

HOME General Program / Project Guidance

I. PROGRAM GUIDELINES

The City of Tampa is requesting applications for HOME-eligible projects. These projects may either be undertaken by designated Community Housing Development Organizations (CHDOs) or nonprofit organizations not designated as CHDOs through this RFP process.

This application is not to be used for large-scale affordable housing developments (requesting \$1,000,000 or more). There is a separate Request for Proposal process that must be followed in order to apply for funding for these projects.

II. FUNDING AMOUNTS

It is anticipated that the City of Tampa will have approximately \$600,000 in CHDO set-aside funding for projects during the period of October 1, 2009 through September 30, 2010. These funds will be limited to, CHDO down payment assistance, in-fill housing new construction, and other CHDO eligible projects. The amount of funding that will be released to successful applicants will be based upon the amount of funding that is needed to continue to serve the communities' needs through the City's existing programs, the merit of the applications that are received, and the need for the projects that are being proposed.

The City must use a minimum of fifteen percent (15%) of its annual HOME allocation for housing owned, developed or sponsored by CHDOs. The City will evaluate organizations' qualifications and designate them as CHDOs. CHDOs also may be involved in the program as subrecipients, but the use of HOME funds in this capacity is not counted toward the fifteen percent (15 %) set-aside.

III. APPLICANT ELIGIBILITY

Applicants seeking CHDO funds must be a City recognized Community Housing Development Organization (CHDO) and must be eligible to apply for this status by the deadline date. All existing CHDO's must be recertified each year to continue to apply for and use City CHDO funds. A CHDO is a community based service organization that has, or intends to, retain staff with the capacity to develop affordable housing in the City of Tampa. All (re)designated CHDO's, except those that have open findings or concerns for a period of 60 days that have not been satisfactorily addressed in accordance with the requirements of the City, may apply for CHDO project funding.

IV. PROJECT ELIGIBILITY

Eligible activities include: development and support of affordable rental housing and home ownership opportunities through the acquisition (including assistance to first-time home buyers), new construction, reconstruction, or moderate or substantial rehabilitation of non-luxury housing with suitable amenities. Eligible expenses/costs under the HOME program include real property acquisition, site improvement, conversion, demolition, and other expenses, including financial costs, relocation expenses of any displaced persons, businesses, or organizations. The housing must be permanent or transitional housing (with leases of no less than one year), and may include permanent housing for the disabled, homeless persons, and single-room occupancy housing.

Forms of assistance: The City of Tampa may invest HOME funds as equity investments, interest-bearing loans, non-interest-bearing loans, interest subsidies, deferred payment loans, or grants. The

City reserves the right to establish the terms of assistance based on the needs of the individual project.

Minimum amount of Assistance: The minimum amount of HOME funds that must be invested in a project is \$1,000 times the number of HOME-assisted units in the project. The HOME program also has established maximum rents, minimum years each project must be affordable, and maximum HOME investment amounts. The following rent limits apply to rental property that has utilized HOME or CHDO funding.

2008 HUD RENT LIMITS

	Efficiency	1 BR	2 BR	3 BR	4 BR	5 BR	6 BR
Low Rent	\$495	\$530	\$636	\$734	\$818	\$904	\$988
High Rent	\$624	\$669	\$806	\$922	\$1009	\$1,094	\$1,180

The maximum allowable HOME rents must be reduced if the tenant pays for any utilities, with the exception of telephone. Utility allowances provide a mechanism for reducing the maximum allowable HOME rents when some or all utilities are paid by the tenant. The utility allowances prepared by Tampa Housing Authority (THA) may be used when adjusting rents. THA's current utility allowances can be found at <http://www.thafl.com/utilities.html>.

Rental projects subsidized by the HOME Program must comply with the Program Funds Rule and the Project Rule, as established by the U.S. Department of Housing and Urban Development. The Program Funds Rule states that 90% of total households assisted (HOME subsidized units), must have incomes that do not exceed 60% of the Area Median Income (AMI). The Project Rule specifies the occupancy of units in each rental project. In projects of 5 or more HOME-assisted units, at least 20% of the HOME assisted units must be occupied by families who have annual incomes that are 50% or less of the AMI (Low Home Rent Units). Projects with fewer than five HOME-assisted units do not have to restrict any units to Low HOME Rents or limit occupancy to tenants at 50% percent or below of the AMI.

These affordable units may either be floating or fixed, with an affordability period determined by the level of subsidy and project type (i.e. new construction or rehabilitation).

<u>HOME Investment Per Unit</u>	<u>Length of Affordability Period</u>
Less than \$15,000	5 Years
\$15,000 - \$40,000	10 Years
More than \$40,000	15 Years
New Construction of Rental Housing	20 Years

Participant Eligibility: Each HOME funded activity requires certification of income by family size and that participants are low or moderate income (80% AMI or below). Participants must not exceed the low and moderate-income levels listed below:

2008 HOME Income Limits by Household Size								
	1 Person	2 People	3 People	4 People	5 People	6 People	7 People	8 People
30% AMI	11850	13550	15250	16950	18300	19650	21000	22350
50% AMI	19800	22600	25450	28250	30500	32750	35050	37300
60% AMI	23760	27120	30540	33900	36600	39300	42060	44760
80% AMI	31650	36150	40700	45200	48800	52450	56050	59650

V. REVIEW CRITERIA, SITE VISIT, INTERVIEW

Proposals are ranked based on the following criteria:

- Site control
- Readiness to proceed with project upon funding award
- Documentation of commitment of other funding sources (25% match required)
- Project feasibility – detailed Pro-forma
- Proposal should address current year consolidated plan area of needs
- Number of units assisted by the proposal
- Review of subsidy layering of all federal dollars
- Complete financial analysis of the project to determine the subsidy need
- Determine the reasonableness of total development cost
- Agency's capacity and past performance
- Timeliness of project/ability to spend funds requested
- Site plan/zoning approved

Once proposals are reviewed and ranked, site visits and/or interviews will be conducted with each applicant for funding. Those seeking CHDO designation will be interviewed as well to review the CHDO certification application.

Funding will be distributed to applicants based on the funding type requested, funding available, and by rank order of proposals submitted. The City of Tampa reserves the right to reduce the amount of funds committed to a project based upon past project performance and the feasibility of completing the proposed project in a timely manner.

VI. ADDITIONAL INFORMATION

For more information on becoming or operating as a CHDO, see the HUD link below. It provides detailed information on the characteristics of a CHDO, CHDO roles and funding resources, special assistance available to CHDOs, and eligible uses of HOME funds by CHDOs.

<http://www.hud.gov/offices/cpd/affordablehousing/programs/home/topical/chdo.cfm>