

NEW CASTLE COUNTY

HOME PROGRAM, AFFORDABLE HOUSING FUND, NCC HOUSING TRUST FUND

Overview



FEEDBACK – PUBLIC LISTENING SESSIONS

- Encourage flexibility and simplified process
- Maximize the funding to create more deeply affordable housing units
- Not just new creation, but preservation of existing units
- Concerns over building affordable housing in areas where infrastructure cannot handle the influx of people (impediment to fair housing)
- Key opportunity areas like Townsend should be a focus including vacant homes in these areas
- Unincorporated NCC - though ARPA funding was received many small communities received small amounts & still lack affordable housing

FUNDING AVAILABLE

Funding Source	Estimate Available
HOME Investment Partnerships Program (U.S. Department of Housing and Urban Development)	\$1.8 million
Affordable Housing Fund (U.S. Treasury and New Castle County)	\$30 million (available currently \$22.5 million with anticipated \$7.5 million in June 2022)
NCC Housing Trust Fund (New Castle County funding)	\$800,000



FUNDING AVAILABLE

- One application
- Complete application and additional HOME sheets
- First round deadline: February 24, 2022
- Committee review will determine funding stream
- Potential follow-up information
- Technical assistance available



HOME PROGRAM STATUTORY AND REGULATORY BACKGROUND

The HOME Investment Partnership Act (Title II of the Cranston-Gonzalez National Affordable Housing Act) was signed into law November 28, 1990 and created the HOME Investment Partnership Program that provides fund to expand the supply of affordable housing for very low-income and low-income persons. Interim regulation for the HOME Investment Partnership Program were first published on December 16, 1991 (56 FR 65313) and are codified at **24 CFR Part 92**.



HOME PROGRAM OBJECTIVES

- Provide decent affordable housing to lower-income households
- Expand the capacity of non-profit housing providers
- Strengthen the ability of state and local government to provide housing
- Leverage private-sector participation
- Projects located outside of the City of Wilmington



AFFORDABLE HOUSING FUND (AHF) & NCC HOUSING TRUST FUND (HTF) OBJECTIVES

- Funds can be reserved for the acquisition, preservation and creation of affordable housing
- Emphasis on populations below 60% of Area Median Income (AMI)
- People experiencing homelessness and/or chronically homeless
- Emphasis on unincorporated NCC
- Funding is through the American Recovery Act Program, unrestricted NCC funding from the NCC Housing Trust Fund



HOME PROGRAM ELIGIBILITY

- **Family** – the HOME program is design to assist those families at or below 80% of Area Median Income (AMI)
- **Senior Housing** – the HOME program provides funding to assist the elderly affordable housing
- **Special Needs Population** – the HOME Program also assist those individuals who have physical and mental disabilities with affordable housing



AFFORDABLE HOUSING FUND (AHF) & NCC HOUSING TRUST FUND (HTF) ELIGIBLE POPULATIONS

- Households at or below **60%** of Area Median Income (AMI)
- Households experiencing homelessness or defined as chronically homeless



HOME PROGRAM, AFH & NCC TRUST FUND ACTIVITIES

- **Homeowner rehabilitation:** Funds may be used to assist existing owner-occupants with the repair, rehabilitation or reconstruction of their homes.
- **Homebuyer activities:** Finance the acquisition and/or rehabilitation or new construction of homes for homebuyers.



HOME PROGRAM, AFH & NCC TRUST FUND ACTIVITIES

- **Rental housing:** Affordable rental housing may be acquired and/or rehabilitated or constructed
- **Tenant-based rental assistance (TBRA):** Financial assistance for rent, security deposits and, under certain conditions, utility deposits may be provided to tenants. Assistance for utility deposits may only be provided in conjunction with a TBRA security deposit or monthly rental assistance program



TYPICAL PARTNERS

- State governments
- Local governments and consortia
- Community Housing Development Organizations (CHDOs)
- Sub-recipients
- Developers, owners and sponsors
- Private lenders
- Third-party contractors



ELIGIBLE COSTS

- New construction
- Rehabilitation
- Reconstruction
- Conversion
- Site improvements
- Acquisition of property
- Acquisition of vacant land
- Demolition
- Relocation costs
- Refinancing
- Capitalization of project reserves
- Project-related soft costs
- Innovative strategies that might be non-construction related*



**Affordable Housing Fund only*

ELIGIBLE FORMS OF SUBSIDY

- Interest bearing loans or advances
- Deferred loans (forgivable or repayable)
- Non-interest-bearing loans or advances
- Grants
- Interest subsidies
- Equity investments
- Loan guarantees & loan guarantee accounts
- Others as defined through the innovative strategies (AHF only)



MATCH REQUIREMENT

The HOME, AHF and NCC Housing Trust Fund program requires that Participating Jurisdiction (PJ) provide match in an amount equal to no less than 25 percent (25%) of the total funds drawn down for the project costs



HOME, AHF AND NCC HOUSING TRUST FUND PROGRAM MATCH REQUIREMENT

- Cash or Cash equivalents from a non-federal source
- Value of waived taxes, fees or charges associated with project
- Value of donated land or real property
- Cost of infrastructure improvements associated with project
- A percentage of the proceeds of single- or multi-family housing bonds issued by state, state instrumentality or other local government;
- The value of donated materials, equipment, labor and professional services
- Sweat equity

HOME, AHF AND NCC HOUSING TRUST FUND PROGRAM MATCH REQUIREMENT CONT.

- Direct costs for supportive services to residents of projects; and
- Direct cost of homebuyer counseling to families purchasing homes with assistance
- HOME ONLY: Match counted for other federal programs cannot be counted as HOME match.



THRESHOLD CRITERIA

- No debarment: any person or firm unable to work with County, state or federal government
- Provide acceptable evidence of site control
 - Deed provided fee simple ownership
 - Ground lease
 - Purchase contract within 12-month term of application
- Meeting the goals of preserve/create affordable housing targeted to 60% or below AMI
- Submit required 25% match documentation



WHAT TO COMPLETE

- HOME, AFH, NCC Trust Fund Application
- Site and Neighborhood Standards
- Operating Budget Form
- Development Budget Form
- Construction Budget Form

<https://www.nccde.org/1091/Federal-Funding-Opportunities>



POST AWARD

- Mandatory Technical Assistance Meeting upon award
- Environmental Review Process – before start
- Construction Pre-Bid Process
- Contractors Selection process
- Construction Draws and Inspections
- Compliance/retention period
- Monitoring through retention period



FIRST ROUND TIMELINE

February 24, 2022	I st Round Application Deadline (Rolling application deadline after February 24, 2022)
April 15, 2022	Tentative Date for Funding Award Notification
April 2022	Spring Public Meetings
April 2022	End of Comment Period
April 26, 2022	County Council Resolution
May 15, 2022	Action Plan Submitted to HUD
July 1, 2022	Action Plan Programs Begin



AFTER FEBRUARY 24, ROLLING DEADLINE

- Applications will be reviewed as received
- Notifications within 30-45 days of submittal
- Technical Assistance Available
- All Projects must demonstrate financial feasibility
- Contingent award on other funding (LIHTC, etc.)
- Anticipated start within 12 months of award
- Subject to affordability covenants which require monitoring compliance



APPLICATION AVAILABLE JANUARY 25, 2022

- Submit First Round of Applications by 4:00pm on February 24, 2022 below:

<https://www.nccde.org/1091/Federal-Funding-Opportunities>

- Technical Assistance available by contacting - Vincent Garlick

Vincent.Garlick@newcastlede.gov



FINAL THOUGHTS...

- Think BIG!
- Focus on our MOST VULNERABLE
- Do not worry about the program funding...
COMPLETE THE APPLICATION!
- Committee will determine funding source
- Technical assistance is available
- Consider first round funding (Due February 24, 2022)
- Rolling application deadline after first round



THANK YOU!!

Questions?

