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CR-05 Goals and Outcomes

Progress the state has made in carrying out its strategic plan and its action plan. 91.520(a)

Idaho Department of Commerce

Of the six goals established in the consolidated plan:

\$2,712,382 in CDBG funds were awarded to seven projects meeting the **Public Facilities / Infrastructure- Compliance Goal**. 6,319 Idaho residents will benefit from these projects, as they will help bring their public facilities systems (infrastructure, community facilities, public utilities) into compliance with environmental laws, federal and state standards, industry standards, or best management practices. 3,823 of the residents are low-to-moderate income. The seven projects consist of three water systems, three community / senior center systems and one wastewater system.

From April 1, 2025 to March 30, 2026, six CDBG projects (projects that were funded in the last six years) were completed and closed out. These six projects account for 7,165 people benefiting from the public facility or infrastructure activity.

\$1,245,000 in CDBG funds were awarded to five projects meeting the **Public Facilities / Infrastructure – Rehabilitation Goal**. 30,785 Idaho residents will benefit from the rehabilitation, replacement, or remodeling of a public facility system. 18,985 of the residents are low-to-moderate income. The five projects consist of two parks, one water systems, one wastewater system, and one community center.

From April 1, 2025 to March 30, 2026, two CDBG projects (projects that were funded in the last six years) were completed and closed out. These seven projects account for 3,660 people benefiting from the public facility or infrastructure activity.

\$4,434,320 in CDBG funds were awarded to thirteen projects meeting the **Public Facilities / Infrastructure – New Construction Goal**. 12,555 Idaho residents will benefit from projects that will construct new systems or facilities in their community. 7,216 of the residents benefiting are low to moderate income. The twelve projects consist of seven parks, four water systems, one wastewater, and one fire truck.

From April 1, 2025 to March 30, 2026, eight CDBG projects (projects that were funded in the last six years) were completed and closed out. These four projects account for 27,349 people benefiting from the public facility or infrastructure activity.

No CDBG funds were awarded to any projects meeting the **Economic Development – Job Creation Goal**. Therefore, the outcome of creating 50 jobs is not applicable.

From April 1, 2025 to March 30, 2026, no economic development – job creation projects were closed out.

\$500,000 in CDBG funds were awarded to one project meeting the **Economic Development - Downtown Revitalization Goal**.

From April 1, 2025 to March 30, 2026, one downtown revitalization project was closed out. 10,960 people benefited from the activity.

In the 2025 program year \$0.00 in CDBG CV CARES funds were awarded to projects meeting **Prepare, Prevent, and Respond and Build Resiliency to COVID-19 Infections.**

From April 1, 2025 to March 30, 2026, ten CDBG CV CARES projects were completed and closed out. These ten projects account for 22,235 people benefiting from the public facility / infrastructure or public service activity.

Note: Between the expenditure amounts established in the 2025 annual action plan for the six CDBG goals, recognize the expenditures are the amounts allocated to a CDBG project that meets the applicable goal. Whereas CDBG projects will take longer than one year to complete the CR-05 outcomes amounts will not align with the projects funded in the 2025 program year. The CR-05 outcomes are for previously funded projects that closed out in the 2025 program year.

Comparison of the proposed versus actual outcomes for each outcome measure submitted with the consolidated plan and explain, if applicable, why progress was not made toward meeting goals and objectives. 91.520(g)

Categories, priority levels, funding sources and amounts, outcomes/objectives, goal outcome indicators, units of measure, targets, actual outcomes/outputs, and percentage completed for each of the grantee's program year goals.

Assess how the jurisdiction's use of funds, particularly CDBG, addresses the priorities and specific objectives identified in the plan, giving special attention to the highest priority activities identified.


- Public Infrastructure and Facilities – Compliance: CDBG obligated / expended \$2,712,382 on activities. This exceeded the 25% goal of \$2,074,625. (25% of the 2025 allocation minus admin = \$8,298,502)
- Public Infrastructure and Facilities – Rehabilitation: CDBG obligated / expended \$1,245,000 on activities. This did not meet the 30% goal of \$2,489,550. (30% of the 2025 allocation minus admin = \$8,298,502)
- Public Infrastructure and Facilities – New Construction: CDBG obligated / expended \$4,434,320 on activities. This exceeded the 25% goal of \$2,074,625. (25% of the 2025 allocation minus admin = \$8,298,502)
- Economic Development – Job Creation: CDBG obligated / expended \$0 on job creation activities. This did not meet the 10% goal of \$829,850. (10% of the 2025 allocation minus admin = \$8,298,502)
- Economic Development – Downtown Revitalization: CDBG obligated / expended \$500,000 on downtown revitalization activities. This did not exceed the 10% goal of \$829,850. (10% of the 2025 allocation minus admin = \$8,298,502)

Note: For the CDBG program, Program Year 2025 Table 1 identifies the goals and their corresponding objectives, some of which may have a low percentage of completion or even zero percent (0%) of completion. This is misleading because a goal with its applicable objective is not reported until a project is closed out. It is not uncommon for CDBG projects to take over a year to complete, therefore, a CDBG project may be trending towards meeting a specific goal and its objective, but the trending data is not captured in the table because the project is not closed out.

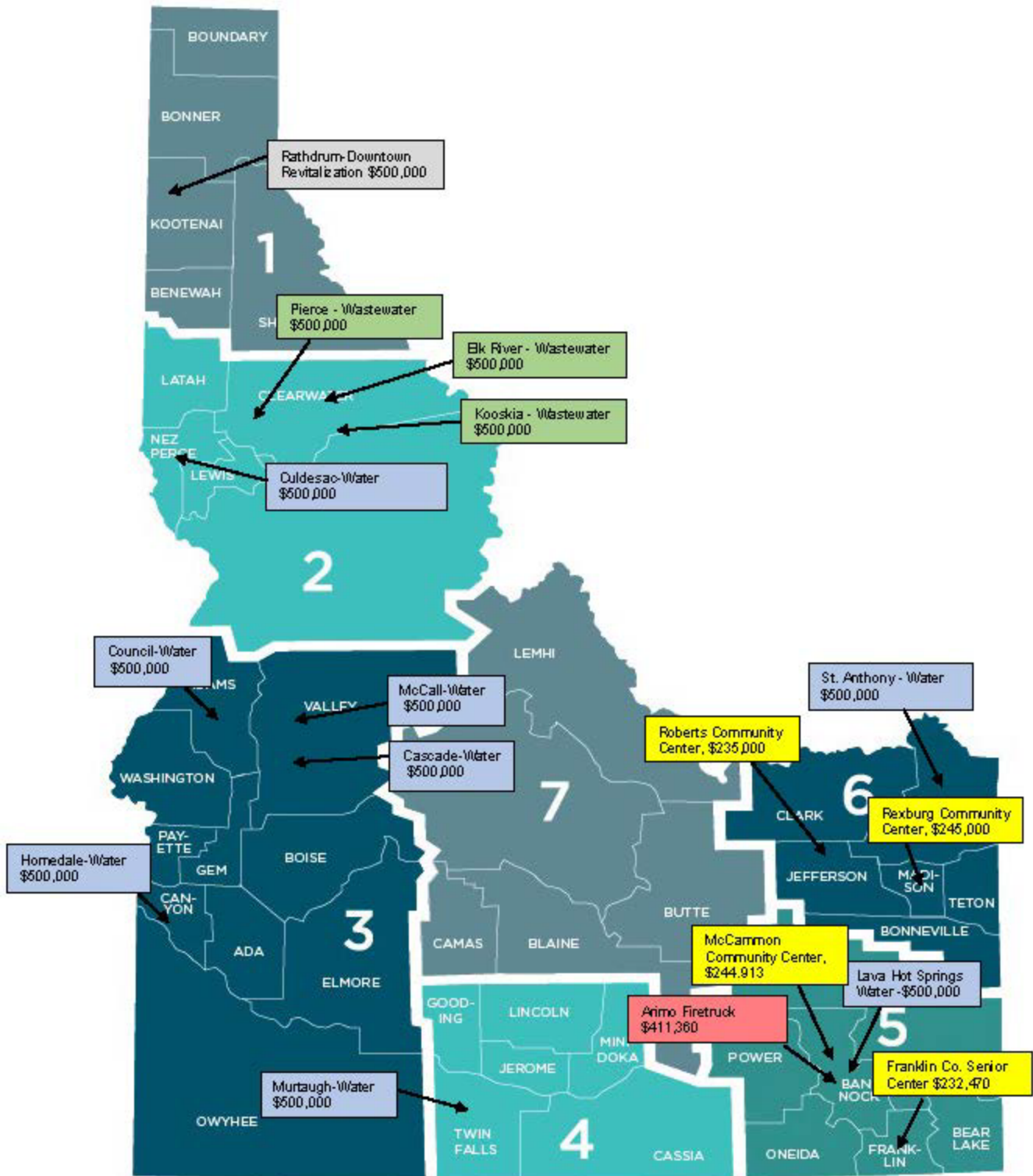
CR-15-Resources and Investments

CDBG

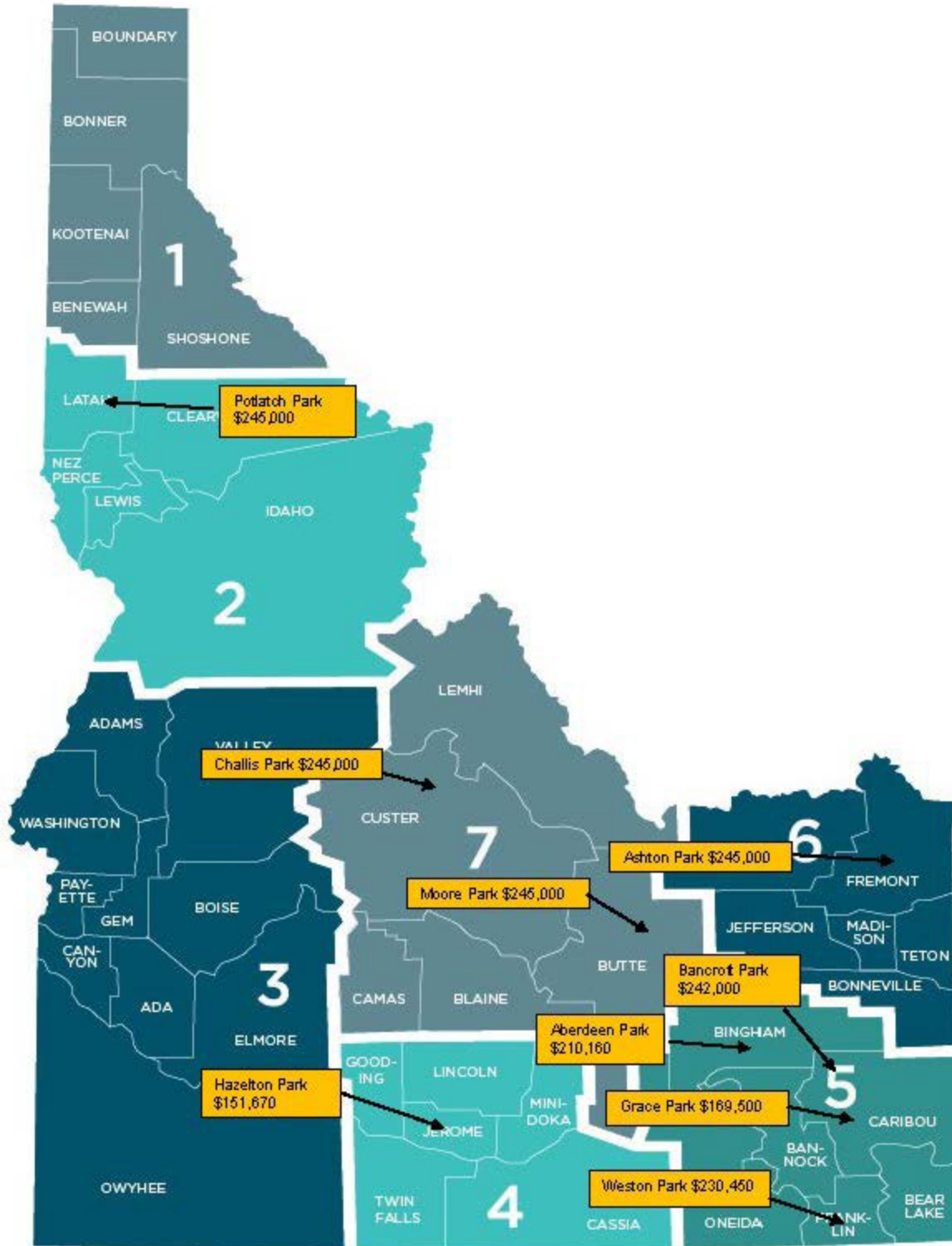
In the table below, the column identified as "Amount Expended during Program year (2025) as reported in PR-50.

 Office of Community Planning and Development U.S. Department of Housing and Urban Development Integrated Disbursement and Information System Expenditure Report Use of CDBG, CDBG-CV Funds by IDAHO from 04-01-2025 to 03-31-2026			DATE:	06-01-26
			TIME:	13:28
			PAGE:	1
Matrix Code	Activity Group	Matrix Code Name	Disbursements during PY 2025	Percent of Total Disbursed in 2025
17C	ED	CI Building Acquisition, Construction, Rehabilitation	45,323.00	0.46%
17D	ED	Other Commercial/Industrial Improvements	175,000.00	1.77%
Subtotal for : Economic Development			220,323.00	2.23%
03A	PI	Senior Centers	221,417.00	2.24%
03E	PI	Neighborhood Facilities	29,856.00	0.30%
03F	PI	Parks, Recreational Facilities	2,828,133.00	28.59%
03J	PI	Water/Sewer Improvements	3,536,271.00	35.75%
03K	PI	Street Improvements	325,000.00	3.29%
03L	PI	Sidewalks	995,452.00	10.06%
03O	PI	Fire Station/Equipment	25,743.00	0.26%
03P	PI	Health Facilities	626,840.00	6.34%
Subtotal for : Public Facilities and Improvements			8,588,712.00	86.84%
05M	PS	Health Services	11,163.00	0.11%
Subtotal for : Public Services			11,163.00	0.11%
21A	AP	General Program Administration	728,642.00	7.37%
21J	AP	State Administration	257,337.41	2.60%
Subtotal for : General Administration and Planning			985,979.41	9.97%
19H	OT	State CDBG Technical Assistance to Grantees	84,201.53	0.85%
Subtotal for : Other			84,201.53	0.85%
Total Disbursements			9,890,378.94	100.00%

Idaho Community Development Block Grants 2025 (ICDBG) Public Facility, DT, SR,CC Awards



Idaho Community Development Block Grants 2025 (ICDBG) Public Park Awards



Leveraging

Explain how federal funds leveraged additional resources (private, state and local funds), including a description of how matching requirements were satisfied, as well as how any publicly owned land or property located within the jurisdiction that were used to address the needs identified in the plan.

Idaho Department of Commerce- CDBG Program

2025 CDBG LEVERAGE		
Type/Source	Match Amount	Goals Addressed
Local: Cash, bonds, in-kind	\$27,960,212	<ul style="list-style-type: none"> · Public Facilities Infrastructure-Rehabilitation · Public Facilities Infrastructure-Compliance Public · Facilities Infrastructure-New Construction · Economic Development-Job Creation · Economic Development- Downtown Revitalization
State: Grants from Idaho Dept. of Environmental Quality	\$16,694,167	<ul style="list-style-type: none"> · Public Facilities Infrastructure-Rehabilitation · Public Facilities Infrastructure-Compliance Public · Facilities Infrastructure-New Construction Economic · Development-Job Creation · Economic Development- Downtown Revitalization
Federal: Grants from USDA- Rural Development and US Army Corp of Engineers	\$7,398,000	<ul style="list-style-type: none"> · Public Facilities Infrastructure-Rehabilitation · Public Facilities Infrastructure-Compliance · Public Facilities Infrastructure-New Construction · Economic Development-Job Creation · Economic Development- Downtown Revitalization
Private: Business, Foundation Grants	\$99,749	<ul style="list-style-type: none"> · Public Facilities Infrastructure-Rehabilitation Public · Facilities Infrastructure-Compliance Public Facilities · Infrastructure-New Construction Economic · Development-Job Creation · Economic Development- Downtown Revitalization
Total	\$52,152,128	

IDC received \$8,658,249 in CDBG funds for PY 2025. The state and local communities leveraged \$52,152,128 to match CDBG funds that were used to fund projects and state administration activities. For every CDBG dollar invested, IDC and local communities leveraged \$6.02 to match the 2025 HUD CDBG grant award. In regard to IDC program administration, IDC has provided \$173,165 in match to the CDBG program.

Regarding project match, the CDBG program does not require communities to provide any match in order to receive an CDBG grant, but the state’s competitive grant process does award points to communities who do provide match. As a result, many of the projects that receive CDBG funding do leverage matching funds.


The table above provides a summary of sources of match, the match that was leveraged, and the goals that were addressed.

CDBG grantees (cities and counties) and many of their sub-recipients (government special districts) which are public entities do own the land or easements where CDBG funded projects are constructed to address the CDBG goals and objectives. Basically, almost all CDBG projects (water, wastewater, parks, downtown revitalization, senior center, community centers, health clinics, fire stations, etc.) are located on publicly owned land or property.

CR-20- Affordable Housing

Evaluation of the state's progress in providing affordable housing, including the number and types of families served, the number of extremely low-income, low- income, moderate-income, and middle-income persons served.

Region	Activity Type	Units	County
1	Multi Family - Rental - New Construction	14	Bonner
3	Single Family - Homebuyer - DPCC	1	Elmore
3	Multi Family - Rental - New Construction	16	Canyon
3	Multi Family - Rental - New Construction	11	Elmore
4	Multi Family - Rental - New Construction	6	Twin Falls
5	Single Family - Homebuyer - NC	2	Bannock
5	Single Family - Homebuyer - DPCC	3	Bannock
7	Multi Family - Rental - New Construction	17	Ada
7	Single Family - Homebuyer - DPCC	4	Ada



Counties represented in each region

Region 1: Benewah, Bonner, Boundary, Kootenai, Shoshone
 Region 2: Clearwater, Idaho, Latah, Lewis, Nez Perce
 Region 3: Adams, Boise, Canyon, Elmore, Gem, Owyhee, Payette, Valley, Washington
 Region 4: Blaine, Camas, Cassia, Gooding, Jerome, Lincoln, Minidoka, Twin Falls
 Region 5: Bannock, Bear Lake, Bingham, Caribou, Franklin, Oneida, Power
 Region 6: Bonneville, Butte, Clark, Custer, Fremont, Lemhi, Madison, Teton
 Region 7: Ada

CR-35-Other Actions

Actions taken to address obstacles to meeting underserved needs. 91.220(k); 91.320(j)

IDC staff continues to offer training and technical assistance to cities and counties, grant administrators, and design professionals. To more effectively develop CDBG technical capacity for Grantees, IDC now provides certified grant administration training on-line. IDC has recorded presentations on eligibility, environmental reviews, labor, procurement, acquisition, and section 3. IDC provides ongoing one-on-one technical assistance to communities. IDC has available at its website [<http://commerce.idaho.gov/>] both the CDBG grant administration manual and application handbook.

To help build local government capacity to manage CDBG projects, IDC will train consultants to become CDBG grant administrators, instead of relying on resource-limited cities and counties to ensure requirements and rules are met.

Actions taken to reduce the number of poverty-level families. 91.220(k); 91.320(j)

IDC's anti-poverty strategy consists of four methods. First, IDC will provide CDBG funds to cities and counties to construct public infrastructure or facilities that lead to a business's ability to create or retain jobs. At a minimum, low-to-moderate income (LMI) individuals, including individuals at poverty level, must take 51% of these jobs. Jobs taken by LMI individuals should increase their income and help them develop more marketable skills as well as their confidence. IDC is creating opportunity for low income and poverty individuals.

Second, the implementation of HUD's Section 3 Program. The program fosters local economic development and individual self-sufficiency for lower income persons in the solicitation of professional services and construction work needed to complete CDBG projects. The purpose of these requirements is to ensure that a greater share of economic opportunities generated by HUD funding is targeted to lower income families who live in the grantee's jurisdiction.

ICDBG funded grantees and their sub-recipient, contractors or businesses must make a good faith effort to award contracts to Section 3 business concerns and utilize Section 3 area residents as trainees and employees.

Third, IDC advertised CDBG funded projects through Idaho's APEX Accelerator Bid Match program to ensure professional and construction services on CDBG funded projects were directly solicited to Idaho small businesses. These businesses comprise of Disadvantaged Businesses, Women Business Enterprises, HUD Zone Businesses, SBA Section 8(a) Businesses, Disabled Veteran owned Businesses, and Minority Owned Businesses.

Fourth, IDC provides additional points to job creation projects that are located or sited in the US Small Business Administration's HUB zones (HUB zones are historically underutilized business zones that typically have higher rates of unemployment or lower per capita income than national levels) and in Opportunity Zones.

IHFA-

Households who participate in the Section 8 Housing Choice Voucher program are eligible to be part of IHFA's Family Self-Sufficiency (FSS) Program, a voluntary program that helps families become economically independent during the 5-year contract of participation. FSS assists participating families in setting individualized training and service goals, serves to provide case management services that link them to community resources, and aims to help them overcome barriers to gainful employment. FSS participants also have the opportunity to accrue money in an interest-bearing escrow savings account as their earned income grows, and their rent portion responsibility increases, leading them toward self-sufficiency. When they have completed their self-sufficiency goals, and are free of cash welfare assistance, the family is eligible to graduate the program successfully and is awarded their escrow earnings, which can be used in the process of obtaining homeownership.

Section 3 and Minority/Women-Owned Business Entities (MBE/WBE) - During 2025 requirements helped target local economic development to low-income residents, business entities, minority, and women-owned business entities. ***See Narrative- CR-15 Resources and Investments for 2025 HOME MBE/WBE reporting***

Actions taken to develop institutional structure. 91.220(k); 91.320(j)

IDC believes that the department does not have gaps in its institutional structure or in the delivery of the CDBG program. The CDBG program strengths include the administration of the CDBG program for over 35 years and maintains consistent rules, yet adapting to necessary program changes. IDC's certified grant administration program has also established a network of experienced and knowledgeable consultants that help cities and counties manage a CDBG project. In addition, IDC's CDBG staff provides on-going technical assistance.

IDC did consult with over 45 cities and counties. Technical assistance activities can range from strategic planning and project development to on-site training.

IDC staff also continued to work to improve the amount and quality of data available on the IDC website. In

In addition, IDC posts the Consolidated Plan, Annual Action Plan, CAPER, and CDBG Application Handbook and Grant Administration Manual.

IDC continues to hold quarterly meetings with USDA-Rural Development, Army Corps of Engineers, and Idaho Department of Environmental Quality to discuss community needs and coordinate efforts to meet those needs.

IDC continues to provide grant administration training, application trainings and one-on-one technical assistance to local governments, non-profits, grant consultants, and design professionals in efforts to ensure the on-going and future effective use of CDBG funds.

[Actions taken to enhance coordination between public and private housing and social service agencies.](#)
91.220(k); 91.320(j)

1) IHFA and IDC will continue to facilitate the coordination and participation between public and private housing and in stakeholder forums during PY2025 to enhance collaboration and coordination of public, private and faith-based service providers for housing, economic development, and other services:

- Idaho's Regional Housing Roundtable
- Idaho Rural Partnership (www.irp.idaho.gov)
- Association of Idaho Cities (<https://idahocities.org>)
- Disability Action Center NW (<http://dacnw.org>)
- Consortium for Idahoans with Disabilities (<https://www.idahocid.com>)
- Idaho Commission on Hispanic Affairs (<https://icha.idaho.gov>)
- Idaho Commission on Aging (<https://aging.idaho.gov>)
- Idaho Association of Counties (<http://idcounties.org>)
- Local Planning Districts
- Idaho Center for Fiscal Policy (<https://www.jannus.org/program/idaho-center-for-fiscal-policy>)
- USDA-RD

2) Both IHFA and IDC are participating members of the Fair Housing Forum, which works with various agencies

Actions taken to overcome the effects of any impediments identified in the jurisdictions analysis of impediments to fair housing choice.

While no housing issues in Idaho rose to the level of an impediment in the *2022 Fair Housing Assessment-Analysis of Impediments to Affirmatively Further Fair Housing*, the report does identify several housing issues and potential contributing factors.

ISSUES AND CONTRIBUTING FACTORS ADDRESSED	GOAL	MILESTONES	RESPONSIBLE ENTITY	2025 ACTIONS TAKEN
<p>Address workers’ and residents’ housing needs through incentives, funding and technical assistance.</p>	<p>1. Explore federal funding opportunities to expand transportation options, including shared shuttle programs, that serve low-income workers and accommodate the needs of persons with disabilities.</p> <p>2. As opportunities allow, prioritize federal funding to expand public transportation services to include later and weekend transit hours on existing routes, and expand routes to areas where low-income workers need it most.</p>	<p>1) Use CDBG funds to leverage the creation of at least 20 jobs annually, 2025 through 2029.</p> <p>2) Ensure CDBG grantees (cities and counties) have completed the transportation component of their comprehensive plan (as per Idaho’s Local Land Use Planning Act). Further, the CDBG grantee should address the transportation factors that are contributing to limiting opportunities for its residents in their fair housing assessment.</p> <p>3) Commerce will continue to award additional points to CDBG downtown revitalization applications that attempt to improve multimodal transportation options.</p> <p>4) Commerce will continue to award points to CDBG applicants who are members of an economic development</p>	<p>Commerce- 1,2,3,4</p>	<p>1) No job creation applications were received therefore no action taken.</p> <p>2) Of the 26 plus applications received in 2025-26, Commerce continued to provide additional points to the applicants who demonstrated achieving this milestone.</p> <p>3) Of the one downtown application received, Commerce did provide 20 points to the applicant as the city met the multimodal milestone.</p> <p>4) Of the 26 plus applications received, Commerce continued to provide additional points to the applicants who demonstrated achieving this milestone.</p>

		<p>organization whose objective is to advance job growth and training opportunities.</p>		
<p>Reduce disparities in housing needs among persons with disabilities and racial and ethnic minority households</p>	<p>1. Consider an incentive grant program like Colorado’s new 1271 grant that supports planning and zoning and land use studies, innovative housing solutions, and infrastructure expansions to support affordable housing. In the stakeholder survey, one economic development expert noted that even if their community wanted to upzone, planning staff do not have the experience to do so. This individual expressed that their community needs guidance from more urban community developers on updating water and sewer capacity, setting rates, and developing new multifamily housing. Note: This would require a legislative action to direct funding to a grant.</p>	<ol style="list-style-type: none"> 1) IHFA/Commerce cannot directly lobby; however, both entities will continue to incentivize activities and projects focused on LMI beneficiaries. 2) HOME will provide downpayment assistance to households, thereby increasing housing opportunities for LMI households. 3) HTF will be subgranted to CDBG municipalities to increase rental housing options for extremely low-income households. 4) Commerce will continue to award points to CDBG applicants who have adopted land use practices that allow for diverse housing stock. 	<p>IHFA 1,2,3 and Commerce-1,4</p>	<ol style="list-style-type: none"> 1) IHFA continues to use its resources to support housing activities for low income households. Commerce continues to ensure that it provides CDBG funding to at least 70% of the projects that benefit low to moderate income individuals and households. 2) IHFA has been providing downpayment assistance to low income families for homebuyer assistance. Over the past year, households supported have included different races, varying incomes, and some households with disabling conditions. 3) IHFA has subgranted HTF to the City of Boise for the development of permanent supportive housing for families. 4) Of the 26 plus applications received in 2025-26, Commerce continued to provide additional points to the applicants who demonstrated achieving this diverse housing stock milestone.

<p>Increase the number of accessible and visitable housing units and accessible neighborhoods for persons with disabilities.</p>	<p>1. Implement a new fund or pool existing resources: 1) For people with disabilities to access to make home modifications for accessibility; 2) To incentivize newly built housing to make units visitable and adaptable; 3) To assist group homes with financial stability and viability.¹¹ Note: This would require a legislative action to direct funding to the proposed activities.</p> <p>2. Explore state incentives (such as Colorado’s 1271 program mentioned above) and federal funds to increase housing density allowed around transportation corridors and therefore expand affordable and accessible housing around transit hubs. This would address disparities like those mentioned by Canyon County stakeholders, where residents with disabilities who are not near a bus stop cannot get access to basic amenities like the grocery store.</p>	<p>1) For any new developments, visitability is required in units, which may not be required under Section 504.</p> <p>2) Fund at least five (5) projects annually with CDBG funding that improve ADA accessibility.</p> <p>3) Ensure all CDBG grantees (cities and counties) have updated their ADA Transition Plans prior to project closeout.</p> <p>4) Commerce will continue to award additional points to CDBG downtown revitalization, public buildings, and park applications that improve ADA accessibility.</p> <p>5) Continue to award points to CDBG applicants who have adopted “visitability” requirements into their building code for new single family home construction.</p>	<p>IHFA- 1 Commerce -2, 3, 4 & 5</p>	<p>1) IHFA continues to require and monitor the Section 504 adherence to the construction of single family and multi family when federal funds are provided in assistance.</p> <p>2) Commerce funded eight projects that will improve ADA accessibility. These projects include ADA improvement at community and senior centers, city sidewalks, and parks.</p> <p>3) Commerce continued to require via the CDBG funding contract, that all cities or counties update their ADA Transition Plan.</p> <p>4) Commerce continued to provide additional points to CDBG applicants who demonstrated that their project would improve ADA accessibility and mobility.</p> <p>5) Commerce continued to provide additional points to CDBG applicants who demonstrated that their project would improve “visitability”.</p>
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<p>Support legislative efforts to expand housing choice.</p>	<ol style="list-style-type: none"> 1. Support legislative efforts to encourage or allow by-right affordable housing development and gentle density bonuses for affordable developments as long as they are compatible with the local government’s comprehensive plan. 2. Support legislative efforts that expand local governments’ ability to raise funds to expand housing choice. 	<ol style="list-style-type: none"> 1) IHFA/Commerce cannot directly lobby; however, both entities will support when allowed and applicable legislation that helps to expand housing choices. 2) IHFA will award funds to projects/partners who increase housing in areas which provide choice in areas not already considered LMI. 	<p>IHFA-1, 2 and Commerce-1</p>	<ol style="list-style-type: none"> 1) The Idaho State Legislature after completing its session in 2025, convened a group of lawmakers to evaluate housing strategies during the 2026 legislative session. A current State Senator has started a new non-profit focused on evaluating housing affordability in Idaho. 2) IHFA continues to work with partners in providing housing choice.
<p>Continue fair housing education and outreach and further local governments adoption of AFFH principles.</p>	<ol style="list-style-type: none"> 1. Consider pursuing funding for a management consultant or mediator to work through tensions between fair housing enforcement organizations, housing providers, and local governments, with the goal to establish best practices from other fair housing organizations that seem to strike this balance. Alternatively, provide mediation services to help create less adversarial relationships between local landlords/business owners and fair housing advocates. Many 	<ol style="list-style-type: none"> 1) Require CDBG applicants to adopt and publish / post a fair housing resolution. 2) Require CDBG grantees to proclaim April as Fair Housing Month. 3) Require CDBG grantees to post fair housing posters at their city hall or administrative offices. 4) Require CDBG grantees to have available for the public the Idaho fair housing Z-cards. 	<p>Commerce-1,2,3,4</p>	<ol style="list-style-type: none"> 1) By way of the CDBG funding agreement, Commerce required the 26 CDBG grantees to achieve this milestone. 2) Via the CDBG funding agreement, Commerce required the 26 CDBG grantees to achieve this milestone. 3) By way of the CDBG funding agreement, Commerce required the 26 CDBG grantees to achieve this milestone. 4) By way of the CDBG funding agreement, Commerce required the 26 CDBG grantees to achieve this milestone.

State of Idaho 2025 CAPER – Unique Appendices

	stakeholders expressed concern about existing fair housing organizations' conflicts between providing education and outreach and also being responsible for bringing fair housing lawsuits.			
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CR-40 - Monitoring

91.220 and 91.230

Describe the standards and procedures that will be used to monitor activities carried out in furtherance of the plan and will be used to ensure long-term compliance with requirements of the programs involved, including minority business outreach and comprehensive planning requirements.

Idaho Department of Commerce

IDC monitors all CDBG funded projects to ensure compliance with applicable program rules and regulations. The IDC monitoring process starts before the actual funding of an application and continues until project closeout. This dynamic process helps to ensure projects meet program requirements and improves the chances that any violations or potential violations are identified and corrected.

-Pre-Development Monitoring-

Local governments who anticipate applying for CDBG funds are encouraged to contact their regional IDC specialist. IDC specialists provide recommendations and technical assistance to local governments to help them understand the CDBG program requirements. Pre-development reviews also provide IDC an understanding of the potential projects and an early assessment to determine if it will meet the CDBG national objective, eligibility, and goals.

-Application Monitoring-

During the review of the applications, IDC staff first determines if the application meets the required eight threshold factors, which includes national objectives and eligible activities. If the application meets the eight threshold factors, further review of the application continues to determine if the project will meet the program goals and strategies, procurement rules, acquisition and relocation requirements, citizen participation, and an assessment of the environmental review requirements. Local governments' accomplishments towards furthering fair housing and accessibility (504) standards are also reviewed.

Generally, IDC conducts a monitoring of the environmental review conducted by the local government prior to execution of the IDC contract.

-Project Monitoring-

IDC conducts a risk assessment of each project, utilizing the department's Determination of On-site Monitoring criteria to establish if the project will require on-site monitoring or if the desk monitoring process will suffice. IDC monitors all CDBG funded projects and reviews the Grantee's financial audits. During the course of a project IDC, specialists are continually monitoring the following applicable project components:

Financial Management	Procurement	Performance
Environmental	Labor Standards	Acquisition & Relocation
Civil Rights	LEP	Citizen Participation
504 Standards	Fair Housing	Build America Buy America

IDC continues to update its project-monitoring guide, which must be completed by a staff project specialist prior to closeout. IDC specialists approve every CDBG request for payment. Requests for payment are required to be supported by an invoice and executed contract. IDC has an established process of receiving and reviewing a local government’s independent financial audit for any open project or project closed out within one year. The audit is reviewed by IDC to determine if there are any findings and if so do they affect the CDBG funds. IDC has also implemented an audit checklist to help ensure a grantee’s compliance with 2 CFR Part 200.501 Audit Requirements.

-On-Site Monitoring-

IDC will try to visit all CDBG funded projects at least once during construction, to conduct site observation. IDC based on a financial risk analysis will conduct an onsite in-depth fiscal monitoring of grantees deemed to be high risk.

-Women/Minority Business Enterprises Outreach-

ICDBG funded grantees and their sub-recipient, contractors or businesses must make a good faith effort to award contracts to Section 3 business concerns and utilize Section 3 area residents as trainees and employees.

IDC advertises CDBG funded projects through the Idaho Small Business and Development Center, Idaho’s Apex Accelerator Center and Disadvantage Business Enterprises to ensure professional and construction services on CDBG funded projects are directly solicited to Disadvantaged and Women Business Enterprises, HUB Zone businesses, SBA Section 8(a) businesses, disabled veteran owned businesses, veteran- owned businesses, and minority-owned businesses.

[Idaho Housing and Finance Association](#)

-Rental Housing Compliance Monitoring-

Rental Activities- HOME & HTF rental activities must meet the affordability requirements during the period of affordability. Requirements are enforced through written agreements with the owners, deed restrictions, and covenants running with the land in a senior position ahead of all liens.

Compliance Monitoring Department conducts an initial monitoring of each new project within the first 12 months after completion in IDIS and then follows a 3-year inspection schedule for all activities. However, as needed, rental projects are inspected more frequently based on the most recent physical inspection and tenant file review. The most recent monitoring, including any additional inspection or tenant file review is noted in the annual compliance monitoring report.

On an annual basis, owners certify each building in the project is suitable for occupancy (state and local health, safety, and other applicable codes, ordinances and requirements, and the ongoing

property standards established by the program). Owners also certify vacant low-income units are advertised and filled before other units of comparable size. **See 2025 HOME + HTF Monitoring and Risk Assessment**

-Homebuyer Residency Monitoring-

Compliance monitoring is conducted throughout the unit's period of affordability [§92.254]. Annual monitoring requirements are described in the Homebuyer's Occupancy Certification and their Deed of Trust. When IHFA determines a homebuyer has moved out or otherwise no longer resides in their HOME-assisted unit as a primary residence, IHFA encourages the homeowner to return to their unit as soon as possible. If the homeowner fails to return to the unit, IHFA considers this a default on their HOME loan. IHFA will take corrective action to recapture the HOME subsidy loan. The 2025 homebuyer monitoring is substantially complete with four loans needing additional follow-up.

-Risk-Based Financial Assessment-

The HOME Programs Department conducts financial assessments on assisted multifamily rental projects, as required by HOME and HTF regulations. The assessment includes a review of the current annual financial statements and the project's projected budget as well as information regarding most current physical inspection and tenant file review, financial audits and owner's certification of continuing compliance.

IHFA commonly finds the following projects are at a greater financial risk:

- Projects within 5 years of the end of their affordability period
- Projects with Due-on-Sale or Net Operating Income (NOI) loan repayment terms
- Projects on Compliance Department's 'Watch' list
- Projects with an inconsistent or nonpayment history
- Projects with 10 or more assisted units
- Developers with financial audits containing findings

Using a Tier 1 Easy Risk Assessment, IHFA is able to determine the following information: (1) is the project generating a positive cash flow; and (2) is there sufficient cash available to pay accounts payable. Consideration is given to the independent auditor/accountant concerns and if the replacement reserve deposits are adequate. The result of the Tier 1 Assessment is a 'Pass' or 'Fail'. Additional review may be conducted because of other specific triggers. Projects that receive a Tier 1 'Pass' and have no other significant areas of concern are defined as a stable financial position.

Projects that receive a 'Fail' receive a Tier 2 Assessment. This phase looks at additional factors, such as vacancy rate, market/affordable unit mix, and market and geographic factors that may impact market demand. In some cases, based on the Tier 2 Assessment, a historical spreadsheet may be created. The purpose of this additional assessment is to provide a comprehensive review from the perspective of the project and provide options and recommendations.

In 2025, 16 projects were subjected to the Tier 1 Financial Risk Assessment. None of these projects required a higher level of assessment. **See - 2025 HOME + HTF Monitoring and Risk Assessment.**

-CHDOs-

CHDOs must submit all CHDO certification documentation annually. When the CHDO receives an Annual CHDO Certification, then the CHDO updates this annual information as necessary, each time

CR funds are committed to a new activity.

All activities funded with CR following the same compliance monitoring, physical inspections, and financial risk assessments as any non-CHDO activity during development and activity's Period of Affordability.

HOME requires a CHDO-owner to maintain ownership of a rental property throughout the period of affordability, or transfer ownership to another CHDO, IHFA has determined the potential risk of repayment of repayment to HUD is too great; therefore, IHFA does not use CHDO set-aside funds for rental or CLT activities.

In 2025, IHFA did not have any non-profit development organization determined to meet the CHDO requirements. In the past, IHFA has made operating grants available to CHDOs, this created a misunderstanding as the designation of a CHDO. Non-profits see the operating grant (which is not a requirement of a PJ) as "being a CHDO." This misunderstanding led to CHDOs expecting to receive annually the operating grant. Unfortunately, this does not lead to financial viability for non-profits. IHFA is working to find the balance of meeting the needs of non-profits for single family housing activities, while not creating an expectation of receiving the operating grants. In the past, the HOME funds were approximately \$200k in operating grants, this is the equivalent of 1-2 homebuyers receiving assistance to purchase a housing unit.

-Minority/Women Business Outreach-

The HOME and HTF programs require owner/developers to include special outreach to minority and women-owned business enterprises to help provide them with an opportunity to provide goods and services to assisted activities. Outreach activities can include direct solicitation, utilizing Idaho's Procurement Technical Assistance Center (PTAC), local print media, and requiring contractors/subcontractors to take the same positive steps. Prior to project completion, an owner completes the MBE/WBE Activity Report, which includes the business status and address of each contractor/subcontractors. See CAPER CR-15 Resources and Investments.

-ESG Monitoring-

Multiple forms of monitoring exist: project, performance, and HMIS/CMIS. Project compliance will be carried out by the Collaborative Applicant. Performance compliance will be enforced by the Collaborative Applicant and HUD. HMIS/CMIS compliance will be conducted and enforced by the HMIS Lead Agency.

In executing project compliance, the Collaborative Applicant will establish and maintain standard procedures for ensuring that CoC and ESG Program funds are used in accordance with federal requirements, and will establish and maintain sufficient records to enable the U.S. Department of Housing and Urban Development (HUD) to determine whether subrecipients are meeting the requirements of 2 CFR 200.

CoC and ESG Program monitoring activities will include financial and project compliance outlined in 2 CFR 200 and identified in this policy and the supporting CoC and ESG Project Monitoring Checklists.

HUD maintains responsibility for monitoring all CoC and ESG recipients, including monitoring a sample of subrecipients when a recipient is selected for HUD program monitoring.

Noncompliance with HUD and local regulation and policy may result in the full or partial defunding of a grant, required technical assistance and/or training, required transfer of the grant to a new subrecipient, or a variation of the remedies herein.

Performance compliance will be assessed by the Collaborative Applicant, with support from the HMIS Lead Agency and the House Idaho Collaborative. Performance includes adherence to system performance, data quality, and data completeness measures or standards. Any defunding or reassigning of grant activities must be approved by the CoC Board.

The execution of HMIS/CMIS monitoring will be completed by the HMIS Lead Agency. All HMIS/CMIS users and HMIS/CMIS-participating agencies will be monitored at least annually. All agencies required to participate in HMIS or CMIS through CoC or ESG awards may experience delays in reimbursement payments from the Collaborative Applicant for failure to comply with HMIS or CMIS collection and reporting standards until such time that the agency is in compliance.

In the last quarter of the calendar year, the Collaborative Applicant performs risk assessments on all agencies receiving HUD homelessness assistance funds through IHFA. The risk assessment determines each project's capacity to run the project and will inform the monitoring team as to what risk is posed. Each agency, regardless of risk assessment score, will receive an On-site monitor.

CoC Risk Assessments – The CoC program will be evaluated on the following criteria outlined in the Risk Assessment:

- Agency Experience: COC Program
- Agency Experience: HUD Funding
- Staff Capacity: Authorized Staff
- Staff Capacity: Draw Contact Person
- Rent/Lease Program Growth
- Total Grant Spend
- Timely Disbursement
- Spend Within Cost Category
- Ineligible Expenses
- APR Submission
- Unresolved HQS Deficiencies
- Unresolved Monitoring Findings
- HMIS/CMIS Data Quality
- Household Unit Utilization

ESG Risk Assessments – The ESG program will be evaluated on the following criteria outlined in the Risk Assessment:

- Agency Experience: ESG Program
- Agency Experience: HUD Funding
- Staff Capacity: Authorized Staff
- Staff Capacity: Draw Contact Person
- Rent/Lease Program Growth (RRH and HP only)
- Total Grant Spend
- Timely Disbursement
- Spend Within Cost Category
- In-eligible Expenses
- Unresolved HQS Deficiencies
- Unresolved Monitoring Findings
- HMIS/CMIS Data Quality
- Housing Placement (RRH only)
- Bed Utilization (Shelter only)

If during the monitor the Collaborative Applicant identifies a concern or finding, the following will take place:

- **Concern:** A concern is a deficiency in project performance not based on statutory, regulatory, or other program requirements. Required sanctions or corrective actions are not authorized for concerns.
 - The Collaborative Applicant will bring the concern to the attention of the subrecipient via formal letter sent by email which will recommend actions to address concerns and/or offer technical assistance.
 - Concerns do not require a formal written response to the Collaborative Applicant.
- **Finding:** A finding is a deficiency in a subrecipient's project performance based on material noncompliance with a statutory, regulatory, or program requirement for which sanctions or corrective actions are authorized.
 - The collaborative Applicant will provide documentation via formal letter sent by email. The notification will detail required action to be taken by the subrecipient.
- **Non-compliance:** Failure to provide written response to a finding by the specified deadline may lead to a de-obligation of funds. However, upon receipt of the Notice of De-obligation, the Subrecipient has thirty (30) days to submit a formal letter of appeal. The agency must:
 - Submit the appeal on agency letterhead, addressed to the Collaborative Applicant.
 - Present a high level of detail and explanation and must include corresponding documentation addressing the corrective action that was found to be deficient.

The Collaborative Applicant will consult with the HIC Executive Board, Guiding Idaho, prior to taking de-obligation actions.

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91.520(d)

Other actions taken to foster and maintain affordable housing. 24 CFR 91.220(k) (STATES ONLY: Including the coordination of LIHTC with the development of affordable housing). 24 CFR 91.320(j).

HOME & HTF Programs

Whenever HOME or HTF funds are used to acquire, construct, or rehabilitate homebuyer and rental housing projects, the project owner is required to meet the applicable income restrictions and affordability requirements. If a project fails to meet the affordability requirements during the period of affordability, IHFA is required to repay the funds invested in the project [§92.504 (c) (ii)] [§93.403] to HUD. Therefore, IHFA enforces the affordability requirements through deeds of trusts and a restrictive covenant in the senior position. The period of affordability is determined by the amount of HOME or HTF funds invested in the activity on a per-unit basis. IHFA does not impose a period of affordability longer than the program's regulatory minimum.

Low-Income Housing Tax Credit Program

IHFA is the State of Idaho's Low-Income Housing Tax Credit administrator, a program established under the 1986 Tax Reform Act. LIHTC provides an incentive to create affordable rental housing. The program provides a dollar-for-dollar federal tax reduction under Section 42 of the Internal Revenue Code. Each development's annual Housing Tax Credit eligibility is based upon depreciable real property costs applicable to the units designated for low-income tenants. The amount the allocation to a rental project is based upon the lesser of, credit eligibility, or the amount necessary to fill the funding gap, or the amount necessary to generate a reasonable return to the investor.

2025 Set-asides

5.1 Federally Mandated 10% Non profit Set-Aside

Federal regulations require a minimum of 10% of the state's housing credit ceiling for any calendar year set-aside for awards to developments involving qualified nonprofit organizations. Developments qualify for this set-aside if a qualified nonprofit organization owns an interest in such developments (directly or through a partnership) and materially participates (within the meaning of Section 469(h) of the Internal Revenue Code

(IRC) in the development and operation of the development throughout the 15-year compliance period. Additionally, the qualified nonprofit organization must meet the following federal requirements:

In the calendar year 2025, 38.5% of the state housing credit ceiling (\$6,341,944) was allocated to qualified nonprofit organizations. This equates to \$2,441,944 in annual tax credit or \$24,419,440 in total tax credit over 10 years.

- Such organization is described in paragraph (3) or (4) of Section 501(c) of the IRC and is

exempt from tax under Section 501(a) of the IRC;

- Such organization must be determined by the State housing credit agency not to be affiliated or controlled by a for-profit organization; and
- One of the exempt purposes of such organization includes the fostering of low-income housing.

*Section 469(h) of the IRC states that a taxpayer shall be treated as materially participating in an activity only if the taxpayer is involved in the operations of the activity on a basis that is regular, continuous, and substantial.

In addition to the federal requirements listed above, the Association requires that prior to the closing of the equity financing, a Right of First Refusal (ROFR) shall be negotiated with the tax credit investor for the benefit of a “qualified nonprofit organization” as defined in IRC Section 42(h)(5)(C), as the holder of such ROFR and to be effective after the end of the 15-year tax credit compliance period. The ROFR shall be consistent with IRC Section 42(i)(7).

5.1.1 Competition in Non-Targeted Category

Nonprofit organizations may also compete for non-targeted tax credits.

5.1.2 Safe Harbor Guidelines

In order to meet the safe harbor guidelines prescribed by the Internal Revenue Service, all developments receiving nonprofit set-aside credit must designate at least 75% of the residential units as affordable to persons at or below 60% of the area median income.

5.2 Special Housing Need Set-Aside

Upon determination of a special housing need within the state, the Association, in its sole discretion, may set aside up to 15% of the annual per capita tax credit amount to address this housing need and announce specific guidelines that may apply to application for these funds. Additional guidance will be provided by the Association in the Request for Proposal (RFP) outlining the requirements that should be included in an application applying for the set-aside. If this set aside is not utilized by the Association or if qualified applications are not received, the set-aside will be made available to other qualified non-targeted applications. If utilized, the Association will announce specific guidelines that may apply to the application for these funds a minimum of 180 days prior to the application round.

5.3 Rural Development Set-Aside

Fifteen percent (15%) of the annual per capita tax credit will be set-aside for the new construction of developments located in communities that qualify as eligible communities for USDA RD Multifamily Housing programs. The set-aside will be available on a statewide basis during the Application Round if sufficient applications are received, otherwise, it will be available for all other qualified non-targeted applications.

5.4 Preservation Set-Aside

Ten percent (10%) of the annual per capita tax credit will be set-aside for the rehabilitation of existing

federally assisted rent-restricted developments. The set-aside will be available on a statewide basis during the Application Round if sufficient applications are received; otherwise, it will be available for all other qualified non-targeted applications.

5.5 Authority to Reduce Set-Asides

If maintaining the set-asides listed above jeopardizes the Association's ability to effectively allocate credit during the calendar year, the Association may eliminate or reduce the set-asides to federally mandated levels.

5.6 Eligible Basis Increase (up to 30%) for Certain State Designations

Developments may qualify for a 30% eligible basis boost if designated by the Association at its sole discretion, as in need of additional resource assistance to ensure economic feasibility. Developments that are applying for tax credit under the special housing needs set-aside mentioned above in Section 5.2; developments that have unusually high construction costs and/or land costs because of being in a higher cost resort community; or developments which are located in a higher cost urban center are eligible for consideration of the 30% eligible basis boost. Burden of evidence and justification for the boost falls solely on the Sponsor and will be assessed by the Association, at its sole discretion, on a case by-case basis.

In order for a sponsor to be eligible, the project must be located in one of these specific categories. If a request for basis boost is included in the application, a detailed narrative to include comprehensive reasoning and justification to support that the project resides within an eligible area is required to be given consideration by the Association for the boost.

NOTE: The category is not intended to override or supersede federally designated DDAs or QCTs. 'Urban Center' is defined as being ineligible for 'Rural' classification by the USDA Rural Department and within close proximity, as determined by the Association at its sole discretion, of areas with high development costs resulting from dense population.