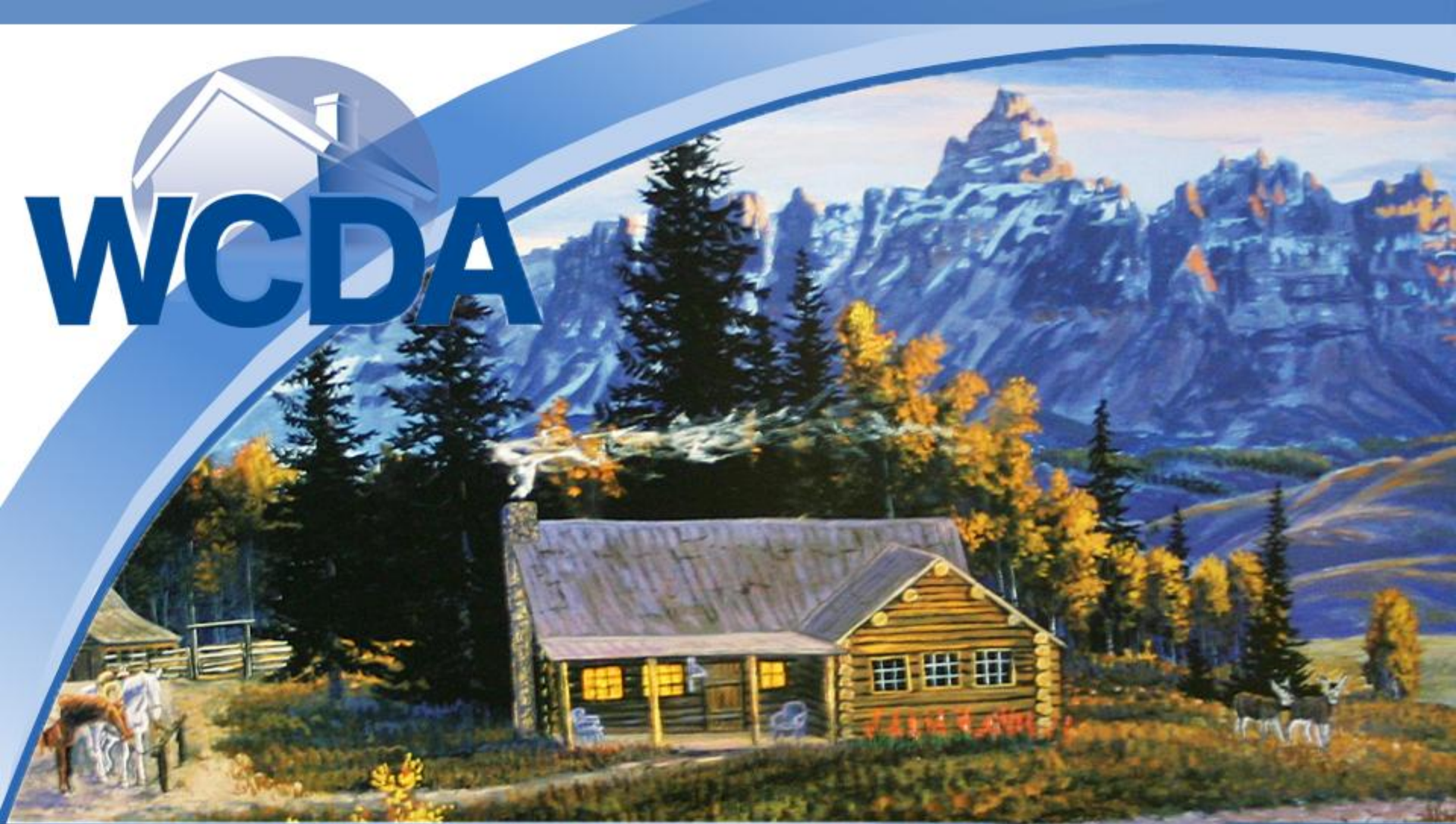




WCDA



**State of Wyoming Consolidated Plan for Housing
and Community Development**
HOME Investment Partnerships Program (HOME)

Public Hearing June 21, 2012

Introduction (HOME)

- Intent of HOME
 - To expand affordable housing
 - To support state/local efforts
 - To better coordinate federal help
 - To expand non-profit capacity



Eligible Applicants (HOME)

- Incorporated Cities and Towns
- Counties
- Non-Profit Developer
- For Profit Developer
- Housing Authorities
- Projects located in entitlement cities, Cheyenne and Casper, need a letter of consistency



Application Period (HOME)

- Generally once a year
- For 2013 funding, the application period is anticipated to open November 1, 2012, with a deadline of January 31, 2013.
- Applications will be available on WCDA website *www.wyomingcda.com*



Eligible Activities (HOME)

- New Construction
- Acquisition of property
- Rehabilitation
- Reconstruction
- Rental Assistance (not currently offered)
- Homebuyer Assistance (not currently offered)



Prohibited Activities (HOME)

- Emergency repairs
- Refinancing of federally financed or insured projects
- Ineligible properties
 - Public housing
 - Commercial properties
 - Shelters



Major HOME Programs

- Three Primary Uses of Funds
 - New Construction of Rental Housing
 - Rehabilitation of Rental Housing
 - Rehabilitation of Homeowner Properties



Rental Housing with HOME



HOME Rental Housing: Overview

- Rents are strictly controlled
- All tenants must be at or below 50% of Area Median Income
- Both rent and income requirements are long term (5 to 55 years)
- Maximum subsidy per unit



HOME Rental Housing: Eligible Properties

- One or more buildings
- Any size or style
- Single or Multiple Sites
- Public or Private Ownership



Homeowner Rehab with HOME



HOME Homeowner Rehab

- Eligible Applicants
 - Cities, Counties and Towns may apply for block of funds



HOME Homeowner Rehab

- Restrictions
 - Value of Home
 - Low-Income Households
 - Property Ownership
 - Type of Property
 - Eligible Costs
 - Affordability Period



HOME Homeowner Rehab

- Value
 - After rehab value must be less than the limits published by WCDA
 - Values must be documented with appraisal or estimate of value in a format approved by WCDA
 - Do value estimate before rehab work is started



HOME Homeowner Rehab

- Owner Income Rules
 - Gross Annual income \leq 80% median income
- Ownership
 - Fee Simple
 - 99 year leasehold (50 year on Tribal Land)
 - Cooperative/Condo
 - Other forms need HUD approval



HOME Homeowner Rehab: Eligible Property

- Owner Occupied 1- 4 unit property
 - For any unit not occupied by owner, the HOME Rental Rules will apply
- Condo/Coop
- Manufactured Housing
 - Meet HUD requirements
 - Permanent utility connection
 - Land owned by owner of home
- **MUST BE OWNER OCCUPIED**



HOME Homeowner Rehab

- Affordability Period

\$0 - \$15,000 per unit 5 years

\$15,001 - \$19,999 per unit 10 years

\$20,000 - \$25,000 per unit 20 years

- When sold

- Return HOME \$

- Shared Appreciation



HOME Homeowner Rehab

- Additional Requirements
 - Once completed must meet WCDA Housing Rehabilitation Standards, Housing Quality Standards (HQS) and All local Code requirements
 - Can NOT just do emergency repairs
 - Must follow LBP, MBE/WBE, and Section 3 Requirements & Uniform Relocation Act
 - Environmental Review



HOME Match Requirements

- Overview
 - Size of match
 - Incurring and meeting match obligations
 - Uses of match
 - Sources of match



HOME Match

- Size of Match
 - 25% of HOME funds must be matched with non-federal match
 - 2013 Match requirement 5%
 - (WCDA using banked match for remaining 20%)



HOME Match

- Spend \$1 of HOME funds - incur a match obligation
- Project can have excess match - excess match is banked



HOME Match: Sources

- Cash (other than owners)
 - Owners cash will rank project higher in secondary ranking criteria
- Value of infrastructure improvements – NOT paid with federal funds
 - Directly related to HOME housing
 - Completed within 12 months of HOME investment



HOME Match: Sources

- Waived taxes, fees, charges
- Value of donated land and real property
- Donated materials and labor (\$10.00/hour)
- State/local mortgage revenue bond proceeds (limited to 25% of match)
- Donated Supportive Services
- **Non-federal sources only**



BMIR loans as HOME Match

- Below Market Interest Rate (BMIR) loans not repayable to HOME are allowed
 - Discounted to present value



HOME Match: The Answer is “no” to...

- \$\$\$ from federal grants, includes CDBG
- Monies raised through federal tax credit
- Owner equity
- Administrative costs
- Program income from open federal grant
- Cash contribution from owners



HOME Expenditure Requirements

- Timeliness
- Important Time Frames
 - 24 months to commit
 - 4 years to spend



CHDO's

- Community Housing Development Organizations (CHDOs)
 - Minimum 15 percent of HOME funds
 - Develop, sponsor, or own
 - Strict standards to qualify



HOME Reservation Criteria: Scoring

- Who receives funding?
 - Projects ranked according to the scoring criteria outlined in the Allocation Plan.
- Minimum scoring required for funding



HOME Reservation Criteria

Primary Criteria

Housing Needs		258 pts
Quality of Construction		126 pts
Lower Income Targeting		25 pts
Affordability Levels		36 pts
Extended LI Usage		35 pts
Geographic Distributions	(Negative)	200 pts
<u>Community Revitalization</u>		<u>5 pts</u>

Min 161 pts Max 485 pts



HOME Reservation Criteria: Continued

Secondary Criteria

Location		50 pts
Appropriate		35 pts
Concentration		15 pts
Inappropriate	(negative)	200 pts
Project Characteristics		81 pts
Sponsor Characteristics		50 pts
Poor Performance	(negative)	200 pts
Public Housing Waiting		2 pts
Families/individuals with children		4 pts



HOME Reservation Criteria: Continued

Secondary Criteria (Cont.)

Local Support		35 pts
Management Capacity	(Negative)	200 pts
Project Costs	(Negative)	1,000 pts
<u>Equity in Project</u>		<u>20 pts</u>

Min 55 pts Max 242 pts



HOME Reservation Criteria: Continued

	Minimum	Maximum
Primary	161	485
Secondary	55	242
Total	216	727

Tie Breaker Points

Reduced Projects Costs 40 pts

Reduced Fees 30 pts



HOME Changes

- Addition of NSP style Homeowner Rehab program
- Addition and Expansion of Small Project Set-aside for HOME
- Increase in negative points for vacancy in subsidized projects
- Change in scoring under Quality of Construction
 - Remove Points for Sustainable Certification
 - Replace with points for specific sustainable implementations
- Increased risk analysis for Developer Capacity
- Increased requirements for physical inspections
- Negative points for disproportionate share of units financed





WCDA

Neighborhood Stabilization Program (NSP)

Public Hearing June 21, 2012

Introduction (NSP)

- Intent of NSP
 - Stabilize neighborhoods
 - Decrease number of vacant and foreclosed properties



Application Period (NSP)

- Generally once a year
- For 2013 funding, the application period is anticipated to open November 1, 2012, with a deadline of January 31, 2013.
- Applications will be available on WCDA website *www.wyomingcda.com*



Eligible Activities (NSP)

- Acquisition of property
- Rehabilitation
- Reconstruction



Major NSP Programs

- Two Uses of Funds
 - Rehabilitation of Foreclosed Rental Housing
 - Rehabilitation of Foreclosed Homeowner Properties



Rental Housing with NSP



NSP Rental Housing: Overview

- Eligible Applicants
 - Cities, Counties, Towns, For Profit and Non-Profit Developers
- Rents are strictly controlled
- All tenants must be at or below 80% of Area Median Income
- Both rent and income requirements are long term (5 to 55 years)
- Maximum subsidy per unit



NSP Rental Housing: Eligible Properties

- Foreclosed Single or Multi-family properties



Homeowner Rehab with NSP



NSP Homeowner Rehab

- Eligible Applicants
 - Cities, counties and towns may apply for block of funds
- Rules are the same as HOME except:
 - Program income returns to WCDA for NSP eligible activities
 - No match requirement for NSP



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