TN HTF COMPETITIVE GRANTS DRAW REQUEST PROCEDURES

*All forms referenced in this document may be found on the Competitive Grants page of the THDA website at www.thda.org*

**TN-HTF Working Agreement/Contract and Legal Documents:**

1. TN-HTF Working Agreements/Contracts must be signed and legal documents must be put in place before grant funds may be drawn down. Legal documents include a Grant Note, Declaration of Restrictive Covenants, and a Deed of Trust.
2. THDA will prepare the legal documents for each property and will send the documents to the grantee. The grantee must fully execute the documents and have the Declaration of Restrictive Covenants and Deed of Trust recorded by the County Register of Deeds. The Restrictive Covenants must be recorded BEFORE the Deed of Trust. After recordation, the original documents should be returned to THDA.
3. If the THTF grant will be used on multiple properties, legal documents must be put in place for each property.
4. Submit the Legal Documents Request Form to request that legal documents be prepared for each property. Please be sure to indicate on the form how much of the grant will go into each property.

**Start-up Forms and Draw Request Checklists:**

5. Submit the Start-up Forms Checklist and checklist items prior to the first draw.
6. Submit the Form 5 – Request for Payment form with each draw request.
7. In some cases, the beneficiary information requested on the Form 5 may not be known at the time of the draw request, however, every Form 5 should include information regarding the source and amount of matching funds and every Form 5 should include two signatures of persons authorized to sign TN-HTF draw requests for the grantee.
8. Refer to the appropriate checklist for documentation to be submitted with each draw.
   - TN HTF Rental Acquisition Checklist
   - TN HTF Rental Rehabilitation – New Construction Checklist
9. Submit documentation in the order indicated on the checklist.
10. Submit all documentation at one time. The draw request will be returned if all required documentation is not submitted.
11. Submit the Rehabilitation/New Construction and/or the Acquisition checklist with each draw request.
12. If unclear about an item requested on a checklist, please ask for clarification.
13. The amount requested from the grant must be clearly supported by backup documentation (invoices, receipts, copies of checks, AIA forms). Example – if $5,000 is requested from the grant, there should be $5,000 worth of clearly legible back-up documentation.
14. If the back-up documentation does not equal or exceed the amount requested from the grant, the draw request will be reduced to the amount supported by the back-up documentation.
15. If the back-up documentation is not legible, the draw request will be reduced and will correspond to the amount represented by the documentation that is legible. If none of the documentation is legible, the draw request will be returned.
16. 10% of the grant is held back until project completion.

17. Submit the **HTF Invoice Summary Sheet** or similar document that clearly lists back-up documentation items submitted to support the amount requested from the grant. Amounts associated with each item should be listed and totaled. The grand total should equal the amount requested from the grant.

18. Submit the **Cost Certification Form for Materials and Labor (Form 8)** if the grantee is using its own construction crew and/or if volunteer labor is being used. If the Cost Certification for Materials and Labor Form is used, the TN HTF Invoice Summary Sheet is not required.

19. If the grantee would like to move admin dollars over to program dollars, this can be done with a budget amendment. An amendment to Attachment B of the contract/working agreement must be done.
   - The grantee must formally request approval to amend the budget.
   - Approval must be granted by CP Director
   - Housing Coordinator prepares the budget amendment, requests signature from CP Director, and sends to the grantee for signature with instruction to return fully executed copy back to THDA

**Interim Draw Requests:**

20. If multiple interim draws will be requested, either the **Interim Draw Request Form – Form 6** or AIA forms, signed by the project’s architect, should be submitted.

**Matching Funds:**

21. The source and amount of matching funds must be indicated on every request for payment.

22. Documentation to support matching funds must be submitted for each payment request. If matching funds is in the form of a grant or loan and the grant award letter, grant agreement, or loan documentation is submitted on the first draw, it does not need to be submitted on subsequent draws; however, notation should be made on each subsequent draw indicating the previous submission of the matching funds documentation.

23. Any match documentation submitted on a previous draw should be noted as such on subsequent draw requests.

24. **All matching funds documentation should be labeled as Match.**

25. If volunteer labor is being used as a source of match, the **Volunteer Labor Form** must be submitted. The value of volunteer labor is counted as $10 per hour for unskilled labor and $20 per hour for skilled labor.

**Administrative Funds:**

26. Submit **Certificate of Administrative Expenses – Form 9.**

27. Submit back-up documentation to support the administrative request.

28. If reimbursement is requested for salaries, submit time sheets and check stubs showing hours worked and the rate of pay.
29. If reimbursement is requested for indirect costs, submit a copy of the grantee’s current cost allocation plan as approved by the cognizant agency.

30. If the grantee is contracting for administration, then an invoice from the administrator may serve as back-up documentation and the Form 9 is not required.

**Project Completion:**

31. Submit **Certificate of Completion and Final Inspection – Form 7** and/or Certificate of Occupancy or Use and Occupancy Certificate.

32. Submit a copy of a **Recorded Notice of Completion** form for each property. The Notice of Completion should be recorded by the County Register of Deeds.

33. The Recorded Notice of Completion must be filed at least 30 days prior to the final draw request.