

Housing Infrastructure Financing Program (HIFP)

APPLICATION FORM July 2023



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**SOUTH DAKOTA HOUSING DEVELOPMENT AUTHORITY
HOUSING INFRASTRUCTURE FINANCING PROGRAM (HIFP)
APPLICATION**

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Alternative formats of this document are available to persons with disabilities upon request.

For information regarding Section 504 Accessibility, contact the South Dakota Housing Development Authority 504 Coordinator, Andy Fuhrman, at 1-800-540-4241.

**SOUTH DAKOTA HOUSING DEVELOPMENT AUTHORITY (SDHDA)
HOUSING INFRASTRUCTURE FINANCING PROGRAM (HIFP)
APPLICATION**

Applicants must complete the entire application form and submit all documents and supplementary materials required. Failure to submit a complete application with all required documentation will result in an incomplete application; an incomplete application will not be considered for funding until all required information and documentation has been submitted. If the applicant is unable to provide complete detailed answers in the spaces provided, the applicant must attach additional sheets containing the complete detailed answers.

I. GENERAL PROJECT

A. Public Infrastructure Project Name: _____

Site Address(es): _____

City: _____ County: _____ Zip Code: _____

Is the project located inside the boundaries of the municipal limits? Yes No
If no, are there plans for annexation? Yes No

1. What is the documented number of eligible housing units that the public infrastructure project will support?

a. Single family units/lots (single family homes, twinhomes, condominiums, etc.) _____

b. Multifamily rental units _____

2. What type of housing needs market study is included with your application?

Market study prepared by a third party (must be dated within 3 years of application date)

Market study prepared by the applicant and/or related party (must include data listed in Exhibit 2)

b. What does your market study state as the needed number of single family/multifamily lots/units for your political subdivision? Single family lots/units _____ Multifamily Rental units _____ (Page _____)

c. For third party market studies, cite the page number and the paragraph number along with the date of the housing needs study that identifies the need the applicant is attempting to fill. For self-documented needs studies, cite the source(s) for the data.

3. a. How many single family lots/units have been completed, are currently under construction, or are pending/proposed in the market study area since the date of the market study?

Completed _____ Under construction/Pending/Proposed _____

b. How many multifamily rental units have been completed, are currently under construction, or are pending/proposed in the market study area since the date of the market study.

Completed _____ Under construction/Pending/Proposed _____

4. The applicant must attach a **Project Narrative** describing the project characteristics. Refer to Exhibit 1-B for the minimum required components of the narrative.

5. What South Dakota political subdivision will take ownership, maintain, or provide the public infrastructure?

- a. Is there adequate water supply? Yes No
- b. Are there adequate water treatment facilities? Yes No
- c. Are there adequate wastewater treatment facilities? Yes No
- d. If any response above is no, explain the plans in place to address the shortfall.

- 6. The applicant must submit a resolution from the political subdivision that the political subdivision has approved the proposed housing infrastructure project. (See Exhibit 6 for template resolution.)
- 7. The applicant must submit at least two letters of local support.
- 8. Describe any other factors relevant to this proposed project of which SDHDA should be aware.

B. Public Infrastructure project components.

Are you requesting: ARPA Grant General Fund Grant General Fund Loan (Select all that apply.)

1. Is American Rescue Plan Act (ARPA) grant funding requested: Yes No

a. If yes, which items are you installing:

- Sanitary sewer system Stormwater drainage management Lift station
- Other (wastewater collection lines, wastewater services (to the right of way), manholes, stormwater collection pipe, inlets, junction boxes, curb and gutter, retention/detention ponds)
- Replacement of drinking water systems that must be replaced due to a current health hazard with the existing infrastructure
- Resurfacing roads disturbed by installation back to preconstruction level

Note: Physical structures and land acquisition associated with the housing development are not eligible costs under ARPA.

b. An ARPA grant funding applicant must have documented its compliance with state and federal mandates in the procurement of contracts, including but not limited to, Equal Employment Opportunities, Contract Work Hours and Safety Standards Act, Clean Air Act, Debarment and Suspension, Byrd Anti-Lobbying Amendment, Procurement of Recovered Materials, Civil Rights Act, Domestic Preference for Procurements, SD Executive Orders, etc. No costs incurred prior to March 3, 2021 may be included in the Total Project Cost. **See Exhibit 4 for more information.**

Briefly identify and describe the required documentation. _____

c. If the infrastructure project has total project costs of more than \$10 million, compliance with the Davis Bacon Act is required. Provide a brief explanation of the development team's prior experience with Davis Bacon and/or plans to comply with the Davis-Bacon Act requirements.

(Add additional sheets or provide your answer in the project narrative as necessary.)

2. Are General Funds (Non-ARPA) being requested: Yes No If yes, which items is the applicant installing:

- Right of way Water distribution system
- Sanitary sewer system Stormwater drainage management/sewer system
- Lift station Street/road/bridge/curb/gutter
- Sidewalk Traffic signal/Streetlight
- Excavation/compaction Land Acquisition
- Other (wastewater collection lines, wastewater services (to the right of way), manholes, stormwater collection pipe, inlets, junction boxes, retention/detention ponds)

*If the project is located in Sioux Falls or Rapid City, the applicant is not eligible for both a grant and a loan. The balance of the state is eligible for both.

II. APPLICANT / OWNER

A. Applicant: _____
 Applicant Federal Taxpayer ID Number: _____
 If ARPA is requested, Applicant's Federal Unique Entity Identifier (UEI) ID Number: _____
 (Attach documentation of active UEI registration).
 Mailing Address: _____
 City: _____ State: _____ Zip Code: _____
 Contact Person: _____
 Phone No. _____ Fax No. _____
 E-Mail Address: _____

B. Contact Person During Application Process:
 Contact Person: _____
 Company: _____
 Mailing Address: _____
 City: _____ State: _____ Zip Code: _____
 Phone No. _____ Fax No. _____
 E-Mail Address: _____

C. Type of Applicant:
 ___ For-Profit Entity (identify type and provide documentation):
 ___ General Partnership ___ Limited Partnership ___ Limited Liability Company
 ___ Corporation ___ Individual ___ Other _____

 ___ Non-Profit Entity (attach the IRS Determination Letter)
 ___ Tribal Government
 ___ County Government
 ___ Political Subdivision of the state of SD (specify _____)
 ___ Agency of a political subdivision of the state (specify _____)
 ___ District (sanitary, water, etc.)
 ___ City Government
 ___ Housing Authority
 ___ Other (specify) _____

D. Applicant's Principals (e.g., president, general partners, controlling shareholders, owners, etc.). *If the applicant is a political subdivision, respond "N/A".*

<u>Name(s)</u>	<u>Phone</u>	<u>Type of Ownership</u>	<u>% Ownership</u>
_____	_____	_____	%
_____	_____	_____	%
_____	_____	_____	%

Principal(s)' Resume(s) Attached? ___ Yes ___ No ___ N/A
 Are three (3) years of the applicant's financial documents attached? ___ Yes ___ No

E. Has the applicant or its principals previously developed housing? ____ Yes ____ No
 If yes, list the project(s) below, attach additional sheets if necessary.

Project Name and Location	List of Principal(s) Ownership Entity	Year Placed in Service
_____	_____	_____
_____	_____	_____
_____	_____	_____

F. Does applicant or its principals have previous housing management experience? __ Yes __ No
 If yes, describe management experience. _____

G. Describe the political subdivision's capacity for long-term ownership and maintenance of the public Infrastructure.

H. If the political subdivision will be providing the public infrastructure and conveying ownership to another entity, provide information regarding the entity or entities responsible for long-term ownership and maintenance in a narrative and describe their capacity.

I. Identify the Development Team by completing Exhibit 3.

III. SITE INFORMATION

A. Applicant/Owner controls site by (select and must attach document(s)):

- _____ Warranty Deed
- _____ Option (identify expiration date _____)
- _____ Purchase Agreement
- _____ Long term Lease (expiration date _____)
- _____ Other _____ (identify if expiration date exists _____)
- a. What is the total purchase price of the land? _____
- b. What is the proportionate price of the land above to be improved for housing? _____
- c. What is the proportionate price of the land that will **not** be improved for housing? _____
 (Example: If 50 acres is purchased for \$100,000 and 25 acres will be improved for housing, only the proportionate purchase price of the 25 acres to be improved for housing (\$50,000) would be included in the total project costs.)

B. Legal Descriptions:

1. Legal description of the property that identifies it as the site in the site control document:

2. Legal description of the property being improved for housing:

C. Is the property located and administered within the political subdivision boundaries? _____ Yes ____ No

D. Is site properly zoned? _____ Yes ____ No

If yes, include evidence of proper zoning. If no, provide details of zoning process, including anticipated date to be resolved: _____

E. Are all utilities presently available to the site? _____ Yes ____ No

If yes, include evidence of utility availability. If no, provide explanation, including dates, when all utilities will be available. _____

- F. Has the political subdivision approved the preliminary engineering plans for the site? ____ Yes ____ No
- G. Attach the Preliminary Engineering Plans and Specifications and identify ____% complete.
- H. Attach an affidavit from an engineer who is licensed in South Dakota stating that the total project cost is reasonable based on current market conditions and all components included in the total project cost are necessary and allowable under applicable law.
- I. Are there any contamination or environmental issues related to the property? ____ Yes ____ No
If yes, describe and explain proposed remediation:

J. Site Details:

- 1. Provide a location map, showing location of the site relative to the surrounding area.
- 2. Provide photographs of the site(s) and/or building(s).
- 3. Attach illustrative screenshot of the site such as Google Earth.
- 4. List immediate adjacent land uses:

- a. North: _____
- b. South: _____
- c. East: _____
- d. West: _____

K. For an ARPA grant request:

- 1. Attach satellite type imagery showing both the proposed and existing lines.
- 2. Provide a cost estimate broken out by bid item and eligible cost type (see Exhibit 5 example cost split).
- 3. Provide a project narrative adequately describing the work to be done (this will likely need to be provided by your consulting engineers).

Typically, the proposed development with utilities and layout is depicted in a CAD drawing overlaying it on satellite imagery, which provides visualization of the project and layout and shows if there are existing homes or users. This will be used to determine eligibility of drinking water costs and replacement of existing surface conditions for ARPA funding.

(remainder of this page left intentionally blank)

IV. PROJECT COSTS AND USES

List all project costs in a spreadsheet similar to the cost split spreadsheet shown in the attached Exhibit 5. Complete all sections for ARPA. Complete only the first section for non-APRA/general funds. Do not duplicate any numbers in the chart below.

Itemized Costs	Actual Costs
LAND AND CONSTRUCTION COSTS	
Eligible Land Acquisition Costs	
Total Construction Costs*	
*Insert Total Construction Cost from Preliminary Project Cost Estimate (Exhibit 5)	
Other (Specify)	
LAND AND CONSTRUCTION COSTS SUBTOTAL	
PROFESSIONAL FEES	
Survey Fees	
Legal Fees	
Consultant Fees	
Engineer Bidding and Design Fees	
Engineer Project Inspection and Testing Fees	
Environmental Reports	
Housing Needs Study	
Property Appraisal (if applicable)	
Real Estate Agent Fees (if applicable)	
Other (Specify)	
PROFESSIONAL FEES SUBTOTAL	
FINANCING FEES	
Payment & Performance Bond/Line of Credit	
Construction Insurance	
Construction Interest	
Origination Fee	
Title and Recording	
Other (Specify)	
FINANCING FEES SUBTOTAL	
TOTAL PROJECT COST	
1/3 x Total Project Cost	

V. Applicant Funding Request

Applicant is limited in the dollar amount of HIFP funding. The maximum amount of HIFP funding requested will be determined by the limitations below:

1. One-third (1/3) of the Total Project Costs: _____;
2. Enter the calculated funding limitation based on the documented housing units that will be served by the proposed public infrastructure, as follows:

\$10,000 x _____ (number of multifamily rental housing units) = _____

\$25,000 x _____ (number of single-family lots or units) = _____

Line 2: TOTAL (add units limitation from above) = _____

3. Enter the lower number from lines 1 and 2 here: _____

*If applicant is not applying for ARPA funds, line 3 is the total amount of eligible HIFP funding, and applicant can skip to line 7. If applying for ARPA funds, complete lines 4-7.

4. Enter the eligible ARPA costs: _____ (wastewater, stormwater, eligible replacement of drinking water)
5. Compare lines 3 and 4. Enter the larger number here: _____

*If line 4 is greater than line 3, applicant is limited to the amount in line 3 and can skip to line 7.

6. If line 5 is greater than line 4, subtract line 4 from line 5 and enter here: _____
This is the amount of General Funds the applicant is eligible for.
7. Indicate your request in the breakdown below:

ARPA Grant \$ _____ General Fund Grant \$ _____ General Fund Loan \$ _____

Note for HIFP General Funds: Applicant is only eligible for General HIFP funds if construction began on or after February 1, 2023.

VI. PROJECT FINANCING (SOURCES OF FUNDS)

List all sources of funds (including HIFP), including loans, grants and equity, and provide documentation of same.

Is there a Tax Increment Financing (TIF) district involved? _____ Yes _____ No (If yes, attach documentation.)

No.	Name of Lender or Other Source	Amount of Funds	Interest Rate	Term	Amortization
1.		\$	%		
2.			%		
3.			%		
4.			%		
5.			%		
	Total Funds	\$			

Complete the following for each lender or source of funds.

1. Name of Lender/Source _____
Address _____
City _____ State _____ Zip Code _____ Phone _____

Type:	___ Amortizing Loan	___ Grant	___ Deferred Loan	___ Forgivable Loan
	___ Balloon	___ Owner Equity	___ Other (Specify) _____	

2. Name of Lender/Source _____
Address _____
City _____ State _____ Zip Code _____ Phone _____

Type:	___ Amortizing Loan	___ Grant	___ Deferred Loan	___ Forgivable Loan
	___ Balloon	___ Owner Equity	___ Other (Specify) _____	

3. Name of Lender/Source _____
Address _____
City _____ State _____ Zip Code _____ Phone _____

Type:	___ Amortizing Loan	___ Grant	___ Deferred Loan	___ Forgivable Loan
	___ Balloon	___ Owner Equity	___ Other (Specify) _____	

4. Name of Lender/Source _____
Address _____
City _____ State _____ Zip Code _____ Phone _____

Type:	___ Amortizing Loan	___ Grant	___ Deferred Loan	___ Forgivable Loan
	___ Balloon	___ Owner Equity	___ Other (Specify) _____	

5. Name of Lender/Source _____
Address _____
City _____ State _____ Zip Code _____ Phone _____

Type:	___ Amortizing Loan	___ Grant	___ Deferred Loan	___ Forgivable Loan
	___ Balloon	___ Owner Equity	___ Other (Specify) _____	

VII. FINANCIAL FEASIBILITY

Feasibility of all applications will be reviewed taking into consideration the Total Project Cost, the financing sources used to pay Total Project Cost, the anticipated selling price of the lots, and other revenue streams used for repayment of the financing. The project narrative must include information on financial feasibility, including anticipated revenues (e.g. whether the applicant is developing lots for resale, developing lots as well as homes for resale, developing land for a planned multifamily development, TIF revenue, etc.) and a description of the repayment schedule. All financing sources must be documented and readily available.

For loan requests, the maturity of a loan may not be more than ten (10) years from the date of loan closing, with payments amortized over not more than twenty-five (25) years. SDHDA shall establish the standard interest rate for loans from time-to-time and publish the rate on SDHDA's website.

For grant requests, the applicant must explain why a grant is needed and describe the impact the grant will have on reducing purchase prices for homebuyers and/or rental costs to tenants. A description and documentation of the repayment of all other funding sources must be included in the project narrative and supporting documentation must be provided with the application.

The applicant must include a proforma and/or repayment schedule along with any supporting documentation to the application.

VIII. PROJECT TIMETABLE

Indicate the actual or expected date by which the following activities will have been completed. In providing this schedule, take into consideration the requirement that the project must start construction or rehabilitation within nine (9) months of the date of the written agreement between the applicant and SDHDA.

Actual or Scheduled Month/Year	Activity: <u>Site</u>
_____	Acquisition
_____	Zoning / Plat Approval
_____	Local Permits
_____	Site Plan Review
_____	Other (specify) _____
_____	<u>Other</u>
_____	Final Plans/Specifications
_____	Construction Start
_____	Construction Completion
_____	Placed in Service
_____	Occupancy/Sale of all Units

IV. APPLICANT ACKNOWLEDGEMENT AND CERTIFICATION

The Applicant hereby acknowledges that:

1. This application form and all related exhibits are provided only for the use of SDHDA in determining an Applicant's eligibility for HIFP funding, and any notations herein describing the HIFP requirements are offered only as general guidelines and not as legal authority;
2. The Applicant is responsible for ensuring the proposed project will satisfy all applicable HIFP requirements and any other requirements imposed upon it by SDHDA at the time of conditional commitment;
3. SDHDA may require changes in the information submitted herewith, may substitute actual figures for any estimated figures provided in the application, and may conditionally commit HIFP funds in an amount different from the amount requested;
4. A conditional commitment issued in connection with approved HIFP funding will be subject to certain conditions to be satisfied prior to disbursement of HIFP funds;
5. A conditional commitment of HIFP funds is not transferable without prior written approval of SDHDA; and
6. The HIFP requirements are subject to change at any time based on applicable federal or state law, regulation, or other binding authority.

The Applicant hereby certifies that:

1. The Applicant shall not, in the provision of services, or in any other manner, discriminate against any person on the basis of race, color, creed, religion, sex, national origin, age, familial status, or handicap or on any other prohibited basis under applicable federal or state law;

2. To the best of the Applicant's knowledge and belief, all factual information provided herein or in connection herewith is true and correct and all estimates are reasonable and can be obtained from any source named herein;
3. The Applicant will at all times indemnify and hold harmless SDHDA against all losses, costs (including attorneys' fees), damages, expenses, and liabilities of any nature or indirectly resulting from, arising out of or relating to SDHDA's acceptance, consideration, approval, or disapproval of this application and the issuance or nonissuance of HIFP funds in connection herewith;
4. SDHDA has the right to exchange information with other state and local agencies and with other parties as deemed appropriate by SDHDA and in accordance with applicable law; and
5. The Applicant is not a Prohibited Entity as defined in SDCL Chapter 5-18A and is bound by the Certification set forth on the following page.

IN WITNESS WHEREOF, the undersigned, being duly authorized, has caused this document to be executed in its name on this _____ day of _____, 20 ____.

I declare and affirm under the penalties of perjury that the claim (petition, application, information) has been examined by me, and to the best of my knowledge and belief, is in all things true and correct.

Legal Name of Applicant

Signature

Title

Date

CERTIFICATION REQUIRED BY SDCL ch 5-18A

Section 1 Definitions. The words used in this Certification shall mean:

1.1. "Prohibited Entity," an organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, limited liability company, or other entity or business association, including all wholly-owned subsidiaries, majority-owned subsidiaries, parent companies, or affiliates, of those entities or business associations, regardless of their principal place of business, which is ultimately owned or controlled, directly or indirectly, by a foreign parent entity from, or the government of, the People's Republic of China, the Republic of Cuba, the Islamic Republic of Iran, the Democratic People's Republic of Korea, the Russian Federation, or the Bolivarian Republic of Venezuela;

1.2. "Purchasing agency," any governmental body or officer authorized by law, administrative rule, or delegated authority, to enter into contracts;

1.3. "Contract," any type of agreement, regardless of what the agreement may be called, for the procurement of supplies, services, or construction;

Section 2. Certification. The undersigned hereby certifies to the State of South Dakota that:

2.1. The undersigned is not a Prohibited Entity.

2.2. If at any time after making this certification the undersigned becomes a Prohibited Entity, the undersigned will provide immediate written notice to all purchasing agencies with whom the undersigned has a Contract. The undersigned understands and agrees that if the undersigned becomes a Prohibited Entity, agencies may terminate any Contract with the undersigned.

2.3. The undersigned acknowledges and agrees that agencies have the right to terminate a Contract with any entity that submits a false certification, and that a false certification or failure to provide written notification to purchasing agencies that an entity has become a prohibited entity is cause to suspend or debar a business under SDCL § 5-18D-12.

Dated _____, 20__.

Applicant/Contractor:

By: _____

Printed Name: _____

Title: _____

EXHIBIT 1-A
APPLICATION SUBMISSION CHECKLIST

The following items, as applicable, must be submitted with the completed application form to ensure a complete application is received by SDHDA. For more complete details, see Exhibit 1-B.

Submission Item	Enclosed
1. Completed and signed application form	_____
2. Project narrative	_____
3. Financial feasibility/Repayment schedule/Pro forma	_____
4. Applicant Information (i.e., Principal(s)' resumes, Development team (Exhibit 3))	_____
5. Three (3) years of the applicant's financial documents	_____
6. Documentation of SAM.gov, Unique Entity ID (UEI) number	_____
7. Site control documentation – warranty deed, purchase documents	_____
8. Resolution from the political subdivision	_____
9. Two letters of local support	_____
10. Preliminary engineering plans and specifications and affidavit	_____
11. Site information containing photographs of surrounding area	_____
12. Documentation of proper zoning	_____
13. Documentation of financing	_____
14. Ownership/organizational documents of entity of applicant	_____
15. Evidence of availability of utilities	_____
16. Consultant agreement (if applicable)	_____
17. Documentation of housing need (Exhibit 2)	_____
18. Application summary (Exhibit 7)	_____

EXHIBIT 1-B
APPLICATION SUBMISSION CHECKLIST DETAILS

Applications must be submitted using the appropriate SDHDA HIFP Application Form. SDHDA may reject applications with inaccurate information and will not consider incomplete applications. For an application to be considered complete, the application must include the following items:

1. Completed and signed application form.
2. Project narrative outlining the project characteristics including:
 - identity of Applicant
 - why Applicant is proposing this infrastructure project
 - type of housing being developed
 - impact of the housing infrastructure project on the availability of housing in the local area
 - proposed financing
 - proposed repayment sources
 - a description of community participation
 - other factors relevant to the funding decision
3. Financial feasibility/repayment schedule/pro forma (See Section VII. in the application)
4. Information regarding the Applicant, including the development team, and years of experience in housing or related field, e.g. resumes. If the Applicant is a political subdivision, information on principals such as resumes is not required.
5. Financial documents of the Applicant for the past three (3) years. (required for all applicants)
6. Documentation of SAM.gov/ Unique Entity Identifier (UEI) number.
7. Documentation of site control, e.g. recorded deed, signed purchase agreement, long-term lease, etc.
8. Resolution from the political subdivision that the political subdivision has approved the proposed housing infrastructure project, the project satisfies the requirements of the political subdivision, the political subdivision shall own, maintain, or provide the public infrastructure to be developed in the project, and the political subdivision has the capacity to support the public infrastructure to be developed in the project.
9. At least two letters of local support for the proposed infrastructure project. The letters must be from local organizations such as the city office, economic development corporation, public housing authority, employers, commercial lenders, etc.
10. Preliminary engineering plans containing a site plan showing the general build-up of the site including the location of all water and sewer, curb and gutter, streets, etc., approved by an engineer licensed to practice in South Dakota.
11. Site information containing photographs of the surrounding area and a Google Earth screenshot.
12. Documentation of how the project site is zoned at the time of application; e.g. zoning letter from the City or County. If the site is currently being rezoned, the Applicant should provide a letter from the proper zoning authority detailing the status of the rezoning process and likelihood of approval. If no zoning exists in the community, the Applicant should provide a letter from the appropriate authority stating there is no zoning in the community.
13. Documentation evidencing the preliminary arrangements for construction financing including the amount of the loan, the interest rate, and the term.

14. Documentation of the Applicant's legal entity, including a copy of the organizational documents of the entity; e.g., partnership agreement, Articles of Incorporation, etc.; a copy of the certificate of registration issued by the Secretary of State; confirmation of good standing issued from the Secretary of State, and a copy of the federal taxpayer identification number. This item is not applicable to municipalities, but all other types of political subdivisions and eligible applicants must submit organizational documentation.
15. Documentation of utility availability (i.e., water, sewer, electric, natural gas) or proposed dates as to when all utilities will be available at the project location, e.g., letters from all applicable utility providers stating availability and commitment to serving the site.
16. Consultant agreement (if applicable).
17. Documentation of local housing need (refer to Exhibit 2 for additional information).
18. Application summary (see Exhibit 7 for example, Word version available on SDHDA website).

EXHIBIT 2
LOCAL HOUSING NEED REQUIREMENTS

All Applicants for the Housing Infrastructure Financing Program funding must submit documentation evidencing the need for the proposed housing project via a market study. SDHDA strongly encourages Applicants to obtain a third-party market study but will allow Applicants to complete the market analysis themselves so long as the self-documented market analysis requirements listed below are satisfied by the Applicant.

Available research information will vary based on the community. The market study preparer may utilize, but is not limited to, demographic and community information from the U.S. Census, U.S. Department of Housing and Urban Development, USDA Rural Development, city officials, private employers, and landlords.

The market study may not be dated more than three years prior to the date of the application.

Housing Needs Market Study Requirements

Housing Needs Market Studies must include the following data elements at a minimum:

1. Population trends
 - What are the expectations with respect to population change in the community in the next 2 to 5 years, the next 10 years, and the next 15 years?
2. Housing Market Components
 - Housing market turnover/sales data
 - Building permit history (community's experience with new construction in last 3 years)
 - Infrastructure capacity/challenges
 - Price range for homes on the market
 - The names and the number of units contained in newly completed infrastructure projects in the last three years
 - The names of and the number of units contained in pending infrastructure projects
 - Anticipated number in demand for homes in various price ranges (\$0 to \$100,000; \$100,001 to \$200,000; \$200,001 to \$300,000; \$300,001 to \$400,000; etc.)
3. Economics
 - Economic base – by industry and key employer (highlight any significant change)
 - Anticipated employment trends
 - Commuting patterns – employment and services (for example - education, retail, healthcare, etc.)

Executive Summary Requirements

All market studies and housing analyses must include an Executive Summary with a precise statement of the conclusions reached by the analyst. The statement must include the analyst's findings of:

- (i) market feasibility (demand); and
- (ii) the need for market rate housing and/or the need for housing targeted to lower income households.

EXHIBIT 3
DEVELOPMENT TEAM

PROJECT NAME: _____

Site Address: _____

City: _____ State: _____ Zip Code: _____

1. NAME OF ENGINEER: _____

Entity Type: _____ Federal Tax Identification No. _____

Mailing Address: _____ State: _____ Zip Code: _____

Phone No. _____ Fax No. _____

Contact Person: _____ E-Mail: _____

2. NAME OF CONSULTANT: _____

Entity Type: _____ Federal Tax Identification No. _____

Mailing Address: _____ State: _____ Zip Code: _____

Phone No. _____ Fax No. _____

Contact Person: _____ E-Mail: _____

3. NAME OF CONTRACTOR: _____

Entity Type: _____ Federal Tax Identification No. _____

Mailing Address: _____ State: _____ Zip Code: _____

Phone No. _____ Fax No. _____

Contact Person: _____ E-Mail: _____

4. NAME OF LEGAL COUNSEL: _____

Entity Type: _____ Federal Tax Identification No. _____

Mailing Address: _____ State: _____ Zip Code: _____

Phone No. _____ Fax No. _____

Contact Person: _____ E-Mail: _____

(Provide additional information on additional sheets as necessary.)

EXHIBIT 4

REQUIRED CONTRACT PROVISIONS FOR NON-FEDERAL ENTITY CONTRACTS UNDER FEDERAL AWARDS (APPLICABLE TO ARPA ONLY)

In addition to other provisions required by SDHDA, all contracts and subcontracts related to the HIFP funding provided by ARPA must contain provisions covering the following, as applicable.

1. Contracts for more than the simplified acquisition threshold, which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by 41 U.S.C. 1908, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.

2. All contracts in excess of \$10,000 must address termination for cause and for convenience by the non-Federal entity including the manner by which it will be affected and the basis for settlement.

3. Equal Employment Opportunity - Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of "federally assisted construction contract" in 41 CFR Part 60-1.3 must include the equal opportunity clause provided under 41 CFR 60-1.4(b), in accordance with Executive Order 11246, "Equal Employment Opportunity" (30 FR 12319, 12935, 3 CFR Part, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and implementing regulations at 41 CFR part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor."

4. Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708) - Where applicable, all contracts awarded by the non-Federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 U.S.C. 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

5. Rights to Inventions Made Under a Contract or Agreement - If the Federal award meets the definition of "funding agreement" under 37 CFR § 401.2 (a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that "funding agreement," the recipient or subrecipient must comply with the requirements of 37 CFR Part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency.

6. Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), as amended - Contracts and subgrants of amounts in excess of \$150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

7. Debarment and Suspension (Executive Orders 12549 and 12689) - A contract award (see 2 CFR 180.220) must not be made to parties listed on the governmentwide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), "Debarment and Suspension." SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

8. Byrd Anti-Lobbying Amendment (31 U.S.C. 1352) - Contractors that apply or bid for an award exceeding \$100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.

9. Procurement of Recovered Materials - A non-Federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

10. Domestic preferences for procurements - As appropriate and to the extent consistent with law, the non-Federal entity should, to the greatest extent practicable under a Federal award, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States (including but not limited to iron, aluminum, steel, cement, and other manufactured products). The requirements of this section must be included in all subawards including all contracts and purchase orders for work or products under this award.

EXHIBIT 5

**COST SPLIT EXAMPLE
(NON-ARPA COMPLETE COLUMN ONE, ARPA COMPLETE ALL COLUMNS)**

Preliminary Project Cost Estimate
Prepared by: ABC Engineering

Item No.	Description	Qty	Unit	Unit Cost	Total Cost	Clean Water SRF Eligible		Drinking Water Ineligible		Other Ineligible	
						Qty	Total	Qty	Total	Qty	Total
1	Mobilization	1	LS	\$1,100,000.00	\$1,100,000.00	0.70	\$770,000.00	0.25	\$275,000.00	0.05	\$55,000.00
2	Clear and Grub Tree	35	EA	\$750.00	\$26,250.00	25	\$18,375.00	9	\$6,600.00	2	\$1,275.00
3	Traffic Control	1	LS	\$60,000.00	\$60,000.00	0.70	\$42,000.00	0.25	\$15,000.00	0.05	\$3,000.00
4	Remove Asphalt Concrete Pavement	19,000	SY	\$5.00	\$95,000.00	13,300	\$66,500.00	4,750	\$23,750.00	950	\$4,750.00
5	Remove Concrete Curb and Gutter	2,300	FT	\$4.00	\$9,200.00	2,300	\$9,200.00	0	\$0.00	0	\$0.00
6	Remove Concrete Pavement	1,000	SY	\$8.00	\$8,000.00	700	\$5,600.00	250	\$2,000.00	50	\$400.00
7	Remove Concrete Sidewalk	2,700	SY	\$5.00	\$13,500.00	680	\$3,400.00	680	\$3,400.00	1,340	\$6,700.00
8	Remove and Reset Signs	26	EA	\$75.00	\$1,950.00	18	\$1,350.00	7	\$525.00	1	\$75.00
9	Contractor Furnished Topsoil	470	CY	\$30.00	\$14,100.00	330	\$9,900.00	120	\$3,600.00	20	\$600.00
10	Salvage & Place Topsoil	470	CY	\$20.00	\$9,400.00	330	\$6,600.00	120	\$2,400.00	20	\$400.00
11	Unclassified Excavation	12,300	CY	\$10.00	\$123,000.00	8,610	\$86,100.00	3,080	\$30,800.00	610	\$6,100.00
12	Scarify & Recompact Subgrade	23,300	SY	\$1.00	\$23,300.00	16,310	\$16,310.00	5,830	\$5,830.00	1,160	\$1,160.00
13	Rock Excavation/Select Fill	1,300	CY	\$250.00	\$325,000.00	910	\$227,500.00	390	\$97,500.00	0	\$0.00
14	Remove Sewer Pipe	2,400	FT	\$2.00	\$4,800.00	2,400	\$4,800.00	0	\$0.00	0	\$0.00
15	Remove Sanitary Sewer Manhole	6	EA	\$600.00	\$3,600.00	6	\$3,600.00	0	\$0.00	0	\$0.00
16	Sanitary Sewer Manhole	7	EA	\$4,500.00	\$31,500.00	7	\$31,500.00	0	\$0.00	0	\$0.00
17	Sanitary Sewer Service	1,600	FT	\$45.00	\$72,000.00	1,600	\$72,000.00	0	\$0.00	0	\$0.00
18	15" Sanitary Sewer	300	FT	\$75.00	\$22,500.00	300	\$22,500.00	0	\$0.00	0	\$0.00
19	8" Sanitary Sewer	3,000	FT	\$65.00	\$195,000.00	3,000	\$195,000.00	0	\$0.00	0	\$0.00
20	15"x6" Sewer Wye	4	EA	\$600.00	\$2,400.00	4	\$2,400.00	0	\$0.00	0	\$0.00
21	8"x6" Sewer Wye	48	EA	\$400.00	\$19,200.00	48	\$19,200.00	0	\$0.00	0	\$0.00
22	Reconnect Sewer Main	5	EA	\$1,800.00	\$9,000.00	5	\$9,000.00	0	\$0.00	0	\$0.00
23	Reconnect Sewer Service	48	EA	\$1,200.00	\$57,600.00	48	\$57,600.00	0	\$0.00	0	\$0.00
24	Bypass Pumping	1	LS	\$25,000.00	\$25,000.00	1	\$25,000.00	0	\$0.00	0	\$0.00
25	Deflection Testing	3,000	FT	\$1.00	\$3,000.00	3,000	\$3,000.00	0	\$0.00	0	\$0.00
26	Post Cleaning & Televising	4,600	FT	\$2.50	\$11,500.00	4,600	\$11,500.00	0	\$0.00	0	\$0.00
27	10" C900 Water Main	300	FT	\$60.00	\$18,000.00	0	\$0.00	300	\$18,000.00	0	\$0.00
28	8" C900 Water Main	2,600	FT	\$55.00	\$143,000.00	0	\$0.00	2,600	\$143,000.00	0	\$0.00
29	6" C900 Water Main	900	FT	\$50.00	\$45,000.00	0	\$0.00	900	\$45,000.00	0	\$0.00
30	10" MJ Gate Valve w/Box	1	EA	\$2,500.00	\$2,500.00	0	\$0.00	1	\$2,500.00	0	\$0.00
31	8" MJ Gate Valve w/Box	20	EA	\$2,000.00	\$40,000.00	0	\$0.00	20	\$40,000.00	0	\$0.00
32	6" MJ Gate Valve w/Box	4	EA	\$1,500.00	\$6,000.00	0	\$0.00	4	\$6,000.00	0	\$0.00
33	MJ Fittings	22	EA	\$900.00	\$19,800.00	0	\$0.00	22	\$19,800.00	0	\$0.00
34	Fire Hydrant	9	EA	\$4,000.00	\$36,000.00	0	\$0.00	9	\$36,000.00	0	\$0.00
35	Connect to Existing Water Main	5	EA	\$1,500.00	\$7,500.00	0	\$0.00	5	\$7,500.00	0	\$0.00
36	8"x1" Tapping Saddle	40	EA	\$175.00	\$7,000.00	0	\$0.00	40	\$7,000.00	0	\$0.00
37	1" Corporation Stop	40	EA	\$200.00	\$8,000.00	0	\$0.00	40	\$8,000.00	0	\$0.00
38	1" PE Service Line	1,400	FT	\$35.00	\$49,000.00	0	\$0.00	1,400	\$49,000.00	0	\$0.00
39	1" Curb Stop w/Box	40	EA	\$500.00	\$20,000.00	0	\$0.00	40	\$20,000.00	0	\$0.00
40	Reconnect Water Service	40	EA	\$750.00	\$30,000.00	0	\$0.00	40	\$30,000.00	0	\$0.00
41	Temporary Water Service	1	LS	\$25,000.00	\$25,000.00	0	\$0.00	1	\$25,000.00	0	\$0.00
42	RCP Storm Sewer	4,910	FT	\$90.00	\$441,900.00	4,910	\$441,900.00	0	\$0.00	0	\$0.00
43	Class M6 Concrete	184	CY	\$1,300.00	\$239,200.00	184	\$239,200.00	0	\$0.00	0	\$0.00
44	Reinforcing Steel	20,650	LBS	\$3.50	\$72,275.00	20,650	\$72,275.00	0	\$0.00	0	\$0.00
45	6" Corrugated Polyethylene Drainile	4,400	FT	\$15.00	\$66,000.00	4,400	\$66,000.00	0	\$0.00	0	\$0.00
46	Aggregate Base Course	20,000	TN	\$25.00	\$500,000.00	14,000	\$350,000.00	5,000	\$125,000.00	1,000	\$25,000.00
47	Gravel Surfacing	420	TN	\$30.00	\$12,600.00	290	\$8,700.00	110	\$3,300.00	20	\$600.00
48	Asphalt Concrete Composite	1,800	TN	\$115.00	\$207,000.00	1,260	\$144,900.00	450	\$51,750.00	90	\$10,350.00
49	9" Nonreinforced Concrete Surfacing	12,400	SY	\$62.00	\$768,800.00	8,680	\$538,160.00	3,100	\$192,200.00	620	\$38,440.00
50	Dowel Bars	9,120	EA	\$15.00	\$136,800.00	6,380	\$95,700.00	2,280	\$34,200.00	460	\$6,900.00
51	Valve Box & Manhole Adjustment	32	EA	\$350.00	\$11,200.00	7	\$2,450.00	25	\$8,750.00	0	\$0.00
52	Concrete Curb & Gutter	7,400	FT	\$25.00	\$185,000.00	7,400	\$185,000.00	0	\$0.00	0	\$0.00
53	Geotextile Fabric	23,300	SY	\$3.00	\$69,900.00	16,310	\$48,930.00	5,830	\$17,490.00	1,160	\$3,480.00
54	9" Concrete Fillet Section	430	SY	\$130.00	\$55,900.00	430	\$55,900.00	0	\$0.00	0	\$0.00
55	6" Concrete Fillet and Valley Gutter	180	SY	\$120.00	\$21,600.00	180	\$21,600.00	0	\$0.00	0	\$0.00
56	6" Concrete Approach/Driveway	970	SY	\$75.00	\$72,750.00	680	\$51,000.00	240	\$18,000.00	50	\$3,750.00
57	Type C Concrete Retaining Wall	800	SF	\$90.00	\$72,000.00	80	\$7,200.00	80	\$7,200.00	640	\$57,600.00
58	Concrete Steps - Street Access	8	EA	\$2,000.00	\$16,000.00	1	\$2,000.00	1	\$2,000.00	6	\$12,000.00
59	Concrete Sidewalk	53,000	SF	\$7.50	\$397,500.00	13,250	\$99,375.00	13,250	\$99,375.00	26,500	\$198,750.00
60	Detectable Warning Surface	680	SF	\$65.00	\$44,200.00	170	\$11,050.00	170	\$11,050.00	340	\$22,100.00
61	Seed, Fertilize & Mulch	5,700	SY	\$1.50	\$8,550.00	3,990	\$5,985.00	1,430	\$2,145.00	280	\$420.00
62	Erosion Control	1	LS	\$50,000.00	\$50,000.00	0.40	\$20,000.00	0.40	\$20,000.00	0.20	\$10,000.00
Subtotal:					\$6,171,775.00		\$4,187,000.00		\$1,515,665.00		\$668,850.00
Contingencies:					\$928,225.00		\$627,740.00		\$227,335.00		\$73,150.00
Total Construction Cost:					\$7,100,000.00		\$4,814,740.00		\$1,743,000.00		\$742,000.00
Engineering:					\$1,210,000.00		\$819,000.00		\$297,000.00		\$94,000.00
Legal, Admin & Testing:					\$290,000.00		\$193,000.00		\$70,000.00		\$27,000.00
Total Project Cost:					\$8,600,000.00		\$5,827,000.00		\$2,110,000.00		\$863,000.00

EXHIBIT 6
POLITICAL SUBDIVISION RESOLUTION TEMPLATE

Resolution # _____

Whereas, [Applicant name] wishes to apply for Housing Infrastructure Funding Program assistance from the South Dakota Housing Development Authority;

Whereas, [Applicant name] has submitted preliminary plans for the public infrastructure for the [housing development name] to be located in the [name of city/political subdivision];

Whereas, the submitted plans have been determined to satisfy the requirements of the [city/political subdivision];

Whereas, the [city/political subdivision] has the capacity to support the proposed public infrastructure project and has adequate water supply, water treatment facilities, and wastewater treatment facilities available for the housing to be supported by this public infrastructure project; and

Whereas, the proposed public infrastructure will be [owned/maintained/provided] by the [city/political subdivision] on an ongoing and long-term basis;

Now, therefore, be it resolved that [city/political subdivision] by way of this resolution hereby approves the proposed housing infrastructure project and acknowledges and agrees to the provisions set forth in this resolution.

I, _____, [insert official title] of the [city/political subdivision] do hereby certify that the foregoing resolution was passed by the [city/political subdivision] at a meeting thereof held on the _____ day of _____, 202____.

[MAYOR/APPLICABLE OFFICIAL]

ATTEST:

FINANCE OFFICER

(SEAL)

EXHIBIT 7

APPLICATION SUMMARY (EXAMPLE)

HOUSING INFRASTRUCTURE FINANCING PROGRAM

Project Name: New Development's Name
Project Location: Center Street and Green Street, Small Town, SD
Developer: Economic Development Corporation of Small Town, SD
Principals: If For-Profit, Name Principals
Engineers: ABC Engineers

Number and type of housing lots	The project consists of land purchase and development of 20 lots for single family homes and 10 lots for 4-unit multifamily buildings resulting in 40 multifamily lots. Economic Development owns the land and lots will be available for sale to the public. Single family (SF) lots are approximately 15,000 sq. ft. and proposed asking price will be \$25,000. 10 Multifamily (MF) lots will be sold for \$50,000 each. Applicant has \$725,000 in eligible ARPA costs and is requesting the remaining funding in General Fund grant funding.
Funding Eligibility	(20 SF lots x \$25,000) + (40 MF units x \$10,000) = \$900,000 1/3 x \$2,250,000 = \$750,000 Eligible ARPA funding = \$725,000 Eligible HIFP funding = \$750,000

Estimation of Cost:

Land Acquisition	\$ 325,000	
Sanitary Sewer & Storm Water Costs	\$ 725,000	Eligible ARPA costs
Other Infrastructure Costs	\$ 875,000	
Engineering Fees	\$ 315,000	
Professional Fees	\$ 10,000	
Total Development Costs	\$2,250,000	

Proposed Funding Sources & Terms

ABC Bank	\$ 1,500,000	6%, 25 year amortization with 10 year balloon
SDHDA HIFP ARPA Grant	\$ 725,000	Grant
SDHDA HIFP General Fund Grant	\$ 25,000	Grant
Total Funding	\$ 2,250,000	

Readiness to Proceed:

- **Plans and Specifications:** Engineering plans dated Jan. 1, 2023 were received - application indicates 100% complete.
- **Site Control:** Warranty Deed was provided.
- **Financing Commitment:** Letter of commitment provided by ABC Bank. Remaining funding requested from HIFP.
- **Financial Feasibility:** Projected sales of lots = \$900,000. Remainder of loan to be addressed with sale of houses.
- **Utilities (i.e. water, sewer, electric, natural gas):** Letter from city indicates the city will provide water, wastewater, and stormwater; letter from Xcel Energy indicating they will provide electric and gas services.
- **Zoning:** Zoning ordinance states Agriculture. Letter from City Administrator indicating the rezoning hearing will be scheduled in August.
- **City Approval:** City Resolution passed on 5/1/2023.
- **Housing needs study:** Housing study is 5 years old and an update was provided.
- **DANR Review:** Satellite imagery and cost breakdown was provided. Ready for DANR review.