

**FY 2013 Erie County Affordable Housing Fund (Act 137)
Program Guidelines
and
Application for Funding Assistance**

Erie County Affordable Housing Fund Program Guidelines

BACKGROUND INFORMATION

The Pennsylvania Optional County Affordable Housing Act – Act 137 of 1992 – provided counties the authorization to raise additional revenues to be used for affordable housing activities by increasing fees for recording mortgages and deeds. The funding is to be used as a catalyst to leverage federal and state monies provided under the National Affordable Housing Act of 1990 (HOME Program) and through the Pennsylvania Housing Finance Agency, as well as assist or support housing efforts by county governments, municipal governments, housing and redevelopment authorities, and local non-profit agencies.

On October 26, 1999, Erie County Council adopted the Erie County Affordable Housing Fund Ordinance. The Ordinance took effect on January 1, 2000 and allowed for the raising of fees that are paid to the Recorder of Deeds office for the creation and maintenance of a dedicated housing fund to assist Erie County residents obtain/maintain affordable housing. The Erie County Department of Planning administers the County's Act 137 Affordable Housing Fund Program. Since 2000 the County has raised and distributed approximately \$2.5 million to support affordable housing initiatives within Erie County.

WHAT IS AFFORDABLE HOUSING?

The generally accepted definition of affordability is for a household to pay no more than 30 percent of its annual income on housing. Families who pay more than 30 percent of their income for housing are considered cost burdened and may have difficulty affording necessities such as food, clothing, transportation and medical care. Typically, the phrase "affordable housing" means total housing costs that are affordable (costing no more than 30% of income) for a family earning at or below 80% of area median income. This housing is often financed with federal, state, and/or local government subsidies.

ELIGIBLE / INELIGIBLE APPLICANTS

Eligible applicants for Act 137 funding assistance include units of government, housing and redevelopment authorities, non-profit developers and non-profit organizations located in Erie County. *Ineligible* applicants include individuals and for-profit developers.

In addition applicants must:

- ✓ Leverage and utilize other (non-Act 137) funds to carry out the project. The project cannot be funded 100% by the Affordable Housing Fund.
- ✓ Have site control, if applicable, and provide appropriate documentation with the application.
- ✓ Be able to complete the project within 12-18 months of a notice to proceed, with an anticipated project start date of April 1, 2013.

ELIGIBLE PROJECTS

Potential projects include but are not limited to the following:

- Single family owner-occupied housing rehabilitation
- Rental housing rehabilitation
- New housing construction
- Acquisition
- Weatherization

- Emergency home repairs
- Transitional or emergency housing; housing for the homeless or near homeless
- Senior housing
- Special needs housing
- First Time Homebuyer assistance
- Housing counseling

BENEFICIARIES

Beneficiaries should, at a minimum, be low- income families and individuals as based on HUD Section 8 Income Limits for Erie County. Low income means 80% of median income.

FY 2012 Income Limits Summary

FY 2012 Income Limit Area	<u>Median Income</u>	FY 2012 Income Limit Category	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
Erie County	\$58,700	<u>Very Low (50%) Income Limits</u>	\$20,550	\$23,500	\$26,450	\$29,350	\$31,700	\$34,050	\$36,400	\$38,750
		<u>Extremely Low (30%) Income Limits</u>	\$12,350	\$14,100	\$15,850	\$17,600	\$19,050	\$20,450	\$21,850	\$23,250
		<u>Low (80%) Income Limits</u>	\$32,900	\$37,600	\$43,300	\$46,950	\$50,750	\$54,500	\$58,250	\$62,000

EVALUATION CRITERIA

Projects will be evaluated and prioritized based on the following criteria:

1. Problem/Need to be addressed along with solution:
 - The degree to which the project addresses an affordable housing problem, need, or opportunity. The applicant should refer to the Erie County Housing Plan which can be found at <http://www.eriecountyplanning.org/>
 - The number of low- income families/persons to be served and other positive impacts targeted to low-income clientele.
2. Funding Leverage:
 - The degree to which the project leverages and utilizes non-Act 137 funds.
3. Workability & Experience:
 - The workability and financial feasibility of the project and ability to be implemented in a timely manner.
 - The experience of the applicant in undertaking the project.

PROJECT SELECTION

A Non-Voting Committee will evaluate each of the project requests based on the above-listed criteria and develop a prioritized project list and corresponding recommendations. This committee is comprised of the following:

- ❖ Director of Finance or designee
- ❖ Director of Human Services or designee
- ❖ Director of planning or designee

The recommendations of the Non-Voting Committee are submitted to the Voting Committee for their consideration and final award of the available funds. This selection process is anticipated to occur during February/March 2013. The Voting Committee is comprised of the following:

- ❖ County Executive or designee
- ❖ County Council Chair or designee
- ❖ Clerk of Records or designee

FY 2013 Erie County Affordable Housing Fund Application for Funding Assistance

ORGANIZATION NAME _____

CONTACT NAME _____ TITLE _____

ADDRESS _____

CITY _____ STATE: _____ ZIP CODE: _____

PHONE NO. _____ FAX NO. _____

E-MAIL _____ FEIN: _____

PROJECT NAME _____

PROJECT LOCATION (Municipality/Address) _____

BRIEF PROJECT DESCRIPTION	
---------------------------	--

“AFFORDABILITY” JUSTIFICATION (INCOME CATEGORY OF PERSONS TO BENEFIT)

- Low Income (80% of Median)
- Very Low Income (50% of Median)
- Extremely Low Income (30 % of Median)

FUNDING

TYPE	AMOUNT	SOURCE	Secured (S) or Pending (P)
a. ACT 137			
b. Federal			
c. State			
d. Local			
e. Private			
f. In-Kind			
TOTAL			

Please sign below. **By signing this application, you are agreeing that the applicant and any affiliated businesses and subcontractors are current on all federal, state and local taxes and that all information provided in the application and any attachments contain no misrepresentation or falsification, omission or concealment of material fact and that the information given is true and complete to the best of your knowledge.**

Signature of Applicant: _____

Date: _____

PROJECT PROPOSAL

Describe the project in terms of the following: A) What affordable housing need/issue is being addressed? B) How will the project address this need? C) Who are the intended beneficiaries? D) How will the project be designed and implemented? What experience do you have in carrying out the proposed project E) Expected outcome and impact?

Attach additional pages as necessary.

FY 2013 Erie County Affordable Housing Fund Project Budget Form

APPLICANT:						DATE:	
PROJECT NAME:							
TYPE OF FINANCIAL ASSISTANCE	ACT 137*	FEDERAL	STATE	LOCAL	PRIVATE	IN-Kind	TOTAL
ACQUISITION							
a. Land							
b. Buildings							
GENERAL CONSTRUCTION							
a. New Construction							
b. Rehabilitation/Renovation							
SITE IMPROVEMENTS							
RELATED SOFT COSTS							
a. Project Delivery							
b. Architectural / Engineering Fees							
c. Professional Services/Consultant							
d. Other							
SUPPORTIVE SERVICES							
OTHER ACTIVITIES							
a.							
b.							
TOTAL							

Budget Category Explanations:

Acquisition: Purchase price of land and/or buildings.

General Construction Construction/renovation costs including roofing, windows, plumbing, HVAC, electrical.

Site Improvements: Roads & streets, parking areas, water lines, sewer lines and connections, storm sewers, utilities, demolition, excavating/grading, environmental cleanup.

Related Costs: Related reasonable and necessary costs associated with financing the affordable housing project.

- a. Project Delivery: Staff and overhead costs directly related to carrying out the project.
- b. Architectural / Engineering Fees
- c. Professional Services/Consultants
- d. Other: Cost of financing and closing a project including environmental assessment, appraisals, insurance/taxes, legal costs, etc.

Supportive Services: Support services which are provided to an individual for the purpose of developing that person's capacity to live independently, or sustaining his capacity to do so.

Other Activities: Items not previously specified by a line item in the Project Budget. These costs must be identified in the budget narrative to be considered eligible expenses.

NOTE: Provide an accompanying budget narrative that describes the activities listed on the budget form.

