



BUCKS COUNTY 2023 HOUSING APPLICATION INSTRUCTIONS

APPLICATION INSTRUCTIONS

The Bucks County Department of Housing and Community Development (HCD) is the provider of funding for affordable housing programs in Bucks County. The funding is received through the U.S. Department of Housing and Urban Development (HUD) via the HOME Investment Partnership Program (HOME). HCD administers these resources to promote comprehensive, coordinated approaches to addressing housing needs throughout Bucks County, including rental housing development, housing revitalization, homeownership, homelessness assistance, and supportive services. Bucks County has developed a 5-year Consolidated Plan describing an overall strategy for spending federal, state, and local funds. Program year 2023 is the fourth year and will be guided by the housing Goals prioritized in the consolidated plan.

APPLICATION SUBMITTAL

The Housing Equality Center of Pennsylvania (HECP), formerly the Fair Housing Council of SEPA, has partnered with Bucks County to help provide fair housing education to all HOME applicants, project sponsors, and developers. **Effective immediately, as part of a 2023 application process, at least one staff member from each applicant agency is required to attend one of the below listed HECP Fair Housing training sessions. Evidence of a similar training for Fair Housing completed within the last 12 month will also be accepted in lieu of the below. Trainings are available for registration; dates are as follows:**

- January 23, 2023, at 10:00 am – 11:00 am: Fair Housing for Service Providers ([pre-register](#))
- February 8, 2023, at 11:00 am – 12:00 pm: Fair Housing for Service Providers ([pre-register](#))

Prior to responding to this application, each qualified organization is urged to check all calculations and review package for completion of all forms and sections. All proposals will become part of the Bucks County official files.

1. Complete all parts applicable to the proposed project.
2. Complete the 2023 Proforma – For rental projects, complete the County of Bucks 2023 Proforma worksheet and include it as a separate file when emailing the application to HCD. If applying for Low-Income Housing Tax Credits, submit the PHFA budget worksheets in Excel format in lieu of the County of Bucks worksheet. For homeownership projects, submit an Excel Budget. If template needed, contact HCD.
3. CHDO APPLICANTS - must submit a separate application for each activity. Do not combine applications for operating funds with applications for construction financing. Do not submit applications that combine eligible activities.
4. Incomplete, insufficient, or missing information will cause applications to be eliminated from consideration. Only applications that are complete and submitted on or before the due date will be considered for funding.

Completed applications must be submitted by email to hcd@buckscounty.org with a subject matter of HCD 2023 Housing Application, no later than 4:00 P.M. on March 1, 2023.

HCD department staff will confirm receipt of your application by email. If you do not receive a confirmation within 48 hours, please contact our office at the phone number below.

Please direct all questions to Nikki Verwoerd at 215-345-3841 or by email to nverwoerd@buckscounty.org.

Applications for funding may be submitted by public agencies, nonprofit organizations, and for-profit housing organizations. Staff will review each funding application as it relates to applicable federal regulations, HOME program eligibility, and funding criteria. Applications will be evaluated based on the following criteria:

- Application completeness;
- Evidence of project readiness;
- The project must be an eligible activity;
- Rental projects that involve collaborations with advocacy organizations where there is a written affirmative marketing plan that describes outreach measures to members of the protected classes;
- Extent to which County and HUD goals and priorities are met;
- Agency capacity and experience;
- Leveraging and documentation of funds/other sources of funds/matching funds;
- Subsidy Layering review;
- Past and current performance and amount of County funds received to date;
- New Construction - project schedule, site control, community support and zoning approvals;
- Activities that affirmatively further fair housing;
- Participation in County Housing planning;
- Housing project located near public transportation hubs;
- Housing project located near employment centers;

All funding recipients will be required to execute a commitment letter or a loan agreement with Bucks County within six months of the program year start date, which is July 1st, unless extenuating circumstances are documented. The written agreement will serve as a contract between the County and the applicant and will define the responsibilities of the respective parties. Please note the amount of funding approved may be secured by a recorded mortgage for a minimum of the period of affordability required by the HOME Program.

Project costs incurred will not be reimbursed prior to the execution of the agreement or before the Release of Funds is issued as required under the environmental review process.

Several factors are considered when considering the relative merits of applications. They include but are not limited to:

Capacity – addresses the extent to which the applicant has the organizational resources necessary to successfully implement the proposed activities in a timely manner. Such resources include a staff of sufficient size and possessing knowledge and experience in the proposed activities. In cases where the applicant will utilize personnel not considered staff of the organization, the applicant may be asked to demonstrate timely and easy access to qualified experts and/or professionals. In cases where the applicant previously received funding, past experience will be evaluated in terms of the applicant’s ability to achieve measurable progress in implementing its most recent grant awards.

Needs/Extent of the Problem – refers to the extent in which there is an urgent need for funding the proposed activities to address a documented need in the community. Applicants should focus on demonstrating the extent of the problem in the geographical area that will be targeted by the project or program. The need should be relevant to the intent of the proposed activities and documented using sound and reliable data wherever possible. Where firm statistical data is not available for the target area other means of documenting need are acceptable. Wherever possible, applicants are required to link the documentation of need to the needs and data identified in its current Consolidated Plan.

Soundness of Approach - addresses the quality and appropriateness of the applicant’s proposed program. The exact criteria that will be considered in rating this factor will vary by program.

Leveraging Resources – refers to the ability of applicants to secure resources beyond those provided by the specific program from which the applicant is seeking funds. Resources leveraged may include funding or in-kind contributions, such as services or equipment. Partners providing the leveraged resources may include governmental

entities, public, or private nonprofit organizations, for-profit private organizations, individuals, or other entities willing to partner with applicant. This factor focuses on resources to be allocated to the specific activities being proposed by the applicant. Therefore, applicants should give special consideration to creating partnerships that are appropriate for designing and implementing the proposed activities, rather than simply include as many organizations as possible.

Comprehensiveness and Coordination – addresses whether the strategy proposed by the applicant is comprehensive and coordinated with related activities in the community. The purpose of this factor is to ensure that, wherever possible, applicants do not operate programs in isolation. Instead link the project to related activities and organizations to improve the overall effectiveness of all efforts being undertaken in that community.

Site Control, Budget, Project Schedule Approvals, Zoning Clearances and Community Support - addresses the feasibility of the project and determines if the funding will be utilized within the project schedule. The HOME Investment Partnerships Program requires HCD to expend funds within a specific time schedule. Applicants should be clear in explaining when key milestones have been met.

HOME INVESTMENT PARTNERSIPS (HOME) PROGRAM OVERVIEW

WHAT IS HOME?

The HOME program was created under Title 11 (the Home Investment Partnerships Act) of the Cranston-Gonzales National Affordable Housing Act of 1990. This program represented a historic affirmation of the Federal Government's commitment to providing decent, safe, and affordable housing for all Americans and to alleviating the problems of excessive rent burdens, homelessness, and deteriorating housing stock nationwide.

HOUSING GOALS

1. Housing

Priority housing for Bucks County includes rental assistance, rental and owner-occupied rehab, and the production of new affordable housing units for both rental and home ownership. The high cost of housing in many areas throughout Bucks County makes obtaining and sustaining safe, affordable housing a challenge for low-income residents. By far, the most common housing problem experienced by low-income renters and owners is “housing cost burden” or housing costs that exceed 30% of the household income. Additionally, many housing units affordable to low-income residents are aging and require rehabilitation to bring the units up to code and ensure the continued availability of housing that is safe and financially sustainable.

2. Improve quality of existing housing

The County’s goal is to provide an affordable housing stock that is decent, safe, sanitary, and free of lead-based paint hazards. This goal can be achieved by the acquisition and rehab of existing housing in Bucks County for the purposes of expanding the number of affordable housing units for rent or homeownership throughout the County.

3. New construction

Promote the expansion of rental housing through the construction of additional units serving very low and low- income persons. Expand the opportunities for families to become first time homebuyers through the construction of new housing in Bucks County.

4. Housing for special needs populations

Support the development of rental housing for Bucks County’s special needs populations through the new construction or acquisition and rehab of rental units throughout the County with emphasis on housing set asides for qualifying populations (defined below).

5. Community Housing Development Organizations (CHDO)

Continue to set aside up to 15 percent of the HOME grant to support the capacity of CHDO organizations in Bucks County. Increase the number of CHDO organizations certified in the County.

6. Fair Housing

Continue to promote public education on the requirements and obligation of the Fair Housing Act.

ELIGIBLE ACTIVITIES

The following list includes the types of activities that may be funded under the HOME Program, provided that the activity falls into the objective described above.

1. Homebuyer activities

HOME funds may be used to finance new construction and/or the acquisition of land for the construction of homes for homebuyers.

2. Rental housing

HOME funds may be used to acquire land or existing rental housing and/or rehabilitate or construct affordable rental housing. For projects involving rehabilitation, the estimated value of the property, after rehabilitation, must not exceed 95 percent of the median purchase price in the area. For rental properties of which five or more units will be HOME-assisted, at least 20 percent of the units must be reserved for families who meet the threshold as very-low income. For the first year of the project, at least 90 percent of HOME-assisted units must be reserved for low-income residents. For the subsequent years, at least 60 percent of HOME-assisted units must be reserved for low- income residents and 20 percent for very low- income residents.

3. Tenant-based rental assistance (TBRA)

HOME funds may be used to provide financial assistance to tenants for rent, security deposits, and under certain conditions, utility deposits to tenants. Assistance for utility deposits may only be provided in conjunction with a TBRA security deposit or monthly rental assistance program. *Note: Funds for TBRA may not be used for project-related soft costs.* **To apply for TBRA funding, please email Nikki Verwoerd at nverwoerd@buckscounty.org**

4. Community Housing Development Organization (CHDO) activities

The CHDO set-aside portion of HOME funds may be used to acquire and/or rehabilitate rental housing and homebuyer properties, construct rental or homebuyer properties, and provide direct financial assistance to purchasers of HOME-assisted housing sponsored or developed by a CHDO with HOME funds. CHDOs are also eligible to apply for HOME funds for project pre-development loans and operating assistance but must have a project ready to move forward.

QUALIFYING POPULATIONS

Qualifying populations include the following:

1. **Homeless**, as defined in [24 CFR 91.5 Homeless \(1\), \(2\), or \(3\)](#):
2. **Fleeing, or Attempting to Flee, Domestic Violence, Dating Violence, Sexual Assault, Stalking, or Human Trafficking**, as defined by HUD. <https://www.ecfr.gov/current/title-24/subtitle-A/part-5/subpart-L/section-5.2003>

AFFORDABILITY PERIODS

HOME-assisted units must meet the affordability requirements for not less than the applicable period specified in the following tables.

<u>Homeownership Assistance Activity</u> <u>HOME per-unit amount</u>	<u>Minimum Period of Affordability</u>
Under \$15,000	5 years
\$15,000 to \$40,000	10 years
Over \$40,000	15 years

<u>Rental Housing Activity</u> <u>HOME per-unit amount</u>	<u>Minimum Period of Affordability</u>
Rehabilitation or acquisition of existing housing per unit amount of HOME funds: Under \$15,000	5 years
\$15,000 to \$40,000	10 years
Over \$40,000 or rehabilitation involving refinancing	15 years
New construction or acquisition of newly constructed housing	20 years

RENT AND OCCUPANCY REQUIREMENTS

The HOME program distinguishes between the units in a project that have been assisted with HOME funds and those that have not. HOME-assisted units refer to the units within a HOME project for which rent, occupancy, and/or resale restrictions apply. The number of units designated as HOME-assisted units affects the maximum HOME subsidies that may be provided to a project.

HOME assisted rental units are subject to rent limits designed to help make rents affordable to low-income households. These maximum rents are referred to as “HOME Rents.” HUD publishes the rent schedule each year based on changes in area income levels and market conditions.

*Effective 06/15/2022	<u>Efficiency</u>	<u>One BR</u>	<u>Two BR</u>	<u>Three BR</u>	<u>Four BR</u>	<u>Five BR</u>	<u>Six BR</u>
Low HOME Rent Limit	922	988	1,186	1,370	1,528	1,686	1,844
High HOME Rent Limit	940	1,071	1,298	1,605	1,837	2,111	2,292