



Department of Housing and Citizen Services

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**Community Housing Development Organization  
Application Form for  
CHDO-Certification**

Submission Due by 12:00 pm January 30, 2026

NOTE: This application is not for funding, but will verify who will be eligible in future CHDO funding rounds. CHDO funding for 2024 and 2025 operating is expected to open in March 2026 for CHDO-Certified agencies.

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City of Pueblo  
Department of Housing & Citizen Services (DHCS)  
Community Housing Development Organization (CHDO)  
CHDO-Certification Application Form

A Community Housing Development Organization (CHDO) is a specially formed non-profit corporation established pursuant to federal regulations. This application is intended to be utilized solely for applicants seeking to become a certified CHDO, meaning that the CHDO is to be “certified” by the City as meeting applicable federal regulations for the purpose of eligibility to apply for a certain set-aside of federal funding administered by the City. The information provided in this document is intended to provide a general overview of the HOME CHDO Set-Aside and CHDO requirements to assist potential CHDOs in identifying the benefits of becoming a certified CHDO and determining whether or not CHDO certification makes sense for their particular organization. Application materials are included herein.

It should be noted that being certified as a CHDO is *not* a requirement for accessing the HOME allocation, or any other funding available through DHCS, but is only a prerequisite to receiving funds designated specifically for CHDOs. Becoming a certified CHDO does not guarantee funding from this set-aside.

The Pueblo Consortium’s CHDO certification process and CHDO funding is administered through the City of Pueblo Department of Housing and Citizen Services. The Department reserves the right to amend its policies and application process at any time. In addition, the HOME program is governed by federal regulations, most predominately those found at 24 CFR Part 92, which may be subject to revision. Therefore, this publication should not be considered a complete guide to the City’s CHDO certification process. **Special note: In July 2013, the U.S. Department of Housing and Urban Development promulgated new Rules for the HOME program, some of which addressed the requirements for obtaining a CHDO designation. This application incorporates those new requirements which became effective August 23, 2013.**

CHDO certification applications are accepted yearly in response to an RFP. The City will entertain CHDO certification applications from all eligible non –profits currently working in the state. Questions regarding the CHDO certification process should be referred to Melissa Cook, Director, at 719-553-2849.



*Rev. September 2013*

Title II of the Americans with Disabilities Act prohibits discrimination on the basis of disability in the programs of a public agency. Individuals with disabilities who need the information contained in this publication in an alternate format may contact us at 719-553-2850 to make their needs known. Requests should be made as soon as possible to allow sufficient time to arrange for the accommodation.



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# GENERAL INFORMATION

## What is a Community Housing Development Organization (CHDO)?

A Community Housing Development Organization (CHDO) is a specially formed non-profit corporation established pursuant to federal regulations and in the case of certified CHDOs, “certified” as meeting applicable federal regulations. CHDO qualifications are specified in the federal HOME regulations at 24 CFR Part 92.2 (see page 7).

## Why form a CHDO?

CHDOs are established solely to provide access to a certain set-aside of federal HOME funds. Federal regulations require the City to set aside 15% of each fiscal year’s HOME grant allocation for Community Housing Development Organization development-related activities. CHDO funding may be available for the following types of activities:

- Development projects, including new construction or acquisition and/or rehabilitation of rental or transitional housing units or single-family homes for homeownership opportunities (including project-specific down payment/closing cost assistance).
- Operating funds, in conjunction with a development project (but only if a Developer’s Fee is not part of the project’s budget).

A CHDO certification does not imply that any entity will receive funding, but only that they will be eligible to *apply* and if funded, may receive funding from the special CHDO set-aside. *Potential* CHDO’s will not be eligible to receive funding from the CHDO set-aside until they have met all of the CHDO requirements *and* a letter of certification has been issued by the City.

**The special CHDO-set aside may be used for development and/or ownership of rental housing or the development of homeownership projects.** Therefore, non-profit organizations seeking CHDO status should have a long-term commitment to the development of housing (for rental and/or homeownership properties) or to the management and long-term ownership of affordable rental properties within the city of Pueblo. Preferably CHDO status should be attained by nonprofit organizations that have a desire to develop or own multiple projects, not simply to increase the chances of obtaining funding for a one-time only project.



It should be noted that CHDOs may apply for programmatic funding such as owner-occupied housing rehabilitation program funds. However, if awarded CHDOs will receive “regular” HOME funds (not CHDO set-aside funds) for such activities, as such activities are ineligible CHDO set-aside activities.

### **How do you form a CHDO?**

The organizational structure that is required of CHDOs is outlined in the federal regulations that govern the HOME program (see page 7). **It is rare that an organization would meet all of these qualifications without some reorganization or restructuring of its board or by-laws.** Additionally, DHCS will need to verify everything, including personal addresses of the board members to ensure compliance with federal requirements. It is up to the organization interested in becoming a CHDO to either reorganize its structure to meet the CHDO guidelines or to establish a separate entity altogether.

### **CHDO Certification**

Once an organization has determined that they meet the CHDO requirements, they should submit their application along with all the required documentation in the format described in the application instructions. The City will review the application and if everything is acceptable will issue a letter certifying that the CHDO meets the requirements. If, after review of the application, the City finds that additional documentation is needed or that the organization somehow falls short of the City’s interpretation of the regulations, the City will notify the organization regarding the specific items that must be addressed before the application can be reconsidered. CHDOs must be re-certified by the City on a periodical basis so that the City continues to hold updated documentation that supports the organization’s CHDO status. Additionally, a CHDO’s status is also required to be re-evaluated at the time it receives a commitment to receive CHDO funding for a CHDO development project.



## CHDO REGULATIONS – 24 CFR Part 92.2

Pursuant to the federal regulations which govern the HOME program, as stated at 24 CFR Part 92.2 (published July 24, 2013), a *Community Housing Development Organization (CHDO)* means a private nonprofit organization that:

- (1) Is organized under State or local laws;
- (2) Has no part of its net earnings inuring to the benefit of any member, founder, contributor, or individual;
- (3) Is neither controlled by, nor under the direction of, individuals or entities seeking to derive profit or gain from the organization. A community housing development organization may be sponsored or created by a for-profit entity, but:
  - (i) The for-profit entity may not be an entity whose primary purpose is the development or management of housing, such as a builder, developer, or real estate management firm.
  - (ii) The for-profit entity may not have the right to appoint more than one-third of the membership of the organization's governing body. Board members appointed by the for-profit entity may not appoint the remaining two-thirds of the board members;
  - (iii) The community housing development organization must be free to contract for goods and services from vendors of its own choosing; and
  - (iv) The officers and employees of the for-profit entity may not be officers or employees of the community housing development organization.
- (4) Has a tax exemption ruling from the Internal Revenue Service under section 501(c)(3) or (4) of the Internal Revenue Code of 1986 (26 CFR 1.501(c)(3)-1 or 1.501(c)(4)-1), is classified as a subordinate of a central organization non-profit under section 905 of the Internal Revenue Code of 1986, or if the private nonprofit organization is an wholly owned entity that is disregarded as an entity separate from its owner for tax purposes (e.g., a single member limited liability company that is wholly owned by an organization that qualifies as tax-exempt), the owner organization has a tax exemption ruling from the Internal Revenue Service under section 501(c)(3) or (4) of the Internal Revenue Code of 1986 and meets the definition of "community housing development organization;"
- (5) Is not a governmental entity (including the participating jurisdiction, other jurisdiction, Indian tribe, public housing authority, Indian housing authority, housing finance agency, or



redevelopment authority) and is not controlled by a governmental entity. An organization that is created by a governmental entity may qualify as a community housing development organization; however, the governmental entity may not have the right to appoint more than one-third of the membership of the organization's governing body and no more than one-third of the board members may be public officials or employees of governmental entity. Board members appointed by a governmental entity may not appoint the remaining two-thirds of the board members. The officers or employees of a governmental entity may not be officers or employees of a community housing development organization;

(6) Has standards of financial accountability that conform to 2 CFR 200, "Uniform Administrative Requirements;"

(7) Has among its purposes the provision of decent housing that is affordable to low-income and moderate-income persons, as evidenced in its charter, articles of incorporation, resolutions or by-laws;

(8) Maintains accountability to low-income community residents by:

(i) Maintaining at least one-third of its governing board's membership for residents of low-income neighborhoods, other low-income community residents, or elected representative of low-income neighborhood organizations. For urban areas, "community" may be a neighborhood or neighborhoods, city, county or metropolitan area; for rural areas, it may be a neighborhood or neighborhoods, town, village, county, or multi-county area (but not the entire State); and

(ii) Providing a formal process for low-income program beneficiaries to advise the organization in its decisions regarding the design, siting, development, and management of affordable housing;

(9) Has a demonstrated capacity for carrying out housing projects assisted with HOME funds. A designated organization undertaking development activities as a developer or sponsor must satisfy this requirement by having paid employees with housing development experience who will work on projects assisted with HOME funds. For its first year of funding as a community housing development organization, an organization may satisfy this requirement through a contract with a consultant who has housing development experience to train appropriate key staff of the organization. An organization that will own housing must demonstrate capacity to act as owner of a project and meet the requirements of § 92.300(a)(2). A nonprofit organization does not meet the test of demonstrated capacity based on any person who is a volunteer or whose services are donated by another organization; and



(10) Has a history of serving the community within which housing to be assisted with HOME funds is to be located. In general, an organization must be able to show one year of serving the community before HOME funds are reserved for the organization. However, a newly created organization formed by local churches, service organizations or neighborhood organizations may meet this requirement by demonstrating that its parent organization has at least a year of serving the community.

### **CHDO Projects**

In order to use CHDO set-aside funds, CHDOs must be owners, developers, or sponsors of HOME-assisted housing.

A CHDO is an **owner** when it holds valid legal title or has a long-term leasehold interest in a property throughout project development as well as the period of affordability. If a CHDO is acting as owner, they may or may not serve as the developer of the project. Under this scenario, a nonprofit with capacity to own and manage a rental property may seek CHDO status in order to utilize CHDO funds to finance the property, while utilizing the expertise of an outside developer to construct or rehabilitate the property. There is no owner role for a CHDO in homeownership projects.

A CHDO is a **developer** when, regardless of ownership, it has the contractual LIHTC obligation, as evidenced by a written agreement, to a property owner that:

- For rental housing: obtain financing, rehabilitate or construct and may maintain or manage the project. If the property is not owned by the CHDO, the contractual obligation to develop the project must be between the owner and the CHDO.
- For homeownership programs: the CHDO must own the property (in fee simple absolute) and develop new housing that will be constructed or acquire and rehabilitate substandard housing, all of which would be sold to low-income families, in accordance with HOME requirements. The CHDO must arrange financing for the project and be in sole charge of construction. As part of its set-aside funds, the CHDO can provide direct downpayment assistance to the buyer of the housing it has developed with HOME funds in an amount not to exceed 10 percent of the amount of HOME development funds. In this role, the CHDO is not a sub-recipient.

A CHDO may be a **sponsor** under two different scenarios connected with rental housing; (there is no sponsorship role for a CHDO in homeownership projects):



- A CHDO may act as a sponsor in rental housing, if they maintain effective project control of a rental housing project in which the property is owned or developed by:
- A subsidiary of the CHDO, in which case the subsidiary, which may be a for-profit or nonprofit organization, must be wholly owned by the CHDO, LLC;
- A limited partnership in which the CHDO or its wholly owned subsidiary must be the sole general partner; or
- A limited liability company in which the CHDO or its wholly owned subsidiary must be the sole managing member.
- If the limited partnership or limited liability company agreement permits the CHDO to be removed as a sole general partner or sole managing member, respectively, the agreement must require that the removal be “for cause” and that the CHDO must be replaced by another CHDO. In addition, HOME funds must be provided to the entity that owns the project, not directly to the CHDO.
- For rental housing: the CHDO develops a project that it solely or partially owned and agrees to convey ownership to a second non-profit organization upon completion of the development project. The HOME funds must be invested while the project is owned by the CHDO; prior to the commitment of HOME funds, the CHDO must identify the non-profit organization that will obtain ownership and the date ownership will be transferred. The second non-profit must assume all HOME obligations, including repayment of funds for the project. If the property is not transferred to the second non-profit, the CHDO remains liable for the HOME obligations. The second non-profit must be financially and legally separate from the CHDO sponsor. The CHDO must provide sufficient resources to the second non-profit organization to ensure the development and long-term operation of the project; and the second non-profit must be approved by the City. A CHDO Sponsor must always own the project prior to and/or during the development phase of the project.

The developer and sponsor roles are similar in many ways. In both the CHDO carries out the project development activities. However, as the developer, the CHDO need not own the property.



CHDO Roles	RESPONSIBILITIES		
	Ownership during Development Phase	The Developer	Long-term Ownership
<b>Rental:</b>			
Owner	CHDO	OTHER	CHDO
Developer	CHDO	CHDO	CHDO
Sponsor – Scenario 1	CHDO controlled subsidiary	CHDO controlled subsidiary	CHDO controlled subsidiary
Sponsor – Scenario 2	CHDO	CHDO	OTHER NONPROFIT
<b>Homeownership:</b>			
Developer	CHDO	CHDO	HOMEBUYER



## CHDO APPLICATION INSTRUCTIONS

### **Technical Assistance in Completing the CHDO-Certification Application**

The City may provide a limited amount of technical assistance to an organization in helping the applicant to understand the CHDO requirements and documentation required. It is up to the interested organization, however, to make sure that they take the necessary steps to comply with the CHDO requirements.

### **Submission Deadlines**

Applications for CHDO-Certification are due on January 30, 2026, at 12:00 PM.

Applications must be mailed, electronically sent or hand delivered to:

Melissa Cook, Director  
mcook@pueblo.us  
City of Pueblo  
Department of Housing and Citizen Services  
2631 E 4<sup>th</sup> Street  
Pueblo, Colorado 81001

The department will make every effort to make a determination regarding certification within 30 days of receipt of the application.

### **Application Format**

Applications must be typewritten, or computer generated. Applicants are asked not to revise these forms in any way.



## **Required Documentation**

The following items must be tabbed as follows:

- A. **Cover letter**. Please include a cover letter briefly describing your organization, your mission and how it is related to the goal of being recognized as a Certified CHDO.
- B. **Application Forms**. Complete and include the application forms, pages 14-20. Other pages contained in this publication should not be included.
- C. **Proof of Non-Profit Status**. Applicants must provide a copy of the non-profit 501(c) ruling from the Internal Revenue Service. If status is pending, you are not yet an eligible applicant.
- D. **Staff Resumes**. Current resumes of key staff members should be included in the application at this tab. Resumes should indicate that staff members have experience with HOME CHDO type activities or a consultant(s) with HOME experience should be engaged to train the agency for the first year of operation as a CHDO and the consultant's resume should be included.
- E. **Agency Audit and Management Letter**. Include a copy of the agency's most recent audit, including a copy of the Management Letter.
- F. **Articles of Incorporation or Charter**. Include a copy of the Agency's Charter or Articles of Incorporation.
- G. **Agency's By-Laws**. Include a copy of the Agency's By-Laws.
- H. **Board Resolutions**. If any resolutions were passed in order to meet the CHDO Certification Regulations, include a copy of the applicable resolution.
- I. **Financial Accountability Statement or HUD approved audit summary**. Included at this tab must be a statement from a Certified Public Accountant or a notarized statement by the president or CEO that certifies that the agency meets financial accountability requirements as outlined in the application form under *Capacity, number A*. on page 17, or a HUD approved audit summary.
- J. **Community Service Experience**. A statement that shows that the agency has a history of serving the community where housing to be assisted with HOME funds will be used, as per instructions found in the application form under *Capacity, number D*. on page 17.



- K. **Development Project Experience.** Please provide a written narrative outlining all development project experience. Describe all development projects completed to date, including: a description of the project(s), location(s), number of units, type of housing, population served, financing sources, and any ongoing property management involvement in the project (if a rental project(s)); describe any projects that are currently under development, and any future plans for development projects.
- L. **Low-Income Board Representative Certifications.** Complete a copy of the Low-Income Board Member Certification Form (page 21) for each low-income representative on the board, including home addresses.





Annual Operating Budget: \$ \_\_\_\_\_

**Major Sources of ongoing Operating Funds:**

Source Federal or Other	Indicate whether State,	Amount
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

**Defined Service Area:** \_\_\_\_\_

Is the Executive Director experienced in the CHDO activity?  
for which you intend to exercise a CHDO designation?      Yes       No

Are others on staff experienced in the CHDO activity for which  
you intend to use a CHDO designation?      Yes       No

If staff is not experienced in housing development, has a qualified  
consultant been hired to train employees of the CHDO in HOME  
development activities during the first year of operation as a CHDO?      Yes       No       N/A

Number of full-time employees: \_\_\_\_\_ Professional: \_\_\_\_\_ Support: \_\_\_\_\_

Parent Organization: \_\_\_\_\_  
(if applicable)

IRS Tax Status (check one)       501(c)3       501(c)4       905 subordinate  
received                      received

Date of Incorporation: \_\_\_\_\_



# CHDO CHECKLIST

(Check as applicable and include with Application Forms)

## LEGAL STATUS

A. Nonprofit is organized under state or local laws as evidenced by (place a copy of Charter or Articles at Tab G):

Charter

Articles of Incorporation

B. No part of earning inure to the benefit of any member, founder, contributor, or individual as evidenced by:

Charter

Articles of Incorporation

C. Has among its purposes the provision of decent housing that is affordable to low-and moderate-income people as evidenced by:

Charter

Articles of Incorporation

By-laws (include copy at Tab H)

Resolution(s) (include copy at Tab I)

D. Has a tax exempt ruling from the IRS under Section 501(c)(3) or (4) of the IRS Code of 1986 as evidenced by (include copy of IRS ruling at Tab D)

501(c) ruling from the IRS must be a 501(c)(3) or (4) IRS Certificate holder, OR be classified as a subordinate of a central organization non-profit under section 905 of the IRS code as evidenced by a group exemption letter from the IRS that includes the CHDO.



**CAPACITY**

A. Conforms to financial accountability standards of 24 CRF Part 84, Section 84.21 as evidenced by (include documentation at Tab J):

Statement from a Certified Public Accountant; **OR**

Notarized statement by the president or chief financial officer of the organization that: *“It is our opinion that the management of the corporation maintains financial records in compliance with the standard outlined in 24 CFR Part 84, Section 84.21. We believe that our (audit or review) provides a reasonable basis for our opinion.”*

**OR**, a HUD approved audit summary

B. Based on description on pages 8-10 , the CHDO expects to pursue the following CHDO roles: (check all that apply)

Rental Owner

Rental Developer

Rental Sponsor – Scenario 1

Rental Sponsor – Scenario 2

Homeownership Developer

C. Has demonstrated capacity for carrying out activities (as checked in B above) with HOME funds as evidenced by (include resumes, other documentation to show compliance, at Tab E)

Resumes/Statements describing the experience of key staff who have successfully completed projects similar to those to be assisted with HOME funds.

Contracts with consultant firms or individuals who have housing experience similar to projects to be assisted with HOME funds, to train appropriate key staff of the organization.

D. Has the Agency had any audit findings within the last two years :

Yes

No



E. Has a history of serving the community where housing to be assisted with HOME funds will be used as evidenced by (place statement at Tab K):

A Statement documenting at least one year of experience in serving the community. See below.

For newly created organizations formed by local churches, service or community organizations, a statement documenting the parent organization has a least on year of experience serving the community. See below.

The CHDO or its parent organization must be able to show one year of serving the community. In the statement, the organization must describe its history (or that of its parent organization) of serving the community by describing activities which it or its parent organization provided, such as developing new housing, rehabilitating existing housing stock and managing housing, or delivering non-housing services that have had lasting benefits for the community such as counseling, food relief, or childcare facilities. The statement must be signed by the president of the organization or by a state-approved representative.

## **ORGANIZATIONAL STRUCTURE**

A. Maintains at least one-third of its governing board's membership for residents of low-income neighborhoods, other low-income community residents, or elected representatives of low-income neighborhood organizations as evidenced by the organization's:

By-laws (Note: By-laws must *specifically* address this issue)

B. Provides a formal process for low-income program beneficiaries to advise the organization in all of its decisions regarding the design, siting, development, and management of all HOME assisted affordable housing projects as evidenced by the organization's"

By-laws     Resolution

A written statement of operating procedures approved by governing body

C. No more than one-third of the governing board members are public officials as evidenced by the organization's:

By-laws     Charter

Articles of Incorporation



F. Does the Board or Committee have development oversight:

Yes  No

G. If Sponsored by a religious organization, is the CHDO a separate secular entity from the religious organization with membership open to all persons regardless of religion or membership?

Yes  No

**RELATIONSHIPS WITH FOR-PROFIT AND SPONSORING ENTITIES**

A. The CHDO is sponsored or created by a for-profit entity:

Yes  No

*If the answer is yes, answer the following questions. If no, stop here.*

B. The sponsoring or creating entity is a housing developer or manager as evidenced in the for-profit organization's by-laws or similar operating guide:

Yes  No

C. The CHDO is free to contract for goods and services from vendor(s) of its own choosing as evidenced in the CHDO's:

By-laws  Charter  Articles of Incorporation

D. The for-profit or sponsoring entity may not appoint more than one-third of the membership of the CHDOs governing body, and the board members appointed by the for-profit entity may not in turn appoint the remaining two-thirds of the board members as evidenced by the organization's:

By-laws  Charter  Articles of Incorporation

E. The CHDO is not controlled by, nor receives direction from individuals or entities seeking profit from the organization as evidenced by:

Organization's By-laws  a Memorandum of Understanding



# CERTIFICATION FORM OF LOW-INCOME STATUS FOR CHDO BOARD MEMBERS

*A form must be completed for each Board Member listed as one of the Low-Income Representatives  
(Include at Tab M)*

Name: \_\_\_\_\_

Home Phone Number: \_\_\_\_\_

Street Address: \_\_\_\_\_

City/State/Zip: \_\_\_\_\_

Please check one:

- I certify that I have reviewed HUD's definition of low-income for the area and that I qualify to represent the low-income community because my income is at or below 80% of the area median income adjusted for family size.

Name of Employer: \_\_\_\_\_ Phone: \_\_\_\_\_

Annual Income: \_\_\_\_\_ Number in Household: \_\_\_\_\_

- I certify that I am a representative of a low-income neighborhood organization.  
*(Note: Organization cannot be the "CHDO" Organization)*

Name of Organization: \_\_\_\_\_

- I certify that I am a resident of a neighborhood designated as low-income because more than 51% of the residents of the neighborhood have income below 80% of the area median income adjusted for family size

\_\_\_\_\_  
Signature of Board Member

\_\_\_\_\_  
Date

Subscribed and affirmed before me in the county of \_\_\_\_\_, State of Colorado, this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

\_\_\_\_\_  
Notary's official signature

[SEAL]

