardcopy and one disc with all the application forms included. (*note: Attachment documents are not required for the electronic submission*)
- In the hardcopy, include full versions of all required documents
- The application is letter size (8.5” x 11”)
- Narratives can be in bulleted statements.
- Organized in format as illustrated in Table of Contents/Self-Certification Checklist
- Tabs in HTF prescribed format as in Table of Contents/Self-Certification Checklist. All documents listed in the HTF addendum should be placed behind the appropriate Tab
- All budgets and forms are in prescribed format
- All the application forms are filled out and included
- The application is contained in an appropriately sized three-ring binder and the disc is included with all the application forms.

Instructions for submitting application forms on disc:

Label your CD with the following information in the order shown:

- 1) Application number (provided by reviewers during Stage 1 contact calls)
- 2) Applicant name
- 3) Project name

Include the following 3 files:

- 1 **Excel** spreadsheet document with the full set of applicable forms completed. Label the file with the application # and project name (ex: “S9U87 Green Apts.xls”)
 - 1 **Word** document consisting of the HTF Addendum Label the file with the application #, project name and “HTF Addendum” (ex: “F7R99 Green Apts HTF Addendum.doc”)
 - 1 **Word** document with balance of applicable sections completed. Label the file with the application # and project name (ex: “F7R99 Green Apts.doc”)
- If your project proposes the use of CDBG Housing Enhancement and/or Commerce O&M funds, please also include the application materials required by those programs.

Use the same format described above (ex. “F9R99 Green Apts O&M.doc;” “F9R99 Green Apts CDBG.doc”)

Please do not submit your documents in Portable Document Format (PDF). Signatures are not required for the CD copy of the application – please do *not* image and submit. Please do not include any additional materials on the CD.

Section 301 Application Review Process

301.2 Self-Certification Checklist

Applicants are required to self-certify that all the requirements of the application have been submitted by including the Self-Certification Checklist and signing the hardcopy. During project review, if it is determined that critical information has not been included as itemized in the checklist, applicants will be given the opportunity to provide the additional materials required.

- The process is as follows: Applicants will receive an email confirmation of their Stage 2 submission, which will include an application number, which should be referenced when submitting any additional information requested during the project review.
- Applicants will be notified during the review process if there is incomplete information or issues that need additional information to be addressed.
- Applicants will have 5 business days from notification date to submit missing materials.
- Applicants who fail to submit the missing items within 5 business days or who submit items considered unresponsive to HTF guidelines will not receive further consideration.

301.4 Project Review

Please refer to Chapter 2 for complete information on programs and projects, guidelines and criteria.

The application review process includes reading each application by all members of the team and a group discussion of each application. The geographical regions of the state will be considered and balanced as part of developing recommendations for funding.

The Resource Allocation Team will read and evaluate applications to determine to what extent the proposed project meets HTF criteria, is complete and addresses the following categories:

- Project design
- Need
- Financial feasibility
- Organizational capacity
- Local support
- Readiness

Staff may contact applicants for clarification about their responses to the questions and for additional information. The Asset Management Team will provide an assessment of organizational capacity for each applicant to the Resource Allocation Team. A credit committee made up of professionals outside of Commerce will provide an oversight review of the staff recommendations.

Section 302 Award of Funds

Award announcements to HTF applicants, legislators and other interested parties will be made upon completion of HTF application review, staff recommendations, and HTF funding decision processes.

302.1 Notification

Applicants, legislators and other interested parties will receive prompt notification of HTF funding decisions. Award notification will occur approximately 12 weeks after the submission of HTF applications.

HTF Applicants

An award list, with the applicants receiving awards will be posted on the Commerce website. A funding award letter will be sent subsequently, including potential conditions of the award and the name of the assigned contract manager for each project.

Legislators

Staff will provide written notification to legislators regarding funding awards in their legislative districts. Legislative letters identify the applicant, project name and location, and provide a brief description of the project, including award amount.

Other Interested Parties

Staff will post a copy of the HTF funding award list on the Housing Division web site (<http://www.commerce.wa.gov>). The list will also be forwarded, upon request, in electronic or in hard copy form, to all interested parties.

Section 303 Project Debriefing

Applicants not receiving HTF funding will be contacted by HTF staff to discuss the reasons for the non-funding decision as soon as possible once awards have been announced. Applicants may request a meeting with staff to discuss specific details of an application and ways to improve a project for funding. Depending on the round and level of competition, some projects that are well put together and ready to proceed may not receive funding due to the limited amount of funds available and the amount of projects that may lose money or be lost due to a non-funding decision. Staff will provide information regarding the type of round and level of competition as part of the debriefing. If, after meeting with staff and understanding the reasons for non-funding, applicants believe there is a consequential misunderstanding of the project specifics which would result in loss of the project or other critical funding, those concerns may be discussed with the Assistant Director of the Housing Division. Given the availability of funds, the amount of

unfunded projects from round to round and the number of increasingly ready to proceed projects, it is likely applicants may need to resubmit projects in the next available funding round.