**Introduction**

The Bloomington Housing Development Fund (HDF) is an affordable housing fund established by the City of Bloomington to increase the supply of decent, affordable housing for Bloomington residents who earn 120% or less of the area median income and whose monthly rental housing costs shall not be less than 20% of their monthly income. The HDF provides low cost loans and grants for the development of affordable housing. The fund is administered by the Department of Housing and Neighborhood Development of the City of Bloomington.

**Eligible Applicants**

Developers, for-profit and not-for-profit organizations, local units of government, public housing authorities, individuals or partnerships between any of these are eligible.

**Types of Eligible Activities Financed by the HDF**

Land and/or structure acquisition, new construction, rehabilitation of existing structures, down payment and closing cost assistance and leverage of other public/private funds are eligible activities.

**Threshold Criteria**

Each proposed project must meet six (6) basic threshold criteria to be considered for funding. Projects not meeting all six criteria may not be considered. They are:

1. The project is financially viable, meaning that affordability is maintained and operations and reserves are funded over time using standards and assumptions acceptable to the HDF Administrator.

2. There is a demonstrated need for the type of housing provided.

3. The project will improve overall affordability in the city.

4. Housing must be located within the corporate limits of the City of Bloomington.

5. All units funded must serve households with incomes at or below 120% of area median income.

6. Application must be complete, meeting all criteria.
Types of Financing Provided by HDF

1. Mortgage Loans up to 80% of the property’s loan value to ratio, typically 15 years or less.
2. Bridge Loans with loan terms typically 2 years or less.
3. Special Conditional Loans which are loans that may be forgiven if certain circumstances occur.
4. Grants
5. Line of Credit

Application Funding Criteria

1. Community Need and Impact – the number and type of affordable housing units, the input of the community relating to the proposed development, and the type of units proposed (including whether serving populations with special needs, such as elderly, disabled, homeless, etc).
2. Affordability and Targeting – the level of affordability and the ratio of affordable units to the overall number of units proposed and what type of services and amenities the development proposes.
3. Applicant Capacity and Project Plan and Design – the extent to which the project design accounts for innovative design which includes green building features and greenspace and blends in esthetically with surrounding buildings’ architectural features. The project’s access to needed services, i.e. bus line, groceries, etc.
4. Financial Structure – construction cost per unit, financial strength of the project, project development cost, type of funding request (loan vs. grant), readiness to proceed
5. Other Factors that may be considered – consistency with Comprehensive Master Plan and Unified Development Ordinance. The level of city funding through various city programs being requested in relation to the overall cost of the project.
6. For Rental Workforce Housing – Monthly rent as a percentage of the income shall be at 20% or above.