

**City of Erie
Department of Economic &
Community Development**

**FY2012 HOME
Application Instructions**

This packet contains application instructions. Do not return this material with the application.

**Application Deadline
For July 1, 2012 Funding Round:**

4:00 p.m. January 31, 2012

Applications received or post marked after the application deadline will not be considered for the current funding round.

Submit application to:
City of Erie
Department of Economic & Community Development
Attention: Debra Smith
626 State Street, Room 404
Erie, PA 16501
(814) 870-1274/870-1271

City of Erie
Department of Economic & Community Development (DECD)
HOME Application Process

The Consolidated Plan

The Consolidated Plan (CP) is developed every five years by the City of Erie, an entitlement community, and must be approved by the Housing and Urban Development (HUD) regional office. Through a collaborative planning process, involving a broad spectrum of public and private agencies, the City developed the FY2012 CP to strategically implement federal programs such as the Community Development Block Grant (CDBG) Program, Emergency Shelter Grant (ESG) Program, and the HOME Investment Partnership (HOME) Program.

The Annual Plan

Each year, the City develops an Action Plan (AP) that must be consistent with the strategies and objectives listed in the City's CP. The AP includes the objectives of all projects receiving CDBG, ESG, and HOME funding. Applications for these grants are accepted on a yearly basis. A copy of the AP may be found at the following locations:

City of Erie	626 State Street
Martin Luther King Center	312 Chestnut Street
Booker T. Washington Center	1720 Holland Street
John F. Kennedy Center	2021 East 20 th Street
Blasco Library	160 East Front Street

Citizen Input

To encourage citizen input of the Consolidated and the Annual Plan, the City will conduct a needs public hearing. The purpose of this hearing is to allow citizens to review, comment and make Consolidated and Annual Plan recommendations. The date of the hearing is listed below:

Tuesday, March 6, 2012	City Hall
10:00 AM – 12:00 PM	City Council Chambers
	626 State Street
	Erie, PA 16501

Activity Eligibility

The City of Erie funds the following HOME program categories:

- Homebuyer Program
- Homeowner Rehabilitation
- Rental Rehabilitation
- New Construction

Determining whether proposed projects are eligible involves these considerations:

- Proposed project must be an objective of the Consolidated Plan.
- Proposed project must meet all requirements of the HOME program.
- Projects are reviewed for eligibility and referred to the DECD Director and Mayor for review.
- City Council has final approval for all funding allocation recommendations.

An affordability period is imposed on all HOME-assisted properties which require that homeowners remain in the property for that period and landlords rent to low income tenants for that period. The affordability periods are as follows:

<u>Activity</u>	<u>Average Per-unit HOME \$</u>	<u>Minimum Affordability Period</u>
Rental New Construction Projects	Any \$ Amount	20 years
All other Projects	Less than \$15,000 /unit	5 years
	\$15,000-\$40,000/unit	10 years
	More than \$40,000	15 years

For additional information regarding HOME requirements, you may review HOME regulations at www.hud.gov/offices/cpd/affordablehousing/lawsandregs/index.cfm.

Once awarded, agencies must comply with all applicable federal regulations and city requirements including: Affirmative Action, Equal Opportunity, procurement, income guidelines, project location, Davis Bacon and Related Acts requirements. Agencies must have a demonstrated capacity to administer all proposed HOME activities.

DECD will evaluate and assess the stability, experience, fiscal capability and the feasibility of the proposed HOME activities. Applications will only be considered for projects and activities that are to be carried out within the City of Erie. Priority areas, time lines of start ups, level of collaboration with other agencies, extent of leveraging, and ability to meet stated goals will be strongly considered.

Fifteen percent of the City's annual HOME allocation must be set aside for Community Housing Development Organization (CHDO) activities. A CHDO is a private non-profit organization that has obtained or intends to obtain staff capable of developing affordable housing. A nonprofit agency must meet extensive requirements to qualify as a CHDO.

Application Rating

Applicants will be rated in the following areas:

1. Benefit to Low- and Moderate-income persons
2. Program Description
3. Linkages (collaborations, partnerships)
4. Cost reasonableness and effectiveness
5. Agency/Management History

City of Erie
Department of Economic and Community Development (DECD)
HOME Application Instructions

Please return **two** copies of all four pages of the application and **two** copies of the applicable attachments to the following address:

City of Erie
Department of Economic & Community Development
Attention: Grant Administrator
626 State Street, Room 404
Erie, PA 16501

Information should be submitted in the order that it is outlined. Failure to comply with application procedures may result in the rejection of the application.

INCOMPLETE APPLICATIONS WILL NOT BE CONSIDERED.

Agencies submitting more than one application at the same time need not submit duplicate information. The Agency Profile, Agency History, Budget, and Financial Information Sections may contain the same information for multiple projects. When applicable, merely note: Provided in a previous application and name the application.

Please review the following line-by-line instructions. Should you have questions you may contact the Office of Economic and Community Development (DECD) at (814) 870-1271 or 870-1274.

State the current date.

State the amount you are requesting.

Mark an X on the appropriate category.

A. ORGANIZATION

List all agency information requested.

Fiscal Year Beginning Date: Generally, July 1 and the year in which you are applying.

Eligibility: If your agency is a non-profit, you must provide your 501(c) designation and a list of your Board of Directors. If your agency is neither a 501(c) nor a for-profit, list your classification beside Other.

Short Program Description: List a short description of your project. Do not include extra pages. A more extensive description is required in Part D.

B. AGENCY PROFILE

1.) Self Explanatory (S/E)

2.) Attach the information listed in the order in which it is requested. You need only provide one audit if you received HOME or CDBG funding last year.

3.) Outline your service area on the map provided. The service area should include all census tracts your project will serve. Areas should be designated by census tracts rather than block groups for HOME projects.

4.) If your agency is a CHDO, please attach a copy of the letter from the City of Erie designating your agency as a CHDO. An agency's CHDO status must be certified

annually. If you do not have a current certification, you must request, complete and submit the City's CHDO Certification/Recertification Application with this submission.

- 5.) Answer yes or no to the question does your agency personnel policy manual have an affirmative marketing plan and grievance procedures. Each agency receiving HOME funds must contain these items.

C. PROJECT OBJECTIVES

- 1.) S/E
- 2.) S/E
- 3.) Select only **one** of the following three HUD objectives:*
 - Suitable Living Environments: Activities that benefit communities, families, or individuals by addressing issues in their living environment.
 - Decent Affordable Housing: Housing activities that meet individual family or community needs. This objective should not be used for activities where housing is an element of a larger effort.
 - Creating Economic Opportunities: Activities related to economic development, commercial revitalization, and job creation.
- 4.) Select only **one** of the following three HUD outcomes:*
 - Availability/Accessibility: Activities that make services, infrastructure, housing, and shelter available and accessible. Note that accessibility does not refer only to physical barriers.
 - Affordability: Activities that provide affordability in a variety of ways. It can include the creation or maintenance of affordable housing, basic infrastructure hookups, or services such as transportation or daycare.
 - Sustainability: Activities that promote livable or viable communities and neighborhoods by providing services or by removing slums or blighted areas.

*Attached is the Outcome/Objective Guidance Matrix. Please select the Outcome and Objective for your category (PS, PF, H, ED) that best describes your project. (Summer Recreation is PS – Public Service).

- 5.) Indicate the City's Consolidated Plan Strategy that your project will address:
- Housing opportunities for low-to-moderate (L/M) income **homebuyers**.
Includes projects that involve the purchase of a home.
 - Housing **rehabilitation** for L/M single-family, owner-occupied households.
Includes rehabilitation projects for homeowners.
 - Housing rehabilitation for L/M and/or special needs **tenant** households.
Includes projects that address rental rehabilitation.
 - Facilities for **homeless** and/or **special needs** population.
Includes projects that provide rehabilitation to homeless or special needs facilities.
 - Projects preserving/expanding supply of affordable housing through **acquisition**/rehabilitation.
Includes projects involving acquisition in conjunction with rehabilitation.
 - Projects expanding the supply of affordable housing through **new construction**.
 - Projects preserving/expanding the supply of affordable housing by providing homebuyers with **down payment assistance**.
- 6.) Highlight or circle the client income levels that your program will serve.

D. PROJECT DESCRIPTION

The following information must be provided on two typewritten pages or less:

- 1.) S/E

- 2.) Attach how you will measure your accomplishments and the way in which you will record them. HOME activities typically report the information on a Homeowner Rehabilitation or Homebuyer Set Up and Completion Form. (See attached forms. If you are using www.erie.pa.us for these instructions, select Forms and the appropriate Set Up and Completion Form.)
- 3.) Attach a list of all other funding sources for your project including the agency and contribution amount. In addition, explain how your organization will fund the project if you do not receive HOME funds.
- 4.) Identify the number of units your organization will serve such as households. Also estimate a cost per unit. (Cost per unit = Home funds divided by units.) If your project includes other funding sources also provide an overall cost per unit. (Total funds divided by units.)
- 5.) Attach a time line indicating start date, expected completion date, and the earliest HOME funds will be expended. If you foresee any delays, mention them here.

E. AGENCY HISTORY

The following information must be provided on no more than one typewritten page:

- 1.) S/E
- 2.) S/E
- 3.) S/E
- 4.) S/E
- 5.) List the goals stated in your contract for projects you listed in #3 above. For example, if your contract stated you would complete the rehabilitation of 4 homes, state how many homes you rehabilitated and how many are underway such as: 2 homes completed, one home under construction and completed specifications for 4th home.
- 6.) List the reasons you did not meet your goals for the projects stated in #4.

- F. BUDGET** - Complete the Agency Budget, Program Budget and Personnel Characteristic forms. The Agency Budget should reflect your Overall Agency Budget in its entirety. The Personnel Characteristics Sheet should include your entire agency's employees. The Budget must be signed by the President of the Board of Directors (or the Chairman of the Board) and the executive director. You will be required to complete additional forms if you are awarded assistance.

G. FINANCIAL INFORMATION

Provide the following information on no more than two pages for the first three items:

- 1.) S/E
- 2.) S/E
- 3.) S/E
- 4.) Provide your entire Sources and Uses Statement for your project.

H. SITE ANALYSIS AND EVALUATION CRITERIA

(1) **Size, exposure and contour of site**

- a. *Describe size and location of parcel(s):*
- b. *Describe zoning/land use rules, determinations or exceptions affecting the site:*
- c. *Describe site's access to streets, utilities and other infrastructure:*

(2) **Facilitating and furthering compliance**

- a. *Will the owner/developer adequately inform the public, owners and potential tenants about fair housing laws and the grantee's policies; what the owners and/or grantee will do to affirmatively market the housing; and what the owners and/or grantee will do to inform persons not likely to apply for housing without special outreach?*
- b. *Will records be maintained to document actions taken to affirmatively market the units? Describe how efforts will be assessed and what corrective actions will be taken if requirements are not met.*
- c. *Would the proposed project site's location present any potential inconsistencies with the City's commitment to administer housing programs compliant with title VI of the Civil Rights Act of 1964, the Fair Housing Act, Executive Order 11063 and HUD regulations?*

(3) **Promoting racial and ethnic minority desegregation (new rental construction only)**

- a. *Provide Census data to describe the racial and ethnic composition of the census tract in which the proposed project site is located, along with the City in general. Hispanic ethnicity is counted independently of race.*

<u>Race/Ethnicity</u>	<u>Total Population</u>	<u>Percentage of Population</u>
White		
Black		
Other		
Two or more races		
Hispanic		

The racial / ethnic composition of the City of Erie as a whole is as follows, according to the 2009 American Community Survey:

<u>Race/Ethnicity</u>	<u>Total Population</u>	<u>Percentage of Population</u>
White	83,261	80.4%
Black	14,091	13.6%
Other	3,264	3.2%
Two or more races	2,957	2.9%
Hispanic	6,109	5.9%

- b. *Does the census tract that includes the project site have a lower minority concentration than the City as a whole? Will the proposed project cause any significant increase in the proportion of minority to non-minority residents in the area?*
- c. *If the proposed site is located in an area of minority concentration, provide an explanation that justifies it as an exception per section (3)(ii) of the standards.*

(4) Expanding choice of housing opportunities

- a. *Provide HUD LMI data to compare the concentration of low/moderate-income households in the proposed project site census tract to the City's overall rate of LMI persons.*

Census tract % LMI:

Citywide % LMI:

- b. *Will the project concentrate lower-income households in an area already consisting of a high proportion of lower-income households? If so, describe how the project fits into the City's broader long-term plan to achieve an appropriate balance of housing choices within and outside areas of lower-income concentration.*
- c. *How will the proposed site broaden the choice of housing opportunities available to City residents?*

(5) Neighborhood quality of life (new rental construction only)

- a. *Is the proposed project site located in an area where substandard dwellings or other undesirable living conditions predominate? If so, is a concerted effort to remedy these conditions already underway?*

(6) Access to amenities

- a. *Describe the location of the proposed site in regard to its reasonable proximity to social, recreational, educational, commercial, and health facilities and services and other municipal facilities and services.*

(7) Transportation to work (does not apply to new construction of rental units for the elderly)

- a. *Is the proposed site within walking distance of existing public transit routes? If so, please provide evidence or map showing site location and nearest public transit route.*

(8) See Attachment A for Site and Neighborhood Standards Review.

**OUTCOME/OBJECTIVES
GUIDANCE MATRIX**

Outcomes→ Objectives↓	Available/Accessibility	Affordability	Sustainability
Suitable Living	<p>PS – Access to Suitable living environment (ex., address crime in targeted neighborhood)</p> <p>PF – Access to suitable living (ex., curbcuts)</p> <p>ESG Programs</p>	<p>PS – Support housing opportunities</p> <p>PF – Support housing opportunities (ex., water treatment plant)</p>	<p>H – Address problem properties in a neighborhood</p> <p>PS – Improve communities or neighborhoods (ex., community policing)</p> <p>PF – Sustain suitable living (ex., infrastructure)</p> <p>H – Home – New construction in a targeted area</p>
Decent Housing	<p>H – Improve quality Rehab, Emergency Rehab</p> <p>ED – Increases accessibility (ex., assist a grocery store in L/M area)</p> <p>PF – Make decent housing available to L/M (ex., transitional/group/nursing homes)</p>	<p>H – Down payment assistance construction/rehab, homebuyer rental</p> <p>PS – Services to make housing affordable (ex., energy program)</p> <p>PF – Make housing affordable (public improvements for LM housing development)</p>	<p>H – Neighborhood revitalization effort</p> <p>PS – Sustain housing in neighborhoods (ex., existing homeowners)</p> <p>PF – Sustain housing for L/M HH (ex., L/M apartments with affordable rents)</p>
Economic Development	<p>H – Live near work programs</p> <p>ED – Job creation</p> <p>PS – Services provide access to economic opportunities (ex., operating costs of job training/transportation)</p> <p>PF – Make economic opportunities available to L/M persons (ex., rebuild public road for plant expansion and job creation)</p>	<p>ED – Make capital affordable for business (micro-enterprise loans)</p> <p>PS – Support economic opportunities (ex., free job training program)</p>	<p>H – “Live Near Work” programs in target areas</p> <p>ED – Sustaining a business (ex., commercial façade)</p> <p>PS – Sustains economic opportunities (ex., child care program)</p>

PS – Public Services

PF – Public Facility

H – Housing

ED – Economic Development

Other – Choose the most appropriate Outcome/Objective for your project

ATTACHMENT A

Site and Neighborhood Standards Review for HOME Assisted Rental Projects

In accordance with the regulatory requirements of 24 CFR 92.202, the City of Erie is committed to conducting its HOME Program in a manner that affirmatively furthers fair housing. For activities involving HOME-assisted rental construction or rehabilitation, the City will evaluate each proposed site to ensure that it meets the site and neighborhood standards at 24 CFR 983.6, as follows:

- (1) The site must be adequate in size, exposure, and contour to accommodate the number and type of units proposed, and adequate utilities (water, sewer, gas, and electricity) and streets must be available to service the site.
- (2) The site and neighborhood must be suitable from the standpoint of facilitating and furthering full compliance with the applicable provisions of title VI of the Civil Rights Act of 1964, the Fair Housing Act, Executive Order 11063, and implementing HUD regulations.
- (3) For new construction units:
 - (i) The site must not be located in an area of minority concentration, except as permitted under paragraph (3)(ii) of this section, and must not be located in a racially mixed area if the project will cause a significant increase in the proportion of minority to non-minority residents in the area;
 - (ii) A project may be located in an area of minority concentration only if:
 - (A) Sufficient, comparable opportunities exist for housing for minority families, in the income range to be served by the proposed project, outside areas of minority concentration (see paragraph (3)(iii) of this section for further guidance on this criterion); or
 - (B) The project is necessary to meet overriding housing needs that cannot be met in that housing market area (see paragraph (3)(iv) of this section for further guidance on this criterion).
 - (iii)
 - (A) “Sufficient” does not require that in every locality there be an equal number of assisted units within and outside of areas of minority concentration. Rather, application of this standard should produce a reasonable distribution of assisted units each year that, over a period of several years, will approach an appropriate balance of housing choices within and outside areas of minority concentration. An appropriate balance in any jurisdiction must be determined in light of local conditions affecting the range of housing choices available for low-income minority families and in relation to the racial mix of the locality’s population.
 - (B) Units may be considered “comparable opportunities” if they have the same household type (elderly, disabled, family, large family) and tenure type (owner/renter); require approximately the same tenant

contribution towards rent; serve the same income group; are located in the same housing market; and are in standard condition.

- (C) Application of this sufficient, comparable opportunities standard involves assessing the overall impact of HUD-assisted housing on the availability of housing choices for low-income minority families in and outside areas of minority concentration, and must take into account the extent to which the following factors are present, along with other factors relevant to housing choice:
 - (1) A significant number of assisted housing units are available outside areas of minority concentration.
 - (2) There is significant integration of assisted housing projects constructed or rehabilitated in the past 10 years, relative to the racial mix of the eligible population.
 - (3) There are racially integrated neighborhoods in the locality.
 - (4) Programs are operated by the locality to assist minority families that wish to find housing outside areas of minority concentration.
 - (5) Minority families have benefited from local activities (e.g., acquisition and write-down of sites, tax relief programs for homeowners, acquisitions of units for use as assisted housing units) undertaken to expand choice for minority families outside of areas of minority concentration.
 - (6) A significant proportion of minority households has been successful in finding units in non-minority areas under the Section 8 certificate and voucher programs.
 - (7) Comparable housing opportunities have been made available outside areas of minority concentration through other programs.
- (iv) The “overriding housing needs” criterion permits the approval of minority-concentrated sites that are an integral part of an overall local strategy for the preservation or restoration of the immediate neighborhood. Additionally, it permits the approval of minority-concentrated sites in a neighborhood experiencing significant private investment that is demonstrably changing the economic character of the area (i.e. a “revitalizing area”). However, if the only reason an “overriding housing need” cannot be met is that unlawful discrimination renders non-concentrated sites unavailable, or if the jurisdiction has used this standard in recent years in a way that has had the effect of circumventing its obligation to provide housing choice, then the “overriding housing needs” criterion cannot be used as the basis for determining that a site is acceptable.
- (4) The site must promote greater choice of housing opportunities and avoid undue concentration of assisted persons in areas containing a high proportion of low-income persons.
- (5) New construction units must be located in a neighborhood which is not seriously detrimental to family life or in which substandard dwellings or other undesirable conditions predominate, unless there is actively in progress a concerted program to remedy the undesirable conditions.
- (6) The housing must be accessible to social, recreational, educational, commercial, and health facilities and services, and other municipal facilities and services that are at least

equivalent to those typically found in neighborhoods consisting largely of unassisted, standard housing of similar market rents.

- (7) Except for new construction of housing designed for elderly persons, travel time and cost via public transportation or private automobile, from the neighborhood to places of employment providing a range of jobs for low-income workers, must not be excessive.