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| City of Greeley |
|  | Affordable Housing Programs Application |
| A HOME Participating Jurisdiction andAn Entitlement Community receiving theCommunity Development Block Grant  |
| http://www.marylandseminar.com/Equal%20Housing%20Opportunity.gif |
|  |
| The Community Development Block Grant (CDBG) and the HOME Investment Partnerships Program (HOME) are funded through the U.S. Department of Housing and Urban Development. |

Affordable Housing Programs

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Note:

HOME Investment Partnership Program funds received by the City must be utilized for affordable housing projects in a variety of ways (acquisition, construction, rehab, etc.). Community Development Block Grant funds can only support new construction of housing through acquisition or infrastructure support. CDBG can, however, be utilized for housing (single- or multi-family) rehabilitation. The City may have both HOME and CDBG available for affordable housing projects.

This guidance provides some explanation of both the HOME and CDBG grants’ requirements. Because they aren’t the same, the sections will have information on each grant. While CDBG is generally used for projects and activities other than affordable housing, there are eligible activities that can support housing, as well. Only information on how the City will make CDBG available for housing activities is provided in this guidance.

The City has policies and procedures for different project types, and those should be referred to for more detailed guidance on the Affordable Housing Programs the City may support with HOME and; or CDBG funds.

# I. Overview of Grants

## A.1 Home Investment Partnerships Program Introduction

## The HOME Investment Partnerships Program (HOME) is authorized under the HOME Investment Partnerships Act - [Title II of the Cranston-Gonzalez National Affordable Housing Act](http://www.hud.gov/offices/cpd/affordablehousing/lawsandregs/laws/) (42 U.S.C. 12701 et seq.). Program regulations can be found at [24 CFR Part 92](http://www.hud.gov/utilities/intercept.cfm?/offices/cpd/affordablehousing/lawsandregs/regs/finalrule.pdf). The HOME program final rule is available electronically and complete information about the HOME program and its requirements can be found by visiting the HOME program website at: <https://www.hudexchange.info/programs/home/>.

The HOME program provides federal funds for the development and rehabilitation of affordable rental and ownership housing for low-income households. The program gives local governments the flexibility to fund a wide range of affordable housing activities through housing partnerships with private industry and non‐profit organizations. The intent of the HOME program is to:

1. • Provide decent, affordable housing to lower-income households;
2. • Expand the capacity of nonprofit housing providers;
3. • Strengthen the ability of state and local governments to provide housing; and
4. • Leverage private-sector participation

Each year, the City receives an allocation of funds for the HOME program, which is funded and regulated at the federal level by the U.S. Department of Housing and Urban Development (HUD). Historically, the HOME award has ranged from $300,000 to more than $500,000 per year. The amount of funds received depends on the appropriations set aside each year by Congress in the Federal budget and the number and demographics of the other participating jurisdictions throughout the country. Applications for the City of Greeley HOME Program funding must demonstrate the proposed benefit to low-income residents of the City.

The City’s amount of available HOME funding at any given time varies due to annual allocation and what projects are currently funded. Interested parties should contact the Economic Health and Housing Department, Greeley Urban Renewal Authority, for the amount available.

* **See HOME Policies and Procedures for New Construction Homeownership Opportunities**
* **See HOME Policies and Procedures for Rental Projects**

## A.2. Community Development Block Grant Introduction

## The CDBG program is authorized under Title 1 of the Housing and Community Development Act of 1974, Public Law 93-383, as amended[42 U.S.C. 5301 et seq](http://portal.hud.gov/hudportal/HUD/program_offices/comm_planning/communitydevelopment/rulesandregs/laws/sec5301). The Program provides annual grants on a formula basis to states, cities, and counties to develop viable urban communities by providing decent housing and a suitable living environment, and by expanding economic opportunities, principally for low- and moderate-income persons. Information about the CDBG program and its requirements can be found by visiting the CDBG program website at: <https://www.hudexchange.info/programs/cdbg/>.

CDBG cannot be used for new construction of housing unless undertaken by a Community Based Development Organization (CBDO). Greeley does not currently have an organization that qualifies as a CBDO. It can, however, be used for the activities listed below associated with housing (not a complete list, but those that the Affordable Housing Program could utilize):

**Home Purchase Projects** Activities that support development of housing for LMI persons such as acquisition, clearance, and site improvements (when the land is in public ownership)

**Rental Housing Activities**

* CDBG funds may be used for acquisition of property for an eligible rental housing project or to rehabilitate rental housing
* Conversion of a closed building from one use to residential use (such as a closed school building to residential use)
* Support for the development of new housing. “Support” refers to:
	+ - Acquisition by the grantee or public or private nonprofit entities
		- Site clearance and assemblage
		- Site improvements (if in public ownership)

Each year, the City receives an allocation of funds for the CDBG program, which is funded and regulated at the federal level by the U.S. Department of Housing and Urban Development (HUD). The CDBG award anticipated annually is approximately $840,000. Of this, the City annually identifies approximately $200,000 for affordable housing projects. The amount of HUD funds received depends on the appropriations set aside each year by Congress in the Federal budget and the number and demographics of the other entitlement communities throughout the country. Applications for the City’s CDBG Program funding must benefit low-income residents of the City.

The City’s amount of available CDBG funding at any given time varies due to annual allocation and what projects are currently funded. Interested parties should contact the Economic Health and Housing Department, Greeley Urban Renewal Authority, for the amount available.

* **See CDBG Policies and Procedures in Support of Affordable Housing Program Projects**

## A.3. Other Grant Information

The HUD federal grant programs are complex and have a variety of requirements that must be taken into consideration before applying for funding. HOME and CDBG requirements differ. This application requests detailed information on the proposed project. To be considered for HOME and/or CDBG grant funding, agencies must adhere to all application requirements, submit a complete application and demonstrate HOME and/or CDBG eligibility and the capacity to meet all federally required obligations.

## B.1 HOME Eligible Applicants

Eligible applicants include nonprofit Community Housing Development Organizations (CHDOs), other non-profit developers, housing authorities, limited partnerships, and for-profit developers. Information requested on the Affordable Housing Programs’ Application is for the owner or developer of the project for which HOME funds are requested; however, any agency or organization involved in the use of HOME funds is subject to all laws and regulations of the HOME Investment Partnership Program. The regulations can be found at 24 CFR 92; it is recommended that applicants be familiar with those regulations.

Individual persons are not eligible to apply for HOME funding; however, individuals may be eligible for assistance from programs that receive HOME funds. Independent developers may apply for HOME funding for viable HOME projects such as acquisition, new residential construction or residential rehabilitation programs.

## B.2 CDBG Eligible Applicants

Eligible applicants include nonprofit developers, housing authorities, limited partnerships, and for-profit developers. As noted above, information requested in the application pertains to the owner or developer of the proposed project. Any agency or organization involved in the use of CDBG funds is subject to all laws and regulations of the Community Development Block Grant program. The regulations can be found at 24 CFR 570; it is recommended that applicants be familiar with those regulations.

Individuals (households) can only apply for assistance through the City’s Single-Housing Rehabilitation Program. Loans and grants are available depending on need and family qualifications. The programs described in this Affordable Housing Program document are not available for application by individuals.

## C.1. Eligible Beneficiaries of HOME Funds

The eligibility of households for HOME assistance varies with the nature of the funded activity. The HOME program is designed to provide affordable housing to low-, very low-, and extremely-low-income families and individuals. Therefore, the program has rules about targeting program resources and establishes beneficiary eligibility. In general, the incomes of households receiving HUD assistance must not exceed 80% of the area median, and 90% of funds received by the City for rental assistance projects must benefit households whose income does not exceed 65% of the area median. Additionally, if there are five or more HOME units in a development, a minimum of 20% of the units must be occupied by very low-income households and rent (discussed later) is additionally restricted. The City reserves the right to increase the percentage of HOME units required in a development.

Because other funds are generally involved (i.e. tax credits, Colorado Division of Housing funds), the stricter of the income limitations will prevail.

## C.2. Eligible Beneficiaries of CDBG Funds

Generally speaking, CDBG beneficiary households may not earn more than 80% of the area income. When coupled with HOME (or other) funds, the stricter of the regulations (HOME, tax credits, etc.) will apply.

## C.3. Eligible Beneficiaries - General

The HUD Office of Planning and Community Development (CPD) provides the HUD-published income each year. See Section E.1 for current limits. While different income level documents are published for CDBG and HOME, the income limits are generally the same. In any event, the stricter of the two prevails.

## D.1 Eligible Uses of HOME Funds for this Application (may be combined, as applicable, with CDBG funds)

* Rental Housing: The City will consider activities associated with acquisition or acquisition/rehabilitation of existing affordable units (or those that will be made affordable), eligible costs associated with the development of new affordable housing units, or the acquisition and conversion or conversion only of a building from a non-residential use to a residential use. Reconstruction may also be considered.
* For Sale Housing: Construction costs assistance to a developer and/or assistance to homebuyers of newly constructed housing by an assisted developer may be considered.

## D.2. CHDOs – Community Housing Development Organizations

As defined by the Department of Housing and Urban Development, CHDOs (Community Housing Development Organizations) are special types of nonprofit housing developers that are accountable to the low-income communities they serve. Congress and HUD have recognized the role that CHDOs play in housing development by setting aside a minimum of 15% of each jurisdiction's annual HOME allocation for qualified CHDOs. HUD regulations on CHDOs may be found at [24 CFR 92.300-303](https://www.law.cornell.edu/cfr/text/24/92.300).

The purpose of CHDO set-aside funds is (1) to promote partnerships between states, units of general local government and nonprofit organizations, and (2) to expand nonprofit organizations’ capacity to develop and manage decent and affordable housing.

Eligible CHDOs may apply for the City’s Affordable Housing Program funds. The City will consider applications for the eligible activities noted in Section D.1 above.

E. Other HOME and CDBG Program Requirements

Federal grant requirements are extensive and include crosscutting with other federal regulations with regard (in part) to labor and hiring, fair housing, and environmental review. The HOME program has particularly extensive requirements. The Applicant must certify that the agency has the capacity to comply with all applicable requirements. Attachment D includes a summary of some of the requirements as well as links to program regulations and resources.

Applicants are strongly encouraged to review this information in detail and confer with consultants and legal counsel, as appropriate, to ensure that the Applicant and project are able to comply with all HOME and/or CDBG Program requirements. For specific questions, contact Economic Health and Housing Department-GURA staff.

### E.1 HOME Program Requirements

### Repayment of Funds

The HOME program imposes rules regarding the repayment of HOME investments. It is vitally important than applicants for HOME funds understand their obligations under these regulations, as the period of affordability involves a significant period of time. City staff will furnish the noted federal regulations on request; they are also available online.

* **Repayment obligation**. 24 CFR 92.252(e)(1)(i) and 24 CFR 92.252(e)(4) expressly state that the expiration of any loan term, termination of any restrictions and/or repayment of the HOME investment **does not relieve the Applicant of the responsibility to ensure that the affordability period** for HOME-assisted units is met. In the event a project does not meet its affordability requirements, the City will require the developer/owner to repay the HOME funds.
* **Mechanisms to secure affordability**. 24 CFR §92.252(e)(1)(ii) permits the City to use agreements restricting the use of the property to secure affordability restrictions. The City will continue to have the option to use deed restrictions or covenants running with the land to secure the affordability of HOME-assisted properties.
* **Recordation**. Mechanisms to secure affordability restrictions will be recorded in accordance with State recordation laws.
* **See policies and procedures for specific information on each type of project.**

## HOME Income and Rent

1. **Definition of Income**

The Section 8 (Part 5) annual (gross) income is the **only definition of income** used to determine income eligibility for all City of Greeley HOME funded projects, including applicable income inclusions and exclusions as stated in the Code of Federal Regulations. Attachment B - Definition of Income - Section 8 (Part 5) outlines the Section 8 (Part 5) requirements.

1. **Income of All Persons Residing in the Housing**

HOME Program regulations 24 CFR §92.254(a)(3) and 24 CFR §92.254(b)(2) were revised in 2013 to specify that to the extent a person’s income “counts” in accordance with the definition of income adopted, the income of all persons residing in the HOME-assisted housing must be included when determining the income of a family applying for homebuyer or homeowner rehabilitation assistance. This clarification is intended to address situations where not all household members are related, or where several adult members will reside in a HOME-assisted unit. It is not intended to supersede the income determination requirements of the definition adopted. For instance, the City adopted the Part 5 definition of income therefore, the earned income of a minor is not included in the determination of income, even though the minor will reside in the housing unit.

1. **Income Eligibility and Verification**

The Developer/Owner is responsible for ensuring HOME income eligibility requirements are imposed and enforced during the entire affordability period.

1. **Rent Limits**

The noted rent limits are for the HOME program and became effective July 1, 2020. They remain in effect until HUD publishes new limits in 2021. It is the responsibility of the applicant (or, after completion, the owner and/or property management company) to ensure the most recent rent limits are being utilized. City staff will endeavor to provide updates as soon as they are aware of them. The City’s HOME units’ rents cannot exceed the noted amounts (which includes a utility allowance, when tenants pay for utilities) by HOME unit type.

|  |
| --- |
| HIGH-LOW RENT LIMITS-Greeley, Colorado MSA |
| Type of HOME Unit | Efficiency | 1 BR | 2 BR | 3 BR | 4 BR | 5 BR | 6 BR |
| Low HOME Rent Limit | $709 | $791 | $948 | $1,096 | $1,222 | $1,349 | $1,475 |
| High HOME Rent Limit | $709 | $845 | $1,046 | $1,391 | $1,533 | $1,672 | $1,812 |
| For Information Only. Do Not Use This Rent To Determine Project Rents: |
| Fair Market Rent | $709 | $845 | $1,046 | $1,509 | $1,833 | $2,108 | $2,383 |

1. **Income limits**

The noted income limits are for the HOME program and became effective July 1, 2020. They remain in effect until HUD publishes new limits in 2021. It is the responsibility of the applicant (or, after completion, the owner and/or property management company) to ensure the most recent rent limits are being utilized. City staff will endeavor to provide updates as soon as they are aware of them. The City’s HOME units’ rents cannot exceed the noted amounts (which includes a utility allowance, when tenants pay for utilities) by HOME unit type.

Additional information on income restrictions is provided in Attachment B.

|  |  |  |
| --- | --- | --- |
| **FY 2020 Income Limit Area Median Income****$84,300****Greeley, CO MSA** | **FY 2020 Income Limit Category** | **Persons in Family** |
| **1** | **2** | **3** | **4** | **5** | **6** | **7** | **8** |
| **Extremely Low (30%) Income Limits**  | $17,750 | $20,250 | $22,800 | $25,300 | $27,350 | $29,350 | $31,400 | $33,400 |
| **Very Low (50%) Income Limits** | $29,550 | $33,750 | $37,950 | $42,150 | $45,550 | $48,900 | $52,300 | $55,650 |
| **65% Income Limits** | $35,460 | $40,500 | $45,540 | $50,580 | $54,660 | $58,680 | $62,760 | $66,780 |
| **Low (80%) Income Lits** | $47,250 | $54,000 | $60,750 | $67,450 | $72,850 | $78,250 | $83,650 | $89,050 |

### E.2 CDBG Program Requirements

### CDBG funds have the same crosscutting requirements as do the HOME funds.

###  If CDBG funds are also involved in a project, the CDBG funds will follow the stricter HOME requirements noted in Repayment of Funds above and in the cited regulations. Uses of funds must be CDBG eligible; not all HOME eligible activities are available to CDBG funds.

## F. City Contact Information

If you have any questions regarding the application process, funding programs, or policies and procedures, contact the appropriate staff person as indicated below.

|  |
| --- |
| **Application Delivery/Mailing Address:** City of City of GreeleyGreeley Urban Renewal AuthorityAttn: J. R. Salas1100 10th Street, Suite 201Greeley, CO 80631 |
| **Electronic Delivery of Application and Application Documents** |
| Carol Larsen - |
| E-mail: carol.larsen@greeleygov.com |
| **City of Greeley-Economic Health and Housing-GURA Website**<https://greeleygov.com/services/ehh/greeley-urban-renewal-authority> |
| **General Housing/Available Funds Information/Technical assistance**Benjamin Snow, Director – 970-350-9380 – benjamin.snow@greeleygov.comJ. R. Salas – GURA Manager – 970-350-9383 – j.r.salas@greeleygov.comCarol Larsen – Grant Specialist – 970-350-9380 – carol.larsen@greeleygov.com |

# II – Affordable Housing Program Application

There are three parts to the Affordable Housing Program Application.

1. The Application itself
2. Exhibits to the application
3. Additional questions (addressed below as Section II.F)

All parts must be completed.

## A. General Application Guidelines

The Affordable Housing Program Application is to be utilized when applying for CDBG, HOME, or CHDO funds, or any combination of those grant funds.

To be considered for funding, projects/programs must be HOME eligible and meet all HUD and City requirements. Complete all sections of this application and answer all questions unless otherwise noted.

Applications are accepted continuously, but are subject to funds being available. Thus, prior to requesting or completing an application, please contact the City’s Economic Health and Housing Department-GURA staff.

Complete application packages will contain all of the following:

* One (1) completed Affordable Housing Program application with original signature.
* One (1) electronic copy of the application submitted via email that includes:
	+ Completed Affordable Housing Program application in Excel (in case reformatting is needed)
	+ Each document requested as an Exhibit to the Application

Incomplete and/or inaccurate information provided in any section of this application (including exhibits) may disqualify the application for funding. Economic Health and Housing-GURA staff is available to provide application technical assistance.

Please note the following:

* A separate application form must be completed for each proposed project. Additionally, if a proposed project has more than one owner/developer or if there are multiple types of housing proposed, a separate application is required.
* Complete the application form and all supporting documentation thoroughly. If the application is incomplete or inconsistent, the application may be disqualified or there may be delay in presenting the application to the GURA Board.
* Handwritten applications will not be accepted.
* Do not alter or delete any portion of the application form (expanding comment boxes for additional text is permitted) except where designated. “Tailor made” applications will not be accepted.

## B. Important Dates

The GURA Board of Commissioners generally meets on the second Wednesday of each month. Affordable Housing Program applications in their entirety must be provided to the Economic Health and Housing Department-GURA staff no fewer than 45 days prior to a scheduled meeting to provide adequate time for processing. GURA staff will process and prepare for Board meetings as quickly as possible. Applicants may be required to attend the Board meeting for presentation of the application and request.

## C. Application Evaluation Criteria

Projects will be reviewed using the Project Criteria Scoring form. Applications will be scored as they are received, and when the ranking is complete will be recommended by Economic Health and Housing staff to the GURA Board for review and approval or denial. Projects receiving Board approval will receive a preliminary reservation of HOME funds. Note that HOME funding cannot be firmly committed to a project or program until all of the benchmarks set forth in [24 CFR 92.2](https://www.law.cornell.edu/cfr/text/24/92.2) under the definition of “Commitment” are met.

All information submitted as part of this application package will be used to determine the eligibility and priority of each application. It is strongly recommended that applicants carefully review and evaluate all information submitted in this application for accuracy and internal consistency.

Applications will be evaluated for ***threshold eligibility*** utilizing the Project Criteria Scoring, which includes:

* Completeness of the information provided in the application
* The extent to which the proposed project meets the goals and priorities set forth in the City of Greeley’s Consolidated Plan, the need for the proposed housing type/affordability, and HOME and City requirements
* Capacity and financial viability of the participants in the application (developer, property manager, administrative staff)
* The project’s financial feasibility (developmental and operational viability for the full HOME affordability period)
* Project readiness, initial review

Once threshold eligibility has been determined, projects will be evaluated, prioritized and ranked based on the following factors:

* Extent to which the project provides affordable rental housing to extremely-low and very low-income residents, through multifamily rental rehabilitation, reconstruction, or new construction of rental units. Permanent housing for the homeless, elderly, disabled, victims of domestic violence, and other special populations would be considered as high-ranking projects through this process.
* Extent to which the project provides the largest number of new (or preserved) deed restricted low-income units (note that units do not need to be HOME-assisted to count as restricted low-income units).
* Extent to which the project provides the largest number of new units for those at the lowest income levels (e.g. targeted more deeply than 50% & 60% AMI).
* Project Readiness, as demonstrated by:
	+ Status of the site control (if applicable);
	+ The status of the development team;
	+ Status of architectural plans;
	+ Compliance with the General Plan and Zoning; and
	+ The percentage of other funding either committed to the project at application or available on a non-competitive basis.
* Past Performance, as determined by the City based on previous performance with City grants and by the Applicant’s grant experience with other federal funds.
* Extent to which HOME funds are leveraged with other financing.
* Projects sponsored by a CHDO will receive priority in order to meet HUD’s 15% CHDO allocation requirement.

# D. Application – Use Excel form provided

**E. Exhibits – Refer to the Application for Required Exhibits** (also on Checklist)

**F. Additional Questions/Application Requirements**

## 1. Citizen Participation and Community Involvement

|  |  |
| --- | --- |
| Describe all citizen participation or community involvement that has occurred or is planned to occur involving this project. Include dates of occurrences or upcoming scheduled dates. Applicants are encouraged to involve citizens and the community involvement during the planning process of their project/program. | Date(s) |
|  |  |

## 2. Affirmative Marketing (New Revised HOME Program Rule)

Each Applicant must adopt affirmative marketing procedures and requirements for any housing activity funded with HOME dollars. Affirmative marketing differs from general marketing activities because it specifically targets potential beneficiaries who are least likely to apply for the housing, in order to make them aware of available affordable housing opportunities.

More information on Affirmative Marketing can be found in Attachment D, HOME Program Requirements.

|  |
| --- |
| Check mark all that applies: |
|  | The Applicant must have an affirmative marketing plan. Is your affirmative marketing plan attached to this application (Exhibit 2-5)?  |
|  | The Applicant acknowledges and agrees that this requirement will be monitored on an annual basis to ensure ongoing compliance of your affirmative marketing plan. Documentation demonstrating compliance will be required. |

### *Ethnicity/Race*

In addition to the Affirmative Marketing requirement, the HOME and CDBG Programs require that the City report information on the race and ethnicity of all initial beneficiaries at the time the project is closed-out in HUD’s Integrated Disbursement and Information System. In order to ensure the City can comply with HUD’s requirement, please respond to the questions below as it applies to the project.

|  |  |  |
| --- | --- | --- |
| **Race and Ethnicity** |  **Yes**  | **No** |
| Does your organization understand the requirement that it, or the property management company, ask all clients to disclose their race and whether or not they are of Hispanic ethnicity? HUD’s racial categories are below (and reporting will be by these races only): |  |  |
| * White, Black or African American, American Indian or Alaska Native, Asian, Native Hawaiian or Other Pacific Islander, American Indian or Alaska Native and White, Asian and White, Black or African American and White, American Indian or Alaska Native and Black or African American, - Other Multi Racial
 |

|  |
| --- |
| If your organization does not currently obtain ethnicity and race information on the clients to be served by the proposed project, please explain how this information will be obtained to meet this requirement: |
|  |

## 3. Tenant Selection Policy

### *Beneficiary Eligibility*

|  |
| --- |
| **Beneficiary Requirements – must be specified in your Tenant Selection Policies and Procedures (Exhibit 2-6)** |
| 100% of all HOME funds must assist families with incomes below 80% AMI, and 90% of all rental housing must assist families with incomes below 60% AMI. Based on the information provided in this application, the units may be targeted more deeply (for example, 60%, 50% or 30% AMI). |
| All HOME assisted household members must be U.S. citizens or resident aliens |
| §92.253(d) (2) specifies that tenant selection criteria must be reasonably related to program eligibility and the applicant’s ability to meet the obligations of the lease. This refers to the applicant’s ability to pay rent, to maintain the unit in reasonable condition, and not to interfere with the rights of other tenants. |
| The tenant selection criteria requires a written waiting list in chronological order of application and written notification to rejected applicants [24 CFR 92.253(d) (5) and (6)]. |

The HOME program is designed to provide affordable housing to low- and very-low income families and individuals and has specific regulations that (1) require a Tenant Selection Policy and (2) with beneficiary requirements needed within the Tenant Selection Policy. Attach your Tenant Selection Policy, and ensure the following requirements are met within that Policy

### *Income Levels Targeted*

In the table below, note the number of units targeted to each of the noted income levels.

| **Area Median Income (AMI)** | **# of Units** |
| --- | --- |
| ≤80% AMI Low-Income |  |
| ≤60% AMI Lower-Income |  |
| ≤50% AMI Very Low-Income |  |
| ≤30% AMI Extremely Low-Income |  |
| Other. Explain: |  |

|  |
| --- |
| **Describe your agency’s experience with using Section 8 (Part 5) in determining tenant income eligibility.**  |
|  |
|  |

### 4. Relocation Requirements

 If there are occupied structures on the property and the tenants will be relocated (even temporarily), a Relocation Plan is required. If awarded, copies of all documentation related to relocation will be required in order for the City to monitor compliance with relocation requirements.

|  |  |  |
| --- | --- | --- |
| **Relocation Information** | **Yes** | **No** |
| Does the project require relocation of current tenants? |  |  |
| If YES, does the applicant have a relocation plan? |  |  |
| If YES, attach the relocation plan |

## 5. Section 3 Compliance

Section 3 compliance is required for all projects receiving HOME assistance. Additional information is provided in Attachment D Summary of Home Program Requirements.

| **Please check mark all that apply:** | **Yes** | **No**  | **N/A** |
| --- | --- | --- | --- |
| I have read the City of Greeley’s Section 3 Plan:  |  |  |  |
| The Applicant agrees to adopt the City’s Section 3 Plan to ensure compliance with all regulations |  |  |  |
| The Applicant has reviewed Title 24 CFR Part 135, the full regulation for Section 3 |  |  |  |
| The Applicant is prepared to fully comply with Section 3 requirements |  |  |  |
| The Applicant does/will have a Section 3 Compliance Officer on staff.Name of Officer: |  |  |  |
| The Applicant will hire a consultant to be our Section 3 Compliance OfficerName of Consultant/firm: |  |  |  |

## 6. Labor and Davis Bacon Compliance

Compliance with the prevailing wage requirements (“Davis Bacon”) may be required for HOME assisted projects. Please refer to Attachment D Summary of HOME Program Requirements for additional information.

### *Davis Bacon Applicability*

|  |  |  |  |
| --- | --- | --- | --- |
| **Please check mark all that apply:** | **Yes** | **No** | **# of HOME Units** |
| This project has less than 12 HOME assisted units; therefore, Davis Bacon Compliance Requirements are not applicable.  |  |  |  |
| This project has 12 or more HOME assisted units; therefore, Davis Bacon Compliance Requirements are applicable. |  |  |  |
| If Davis Bacon applies to the project, the Applicant has accounted for these costs in the development budget. |  |  |  |

### *Certification of Labor Compliance Requirements*

|  |  |  |  |
| --- | --- | --- | --- |
| **Please check mark all that apply:** | **Yes** | **No**  | **N/A** |
| The Applicant previously completed a Davis Bacon covered project in the past. |  |  |  |
| The Applicant is prepared to fully comply with Davis-Bacon requirements. |  |  |  |

**7. Environmental Review**

# All proposed affordable housing projects that intend to utilize the City’s HUD funds (HOME and/or CDBG) must receive National Environmental Protection Act (NEPA) clearance. Applicants should be aware that HUD funds may not be used to fund projects that cannot receive NEPA clearance.

# The required NEPA Environmental Review (ER) must be completed once the project becomes “federalized” (submittal of application for any of the City’s affordable housing program funds) and prior to the execution of the HOME and/or CDBG Agreement. If the ER is not completed within the specified timeframe, the HOME funding award will be withdrawn.

Projects receiving any of the City’s HOME and/or CDBG funds that comprise a component of a larger project, such as site acquisition or predevelopment/design costs for a housing development, shall complete the ER process required for the completed larger project. For example, if the project requesting assistance is new construction, but the HOME and/or CDBG funds are used only for the acquisition of vacant land, the environmental review must be based on new construction of housing, as well as the acquisition of the land.

The ER process is the responsibility of the Applicant and must be completed by a qualified contractor; however, the City, as the Responsible Entity, will provide oversight, mentoring and must ultimately agree with the final ER before it is submitted to HUD. When the environmental clearance work for NEPA is defined as categorically excluded not subject to 24 CFR §58.5 or exempt, the ER may be performed by Applicant staff (in lieu of a consultant).

The Applicant must pay for the cost of all work related to the ER, including the costs of hiring consultants to prepare the ER and any costs related to project mitigation determined as necessary during the review. The City may consider reimbursement of all NEPA-required work with its Affordable Housing Program funding, if it is included in the proposed project budget and the project is awarded funds. Prior to Project Completion, the applicant must provide the City with documentation verifying that all mitigation measures were undertaken and completed as described in the ER.

The Applicant for the City’s Affordable Housing Program funds (HOME and/or CDBG) must provide the information in the following “Preliminary Environmental Review” to assist the City in determining the level of ER that is required and what has been accomplished to date. The information can be provided below or in a completed environmental review.

An appropriate response is to note the Exhibit number that has the requested information or to note that the environmental is underway and who is conducting the review (for example, DOLA, the Division of Housing, or the company conducting the review).

## *Project Information*

| Project Name |  |
| --- | --- |
| Assessor's Parcel Number of Project Site. Please provide a Legal Description (Exhibit 4-1) and location map (Exhibit 4-2). | Attached as Exhibit 16 |
| Parcel Size |  |
| Has this project already received NEPA environmental clearance? If yes, attach a copy of the Environmental Review as Exhibit 4-3. If no, provide an estimated timeline to complete the review below. | \_\_\_Yes \_\_\_No Date completed \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| For projects that do not have a NEPA environmental clearance, provide an estimated timeline to complete the environmental review. |
|  |

## *Historic Preservation*

|  |  |
| --- | --- |
| Note the year that each of the existing structure(s) on the parcel was constructed. Please include buildings to be rehabilitated, converted and/or demolished as part of the project. |  |
| Are any of the structures designated or eligible for listing on the National Register of Historic Places? | \_\_\_Yes \_\_\_No \_\_\_Unknown  |
| Please indicate how existing structures are currently used (i.e., real estate office, residential apartment, etc.). |  |
| Are any of the structures considered of local historic significance? If yes, cite the source. | \_\_\_Yes \_\_\_No \_\_\_Unknown  |
| If any of the structures have been remodeled, please note when the remodeling occurred, and which portions of the building were impacted. |  |

## *Local Land Use Review*

|  |  |
| --- | --- |
| What is the General Plan designation and zoning for this parcel?(Contact the local Planning Department) |  |
| Is the project’s proposed land use consistent with the zoning designation? | \_\_\_Yes \_\_\_No If no, please explain:  |
| Please list the local permits required to approve the proposed project (e.g. site approval/conditional use permit, planned development permit, etc.). |  |
| Have the listed permit applications been initiated? Please note the status of any required permit applications. |  |

## *Environmental Compliance Checklist*

| Please describe the project site, the existing or proposed structures, and the existing land use. Submit one or more photos of the existing site as Exhibit 4-4. |  |
| --- | --- |
| Has a Phase I Site Assessment Report been completed for this project? If yes, please include a copy as Exhibit 4-5. | \_\_\_Yes \_\_\_No  |
| Has an Archaeological Phase I Survey been completed for this site? If yes, please include as Exhibit 4-6. | \_\_\_Yes \_\_\_No  |
| Is the Project located near areas where flammable, explosive, or toxic chemicals are stored or transported? If so, describe. |  |
| Please note the land uses surrounding the proposed project site. Please include photos of surrounding properties as Exhibit 4-7. |  |

| Is the project site within line-of-sight of an arterial roadway or railway? List the name of the road/railroad and the distance to the nearest proposed structure(s) on the site. |  |
| --- | --- |
| Has a Noise Study been performed? If so, please attach a copy as Exhibit 4-8. Will this project create noise sensitive uses? For instance, is this a new residential project that will house families? If so, have noise attenuation measures been incorporated into the proposed project?  |  |
| Is the project site located on existing or previously cultivated farmland? |  |
| Is the project site in either a 100-year or 500-year floodplain? If so, please describe. (Contact the local Public Works Department for the site’s flood zone designation) |  |
| Is the project located in or near a wetlands area? |  |
| Approximately how far is the project site from the nearest airport? |  |

## *Additional Questions for Rehabilitation of Existing Structures*

|  |
| --- |
| Describe any demolition, rehabilitation or conversion activities in detail. Will the existing structure(s) be demolished or expanded? Will rehabilitation impact any external elements of the building(s)? To what extent will demolition of existing building structures or elements play a role in the rehabilitation? |
|  |
| Lead Abatement: required for all projects proposing New Construction or Rehabilitation or Demolition of any Structures. Please check the appropriate box below.**\_\_\_** New Construction and/or Reconstruction– vacant site. If available, the Applicant is required to submit a Phase I Environmental Site Assessment as Exhibit 4-5. A Phase I will be required prior to Commitment of Funds. If environmental conditions are identified (including but not limited to lead in the soil), further reporting and remediation may be required.**\_\_\_** New Construction or rehabilitation/conversion proposing demolition of existing structures. If available, the Applicant is required to submit a Lead Survey Report as Exhibit 4-9. A Lead Survey Report will be required prior to commitment of funds. All lead identified in the report that will be disturbed as part of the work must be remediated by a licensed contractor per the recommendations of the Lead Survey Report. Additionally, a 3rd party contractor must monitor the abatement and provide a Clearance Report at the end of the abatement certifying that the lead was abated per the recommendations in the Lead Survey Report.**\_\_\_** Rehabilitation of existing structures and/or conversion. If available, the Applicant is required to submit a Lead Survey Report in Exhibit 4-9. A Lead Survey Report will be required prior to commitment of funds. All lead identified in the report that will be disturbed as part of the work must be remediated by a licensed contractor per the recommendations of the Lead Survey Report. Additionally, a 3rd party contractor must monitor the abatement and provide a Clearance Report at the end of the abatement certifying that the lead was abated per the recommendations in the Lead Survey Report. |
| If the project includes acquisition of existing structures, demolition of existing structures and/or rehabilitation/conversion of existing structures:Has an Asbestos Containing Materials (ACM) Report been prepared? \_\_\_ Yes \_\_\_No \_\_\_N/AHas a Mold Survey Report been prepared? \_\_\_ Yes \_\_\_No \_\_\_N/APlease include the ACM Report as Exhibit 4-10 and the Mold Survey as Exhibit 4-11. If the reports have not been prepared yet, please indicate when they will be available: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

# G. Affordable Housing Program Application Checklist

A complete application and all items listed below are required (unless otherwise noted). If an item is N/A or a required item is not included, provide a detailed explanation justifying the response. Every item must be marked “Included”, “Not Included” with an explanation or “N/A” with an explanation.

| **Exhibit #** | **Included** | **Not Included - provide explanation/ estimated date of submittal** | **N/A – provide explanation** | **Application Information/Documentation** |
| --- | --- | --- | --- | --- |
| **No Exhibit #** |  |  |  | Affordable Housing Program application with original signature – Hard copy by mail |
| **No Exhibit #** |  |  |  | Electronic Copy Application in Excel format via email provided and all Exhibits listed below provided (may take more than one attachment) |
| 1 |  |  |  | Organization experience and capacity narrative |
| 2 |  |  |  | Organization By-Laws  |
| 3 |  |  |  | Articles of Incorporation |
| 4 |  |  |  | Non-Profit Determination Letter from the Federal Internal Revenue Service |
| 5 |  |  |  | List of Board of Directors and affiliations |
| 6 |  |  |  | Evidence of Insurance –current insurance coverage |
| 7 |  |  |  | Bios/resume(s) of the lead staff members responsible for the applicant and project |
| 8 |  |  |  | Organizational Chart of Developer AND of Ownership & Organizational Documents of partners available at time of application (two charts) |
| 9 |  |  |  | Most recent audit (or if not available, financial statement and provide audit when available) |
| 10 |  |  |  | Developer operating budget |
| 11 |  |  |  | Signatory documentation indicating authority to apply for/receive grants and sign for organization |

| **Exhibit #** | **Included** | **Not Included - provide explanation/ estimated date of submittal** | **N/A – provide explanation** | **Application Information/Documentation** |
| --- | --- | --- | --- | --- |
| No Exhibit # |  |  |  | Project Team (if not supplying as part of Part 3 to the Application, including contracts to-date (for example, architect, general contractor, construction/permanent lender, property management, relocation consultant, market analyst, service provider(s), green consultant, etc.) |
| 12 |  |  |  | Site control documents |
| 13 |  |  |  | Detailed implementation schedule |
| 14 |  |  |  | Detailed project description |
| 15 |  |  |  | Architectural Plans, including site plans, elevations and floorplans (Rental Housing Project and Homeowner Activity only); City approvals, etc. |
| 16 |  |  |  | Assessor records of site |
| 17 |  |  |  | Market Study/Analysis |
| 18 |  |  |  | Project budgets and proformas |
| 19 |  |  |  | Firm financial commitment letters |
| 20 |  |  |  | Affirmative Marketing Plan |
| 21 |  |  |  | Tenant Selection Policies and Procedures, if available |
| 22 |  |  |  | Relocation Plan |
| 23 |  |  |  | Other: *please specify* |
| 24 |  |  |  | Other: *please specify* |
| 25 |  |  |  | Other: *please specify* |
| 26 |  |  |  | Other: *please specify* |
| 27 |  |  |  | Utility Allowance Schedule and explanation of how utility allowances were determined (Rental Housing Project only) |
| 28 |  |  |  | Documentation of Site and Neighborhood Standards (Rental Housing Project New Construction and Homeowner Activity New Construction only) |

| **Exhibit #** | **Included** | **Not Included - provide explanation/ estimated date of submittal** | **N/A – provide explanation** | **Application Information/Documentation** |
| --- | --- | --- | --- | --- |
| 29 |  |  |  | Replacement Reserve Analysis (preferably part of a larger Capital Needs Assessment) showing the project’s needs during the full period of affordability (Rental Housing Project proposing Rehabilitation or Conversion only) |
|  |  |  |  | Other: *please specify* |

| **Preliminary Environmental Review (all projects/programs except Down Payment Assistance)** |
| --- |
| NA |  | See assessor report |  | Legal Description |
|  |  |  |  | Project Location Map |
|  |  |  |  | Previously Completed Environmental Review(s) |
|  |  |  |  | Photo(s) of Existing Site |
|  |  |  |  | Phase I Environmental Site Assessment (New Construction and Reconstruction) |
|  |  |  |  | Archaeological Phase I Survey |
|  |  |  |  | Photo(s) of Surrounding Properties/Land Uses |
|  |  |  |  | Noise Study |
|  |  |  |  | Lead Survey Report (acquisition, conversion, acquisition rehabilitation or projects including demo) |
|  |  |  |  | Asbestos Containing Materials Report (acquisition, conversion, acquisition rehabilitation or projects including demo) |
|  |  |  |  | Mold Report (acquisition, conversion, acquisition rehabilitation) |
|  |  |  |  | Other: *please specify* |
|  |  |  |  | Other: *please specify* |
|  |  |  |  | Other: *please specify* |
|  |  |  |  | Other: *please specify* |

## H. Agency Certification

|  |
| --- |
| Agency CertificationThe undersigned agency hereby certifies as follows:a. The information contained in the Affordable Housing Program Application, all Exhibits and Checklist is complete and accurate;b. The agency has the staffing capacity and experience to comply with all HOME and CDBG Program requirements, whether directly referenced in this application or not;c. The agency agrees to comply with all federal and City policies and requirements applicable to the HOME and CDBG program;d. The federal assistance made available through the HOME program funding will not be utilized to substantially reduce prior levels of local financial support for community development activities; and,e. If HOME funds are approved in the requested amount, then to the best of your knowledge, sufficient funds will be available to complete the project as proposed.\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_(Name of Agency)\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_(Typed Name of Agency Official)\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_(Title of Agency Official)\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_(Agency Official Signature)\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_(Date of Signature)\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_(Telephone Number of Agency Official)\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_(Email address of Agency Official) |

The following certification must be completed and signed by an authorized agency representative to be further considered for HUD program funding.

#

# III. Attachments

## Attachment A: HOME Maximum Per Unit Subsidy Limits – Rental Housing

HUD sets minimum and maximum HOME funds allowable on a per-HOME-unit basis. The minimum amount of HOME funds per unit is $1,000. The maximum is set and provided annually. Currently, HOME Participating Jurisdictions are required to follow HUD’s limits under Section 234-Condominium Housing basic mortgage limits for elevator-type project. While those figures for 2020 are noted below, Participating Jurisdictions are also cautioned to contact their Field Office to obtain the limits. The below are intended to be used as guidelines only until confirmation is received by the City once a project is identified for HOME funding.

##

|  |  |
| --- | --- |
| Bedrooms | HOME Maximum Subsidy |
| 0 | $63,881 |
| 1 | $73,230 |
| 2 | $89,049 |
| **3** | $115,201 |
| **4+** | $126,454 |

HOME Maximum Per-Unit Subsidy Limits – Published on HUD.exchange June 2020.

**Attachment B: Determining Income**

For reference, the Code of Federal Regulations regarding income determination in the HOME program on is cited below (November 23, 2020).

Notes follow the federal regulation with regard to City policies.

## 24 CFR 92.203   HOME Income determinations.

(a) The HOME program has income targeting requirements for the HOME program and for HOME projects. Therefore, the participating jurisdiction must determine each family is income eligible by determining the family's annual income.

(1) For families who are tenants in HOME-assisted housing and not receiving HOME tenant-based rental assistance, the participating jurisdiction must initially determine annual income using the method in paragraph (a)(1)(i) of this section. For subsequent income determinations during the period of affordability, the participating jurisdiction may use any one of the following methods in accordance with §92.252(h):

(i) Examine at least 2 months of source documents evidencing annual income (e.g., wage statement, interest statement, unemployment compensation statement) for the family.

(ii) Obtain from the family a written statement of the amount of the family's annual income and family size, along with a certification that the information is complete and accurate. The certification must state that the family will provide source documents upon request.

(iii) Obtain a written statement from the administrator of a government program under which the family receives benefits and which examines each year the annual income of the family. The statement must indicate the tenant's family size and state the amount of the family's annual income; or alternatively, the statement must indicate the current dollar limit for very low- or low-income families for the family size of the tenant and state that the tenant's annual income does not exceed this limit.

(2) For all other families (i.e., homeowners receiving rehabilitation assistance, homebuyers, and recipients of HOME tenant-based rental assistance), the participating jurisdiction must determine annual income by examining at least 2 months of source documents evidencing annual income (e.g., wage statement, interest statement, unemployment compensation statement) for the family.

(b) When determining whether a family is income eligible, the participating jurisdiction must use one of the following two definitions of “annual income”:

(1) Annual income as defined at 24 CFR 5.609 (except when determining the income of a homeowner for an owner-occupied rehabilitation project, the value of the homeowner's principal residence may be excluded from the calculation of Net Family Assets, as defined in 24 CFR 5.603); or

(2) Adjusted gross income as defined for purposes of reporting under Internal Revenue Service Form 1040 series for individual Federal annual income tax purposes.

(c) Although the participating jurisdiction may use either of the definitions of “annual income” permitted in paragraph (b) of this section to calculate adjusted income, it must apply exclusions from income established at 24 CFR 5.611. The HOME rents for very low-income families established under §92.252(b)(2) are based on adjusted income. In addition, the participating jurisdiction may base the amount of tenant-based rental assistance on the adjusted income of the family. The participating jurisdiction may use only one definition for each HOME-assisted program (e.g., down payment assistance program) that it administers and for each rental housing project.

(d)(1) The participating jurisdiction must calculate the annual income of the family by projecting the prevailing rate of income of the family at the time the participating jurisdiction determines that the family is income eligible. Annual income shall include income from all persons in the household. Income or asset enhancement derived from the HOME-assisted project shall not be considered in calculating annual income.

(2) The participating jurisdiction is not required to re-examine the family's income at the time the HOME assistance is provided, unless more than six months has elapsed since the participating jurisdiction determined that the family qualified as income eligible.

(3) The participating jurisdiction must follow the requirements in §5.617 when making subsequent income determinations of persons with disabilities who are tenants in HOME-assisted rental housing or who receive tenant-based rental assistance.

**City Policies with regard to Income Determination**

**Use of the Part 5 Method to Determine Income**

When determining whether a family (household) is income eligible, the City will use (require use of) the definition of income as defined in 24 CFR 5.609 (known as the Part 5 method). The Part 5 definition of annual income is the gross amount of income of all adult household members that is anticipated to be received during the coming 12-month period. This definition sounds straightforward, but there are several specific issues related to the calculation of Part 5 annual income.

The regulation is cited below, for reference. For further assistance, HUD provides a “Technical Guide for Determining Income and Allowances for the HOME Program” which can be found online. Entities receiving HOME or CDBG funds from the City are highly encouraged to read the HOME income regulations, the Part 5 regulation, and the Technical Guide.

## 24 CFR 5.609   Annual income.

(a) *Annual income* means all amounts, monetary or not, which:

(1) Go to, or on behalf of, the family head or spouse (even if temporarily absent) or to any other family member; or

(2) Are anticipated to be received from a source outside the family during the 12-month period following admission or annual reexamination effective date; and

(3) Which are not specifically excluded in paragraph (c) of this section.

(4) Annual income also means amounts derived (during the 12-month period) from assets to which any member of the family has access.

(b) Annual income includes, but is not limited to:

(1) The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services;

(2) The net income from the operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from the operation of a business or profession will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the family;

(3) Interest, dividends, and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation is permitted only as authorized in paragraph (b)(2) of this section. Any withdrawal of cash or assets from an investment will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested by the family. Where the family has net family assets in excess of $5,000, annual income shall include the greater of the actual income derived from all net family assets or a percentage of the value of such assets based on the current passbook savings rate, as determined by HUD;

(4) The full amount of periodic amounts received from Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts, including a lump-sum amount or prospective monthly amounts for the delayed start of a periodic amount (except as provided in paragraph (c)(14) of this section);

(5) Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation and severance pay (except as provided in paragraph (c)(3) of this section);

(6) *Welfare assistance payments.* (i) Welfare assistance payments made under the Temporary Assistance for Needy Families (TANF) program are included in annual income only to the extent such payments:

(A) Qualify as assistance under the TANF program definition at 45 CFR 260.31; and

(B) Are not otherwise excluded under paragraph (c) of this section.

(ii) If the welfare assistance payment includes an amount specifically designated for shelter and utilities that is subject to adjustment by the welfare assistance agency in accordance with the actual cost of shelter and utilities, the amount of welfare assistance income to be included as income shall consist of:

(A) The amount of the allowance or grant exclusive of the amount specifically designated for shelter or utilities; plus

(B) The maximum amount that the welfare assistance agency could in fact allow the family for shelter and utilities. If the family's welfare assistance is ratably reduced from the standard of need by applying a percentage, the amount calculated under this paragraph shall be the amount resulting from one application of the percentage.

(7) Periodic and determinable allowances, such as alimony and child support payments, and regular contributions or gifts received from organizations or from persons not residing in the dwelling;

(8) All regular pay, special pay and allowances of a member of the Armed Forces (except as provided in paragraph (c)(7) of this section).

(9) For section 8 programs only and as provided in 24 CFR 5.612, any financial assistance, in excess of amounts received for tuition and any other required fees and charges, that an individual receives under the Higher Education Act of 1965 (20 U.S.C. 1001 *et seq.*), from private sources, or from an institution of higher education (as defined under the Higher Education Act of 1965 (20 U.S.C. 1002)), shall be considered income to that individual, except that financial assistance described in this paragraph is not considered annual income for persons over the age of 23 with dependent children. For purposes of this paragraph, “financial assistance” does not include loan proceeds for the purpose of determining income.

(c) Annual income does not include the following:

(1) Income from employment of children (including foster children) under the age of 18 years;

(2) Payments received for the care of foster children or foster adults (usually persons with disabilities, unrelated to the tenant family, who are unable to live alone);

(3) Lump-sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains and settlement for personal or property losses (except as provided in paragraph (b)(5) of this section);

(4) Amounts received by the family that are specifically for, or in reimbursement of, the cost of medical expenses for any family member;

(5) Income of a live-in aide, as defined in §5.403;

(6) Subject to paragraph (b)(9) of this section, the full amount of student financial assistance paid directly to the student or to the educational institution;

(7) The special pay to a family member serving in the Armed Forces who is exposed to hostile fire;

(8)(i) Amounts received under training programs funded by HUD;

(ii) Amounts received by a person with a disability that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS);

(iii) Amounts received by a participant in other publicly assisted programs which are specifically for or in reimbursement of out-of-pocket expenses incurred (special equipment, clothing, transportation, child care, etc.) and which are made solely to allow participation in a specific program;

(iv) Amounts received under a resident service stipend. A resident service stipend is a modest amount (not to exceed $200 per month) received by a resident for performing a service for the PHA or owner, on a part-time basis, that enhances the quality of life in the development. Such services may include, but are not limited to, fire patrol, hall monitoring, lawn maintenance, resident initiatives coordination, and serving as a member of the PHA's governing board. No resident may receive more than one such stipend during the same period of time;

(v) Incremental earnings and benefits resulting to any family member from participation in qualifying State or local employment training programs (including training programs not affiliated with a local government) and training of a family member as resident management staff. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives, and are excluded only for the period during which the family member participates in the employment training program;

(9) Temporary, nonrecurring or sporadic income (including gifts);

(10) Reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era;

(11) Earnings in excess of $480 for each full-time student 18 years old or older (excluding the head of household and spouse);

(12) Adoption assistance payments in excess of $480 per adopted child;

(13) [Reserved]

(14) Deferred periodic amounts from supplemental security income and Social Security benefits that are received in a lump sum amount or in prospective monthly amounts, or any deferred Department of Veterans Affairs disability benefits that are received in a lump sum amount or in prospective monthly amounts.

(15) Amounts received by the family in the form of refunds or rebates under State or local law for property taxes paid on the dwelling unit;

(16) Amounts paid by a State agency to a family with a member who has a developmental disability and is living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home; or

(17) Amounts specifically excluded by any other Federal statute from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under any program to which the exclusions set forth in 24 CFR 5.609(c) apply. A notice will be published in the Federal Register and distributed to PHAs and housing owners identifying the benefits that qualify for this exclusion. Updates will be published and distributed when necessary.

(d) *Annualization of income.* If it is not feasible to anticipate a level of income over a 12-month period (*e.g.,* seasonal or cyclic income), or the PHA believes that past income is the best available indicator of expected future income, the PHA may annualize the income anticipated for a shorter period, subject to a redetermination at the end of the shorter period.

1. For tenants of HOME-assisted for-rent units at lease up of units – two months of income source documentation is required.
2. For homeownership activities at sale – three months of income source documentation is required.
3. For tenants of HOME-assisted for-rent units – subsequent income determinations – owner or property manager shall require a written statement of the amount of the family’s annual income and family size along with a certification that the information is compete and accurate and that the family will provide source documentations on request.
4. Per the HOME regulation above, income must be adjusted in accordance with 24 CFR 5.611 (Adjusted Income). The regulation is cited below, for reference.
5. Income documentations are good for six months. If the household has not been put into a unit or a house has not sold within six months, income documentation must be redone prior to tenancy or ownership of a unit with the City’s Affordable Housing Program funds (HOME and/or CDBG).

## 24 CFR 5.611   Adjusted income.

Adjusted income means annual income (as determined by the responsible entity, defined in §5.100 and §5.603) of the members of the family residing or intending to reside in the dwelling unit, after making the following deductions:

(a) *Mandatory deductions.* In determining adjusted income, the responsible entity must deduct the following amounts from annual income:

(1) $480 for each dependent;

(2) $400 for any elderly family or disabled family;

(3) The sum of the following, to the extent the sum exceeds three percent of annual income:

(i) Unreimbursed medical expenses of any elderly family or disabled family; and

(ii) Unreimbursed reasonable attendant care and auxiliary apparatus expenses for each member of the family who is a person with disabilities, to the extent necessary to enable any member of the family (including the member who is a person with disabilities) to be employed. This deduction may not exceed the earned income received by family members who are 18 years of age or older and who are able to work because of such attendant care or auxiliary apparatus; and

(4) Any reasonable child care expenses necessary to enable a member of the family to be employed or to further his or her education.

(b) *Additional deductions.* (1) For public housing, a PHA may adopt additional deductions from annual income. The PHA must establish a written policy for such deductions.

(2) For the HUD programs listed in §5.601(d), the responsible entity shall calculate such other deductions as required and permitted by the applicable program regulations.

It is important to note that income documentation cannot be older than six months from when HOME funds are committed. Once an initial income verification is completed, it is not required to re-examine the applicant’s income unless six months has elapsed before assistance is provided.

##

## Attachment C: HOME Market Study Requirements

## Market Demand: A Market Demand Analysis is required. The City will work with the applicant on the completion of the market analysis, but applicant must provide the information noted below. Sources should be cited for all data presented. If the applicant chooses, they may enlist the services of an outside source to assist with providing the information needed.

## Attach the Market Demand Analysis as a separate document.

1. Date information was obtained and citation of sources.
2. Primary area to which the units will be marketed; why the development is expected to draw a majority of its prospective buyers from the defined area; a demographic report for the market area; a map of the market area, noting the site of the proposed development; and other information applicant may deem important under the market area topic. If the market area is expansive, explain and document how the project will draw residents from the entire area.
3. Comparable units. Identify comparable units within the market area. Include information on total housing available in the market area; how much of the available housing is affordable; how quickly comparable units are sold; etc. Provide an analysis that shows the absorption rates for comparable projects recently entering the market. Identify the number of units currently under construction or planned concurrently, which might affect the project's potential market. Include number of recently issued building permits (or applications) for comparable units.
4. Demand. Evaluate the need for the proposed housing as a whole. Provide population figures for the target income population. Talk to a real estate professional who can speak with authority as to the need for the unit type.
5. Target population. Identify the target population, including income ranges, family make-up, special needs populations to be targeted, etc. Provide an analysis that shows that the proposed sales price, with identified subsidies, will be affordable to the target population.
6. Waiting lists. Describe wait list for the proposed units: # of qualified applicants; # of inquiries during last six months; number of approved applicants; etc. Detail that there is a pool sufficient to support unit sales. Distinguish between households that are pre-qualified or likely to qualify for a mortgage and those that are on an "interest list".
7. Supply. Note the number of housing units currently available for sale at the sales price projected for the proposed units. What are the current days-on-market for this housing type/price?

##

## Attachment D: Summary of HOME Program Requirements

Responsibilities Pursuant to Section 3

## Each award recipient (and their covered contractors, subcontractors, or subrecipients) is required to comply with the requirements of Section 3 for *new* employment, training, or contracting opportunities resulting from the expenditure of covered funding. Applicants must submit a plan outlining the methods to be used to comply with Section 3 responsibilities.

**Affirmative Marketing Policies**

According to Title 24 CFR 92.351, each HOME-funded program must adhere to the federal affirmative marketing requirements. Affirmative marketing steps consist of actions to provide information and otherwise attract eligible persons in the housing market area to the available housing without regard to race, color, national origin, sex, religion, familial status, or disability. Applicants must also submit Affirmative Marketing policies in support of federal compliance.

**Davis Bacon and Related Acts**

Every contract for the construction (rehabilitation or new construction) of housing that includes 12 or more units assisted with HOME funds must contain a provision requiring the payment of not less than the wages prevailing in the locality, as predetermined by the Secretary of Labor pursuant to the Davis-Bacon Act, to all laborers and mechanics employed in the development of any part of the housing. Such contracts must also be subject to the overtime provisions, as applicable, of the Contract Work Hours and Safety Standards Act.

[**Uniform Relocation Act Requirements**](http://www.ecfr.gov/cgi-bin/text-idx?SID=11fccbccf754b410100dd978cdf771d0&amp;mc=true&amp;node=pt24.3.570&amp;rgn=div5&amp;se24.3.570_1608) **–** As applicable, provide a statement on how the project shall adhere to URA requirements, and attach a timeline specifically related to URA.