

INFORMATION NEEDED TO CERTIFY ORGANIZATIONS AS CBDOS AND CHDOS

Item	CBDO Requirement	CHDO Requirement
Legal Status	organized under law to carry out community development activities, and be a non-profit or for-profit with only incidental monetary benefits to members	organized under state and local law no part of earnings may benefit members, founders, contributors or other individuals <i>must be 501(3)(4) or 905</i> (subordinate organization of a 501(c))
Service Area	operate primarily within an identified neighborhood within jurisdiction (<i>cannot be multi-county</i>)	clearly defined service area (<i>can extend to a metro area</i>)
Purpose	<i>improve the physical, economic or social environment of area of operation and focus on needs of low/moderate income people</i>	<i>provide affordable decent housing to low/mod persons</i>
Capacity & Experience	N/A	<i>minimum 1 year experience serving the community where project will be carried out demonstrate capacity of key staff to carry out project</i>
Board Composition:		
80% median requirement	51% are: <i>low/mod persons within area of operation, owners or senior officers of private establishments and institutions located in and serving area of operation, or representatives of low-mod neighborhood organizations within area of operation</i>	1/3 must represent low income communities: <i>residents of low income communities [if living in low income neighborhood, don't need to document income], and/or elected representatives of low income neighborhood organizations</i> [if sponsored by a for-profit entity also maximum limits on representation by the for-profit]
public employee requirement	no more than 1/3 of board can be appointed by or consist of: elected officials or public officials or employees of jurisdiction or partner jurisdictions	no more than 1/3 may be or be appointed by public officials or employees of jurisdiction or partners
Board Selection	members of board are nominated and approved by general membership or by governing body	<i>board members who are appointed by public officials cannot select other members of the board</i>
Reversion of Assets	not subject to reversion of assets to jurisdiction, except federal funds under control of agency	NA
Vendors	free to contract for goods and services from vendors of own choosing	NA
Low Income Input	NA	<i>formal process to obtain input from low income persons (e.g. Tenant Participation Plan)</i>