

Affordable and Special Needs Housing – Consolidated Application

Virginia Department of Housing and Community Development

Affordable and Special Needs (ASNH) Funding Sources

2016 – 2017 ASNH	
Source	Amount
HOME	\$3,104,622
State Housing Trust Fund	\$3,312,000
National Housing Trust Fund	\$2,825,847
TOTAL	\$9,242,469

Affordable & Special Needs Housing (ASNH):

- One application but three funding opportunities
- Plan year: July 1, 2016 – June 30, 2017
- To create and preserve affordable housing in Virginia
- To increase the number of affordable units for special needs populations
- Rehabilitation or New Construction
- Typical type of Assistance
 - Deferred principal loans (interest-only)
 - 3% interest
- Application due dates:
 - November 30, 2016
 - May 31, 2017

Affordable & Special Needs Housing (ASNH):

- One application but three funding opportunities
- Total Request Cap: \$1,200,000
- Total Request (including NHTF): \$2,000,000
- Project must have at least five units
- If 100% special needs then less than five is allowable

Affordable and Special Needs (ASNH) Funding Sources

	HOME	VA -HTF	NHTF
Total Amount	\$3,104,622	\$3,312,000	\$2,825,847
Project limits	\$700,000/\$800,000	\$700,000/\$800,000	\$700,000/\$800,000
Geographic Targeting	Preference for non-entitlement	Statewide	Statewide
Match	25% entitlements	NA	NA
Mix-Income Projects	√	√	√
Homebuyer Projects	√	√	NA
Assisted Units (income)	60% or below AMI 80% or below (homebuyer)	80% or below AMI	30% or below AMI
Assisted Units (rent limits)	HOME	To be determined	NHTF
Affordability	15/20 yrs. Homebuyer (5-20 yrs.)	20 yrs.	30 yrs.

Affordable & Special Needs Housing (ASNH)

- Rental or Homebuyer (exception NHTF)
- Rehabilitation or New Construction
- Typical type of Assistance
 - Deferred principal loans (interest-only)
 - 3% interest
- Application due dates:
 - November 30, 2016
 - May 31, 2017

Eligible Applicant

- Non-profit or for-profit Housing Developer
- Project Owner, Developer, or Sponsor
- State –Certified CHDOs (Community Housing Development Organizations)
 - HOME preference given
 - NOT required for homebuyer development



For more information please see [state-certified CHDO](#) on DHCD's website.

Eligible Applicant

- Owner –holds valid title to, or long term leasehold interest in the property
- Developer –owns the property and is developing the project, or has a contractual obligation to develop the project
- Sponsor –is the owner or partial owner and agrees to convey ownership to a second nonprofit at a predetermined time prior to development or upon completion (*requires consultation with DHCD prior to application*)

Eligible Applicant

- Must be registered in CAMS
- Must be the primary partner in the project
- Must not be the project L.L.C.
- Must be the entity responsible for long-term operations and compliance
- Must be free of outstanding audit or compliance issues

Applicant Eligibility

Applications will not be accepted from the project legal entity or limited liability Corporation.



Developer Capacity

- DHCD must certify developer capacity prior to the commitment of HOME or NHTF resources
- Developer must have prior experience developing similar projects
- Developer must have staff with development experience (staff excludes consultants, contract positions, and partners)
- Developers must have current financial soundness



CHDOs

- Community Housing Development Organization
- Nonprofit community based housing developers meeting specific board, mission, and capacity requirements
- Must be state-approved
- Given scoring preference for HOME funds
- Documentation **MUST** be maintained in CAMS

CHDO Requirements

- Applicable to HOME funds
- Nonprofit status
- Primary mission is provision of affordable housing
- Board composition meets HUD requirements
- Independence in decision making authority
- Community-based organization
- Conformance to accounting standards
- No individual benefit
- Demonstrated capacity to develop affordable housing



Eligible Projects



- Rental or Homebuyer (not NHTF)
- Targeting low, very low, and extremely low-income households
- Targeting low-income special needs households
- Scattered site okay –units must be under common ownership, management, & financing
- Minimum of \$15,000 per unit (or 3 out of 5 major systems) based on total development costs

Special Needs

- Projects with special needs units receive scoring preference
- Higher maximum assistance (\$800,000) if least 20 percent of units are targeted to special needs households
- Projects are encouraged that will help the state meet the DOJ settlement agreement
 - Include a few units targeted to individuals with intellectual/developmental disabilities
 - Choice in services and service provider



Special Needs

- Special needs households include at least one individual with a disability (physical, mental, developmental, intellectual)
- Elderly housing not necessarily special needs (must have at least 20 percent of units targeting individuals with disabilities)

Single Room Occupancy (SRO)

- Multiple (at least five) single room units with food prep and/or bathroom facilities (if not in unit must be accessible in building)
- Maximum subsidy (number of separate units x 0-bedroom limit)
- Rents based on 0-bedroom (efficiency) HOME rent limits
- Leases required, program fee agreements are possible

Note: There is a preference for community integration and choice of service provider.

Income Targeting

(minimums)

Income Targeting –assisted units	
Source	Income (AMI)
Homebuyer (HOME and VA HTF)	80 percent or below
State Housing Trust Fund	80 percent or below
HOME Rental	60 percent or below
National Housing Trust Fund	30 percent or below

Income Targeting



- Minimums
- Applies to “assisted units”
- Assisted unit may be a subset of total project units
- Assisted units must be at least proportionate number of units related to amount of assistance
- Preference for community integration, de-concentration, and choice of service provider.

Local Match Requirement

- Applicable to the HOME funds
- 25 percent local match requirement
- 25% of total ASNH (HOME) program request
- Requirement applies to all HOME entitlements and any HOME consortium

Local Match Sources

- Local CDBG or HOME
- Other federal, state or local funds
- Must be funding administered by the local government
- Projects involving local CDBG or HOME require state/local coordination

HOME Entitlements and Consortiums – 25 percent Match Required	
Winchester Consortium – including:	Alexandria
Winchester	Chesapeake
Fredrick County	Danville
Page County	Hampton
Clarke County	Lynchburg
Warren County	Newport News
Shenandoah County	Norfolk
Charlottesville Consortium - including	Portsmouth
Charlottesville	Richmond
Albemarle County	Roanoke City
Fluvanna County	Virginia Beach
Greene County	Arlington County
Louisa County	Chesterfield County
Nelson County	Fairfax County -including
New River Consortium – including	Fairfax City
Radford	Falls Church
Giles County	Henrico County
Montgomery County	Prince William County –including
Pulaski County	Manassas
Blacksburg	Manassas Park
Christiansburg	Bristol City (member of Tennessee consortium)
Suffolk Consortium –including	
Suffolk	
Isle of Wight	
Franklin City	
Southampton	

Eligible Costs

- Hard costs including land acquisition
- Soft project costs
- Utility connections
- Relocation costs
- Up to 18 months of project reserves

Maximum ASNH Subsidy Limits*

0-Bedroom	\$140,107
1-Bedroom	\$160,615
2-Bedroom	\$195,304
3-Bedroom	\$252,662
4+-Bedroom	\$277,344

**Effective January 1, 2015*

Rental Projects

- DHCD will determine the number of assisted units
- Assisted units must meet all program rules
- Rent limits are published annually by HUD (HOME and NHTF)
- Rents and Rent Increases must be approved by DHCD

Rental Projects

- Project utility allowances must be determined by using the HUD Utility Schedule Model
- The HUD Utility Schedule Model is available here:
<http://www.huduser.org/portal/resources/utilallowance.html>
- DHCD will assist in the initial development of project utility allowances

Rental Projects (cont.)

- Maximum allowable tenant rent = HUD HOME or NHTF Rent Limit (Low or High) minus applicable utility allowance
- Tenant lease for at least one year or under mutual agreement between tenant and landlord
- Lease cannot be conditional upon receiving services

Income Eligibility Restrictions (Assisted Units)

- Part 5 (Section 8) income definition
- Initial lease up and completion report
- Initial lease full source documentation and verification
- Annual recertification required –certified stated income
- Full source documentation every 6th year of service
- Over income issues

Homebuyer Projects

- Limit to HOME and State HTF
- ANY eligible applicant
- All HOME units must be at 80 percent or below AMI
- Single family, condos, 2-4 unit attached
- Minimum occupancy & affordability requirements

Homebuyer Projects

- Must meet DHCD minimum design standards
- Sales price cannot exceed 95% of area median sales price
- Must be sold (ratified sales contract) within nine months of Certificate of Occupancy
- Units not meeting the nine month deadline automatically convert to rental units (with rental requirements applied)

Affordability Period

Affordability Periods by source/activity	
Source/Activity	Years
National HTF	
National HFT (only rental eligible)	30 years
HOME	
HOME Rental New Construction	20 years
HOME Rental Rehabilitation	15 years
HOME Homebuyer (less than \$15,000)*	5 years
HOME Homebuyer (\$15,000 - \$40,000)*	10 years
HOME Homebuyer (more than \$40,000)*	15 years
State HTF	
State HTF Rental	20 years
State HTF Homebuyer	5 years

**If only homebuyer developer subsidy resale applies. If DHCD DPA is included in a unit then a recapture provision applies and affordability is based on the amount of DPA only.*

Underwriting Template

- Six sheets – five required for completion
- Instructions
- Project Overview
- Income
- Expenses
- Sources and Uses
- Operating

Underwriting

- Must be completed for all projects
- Must reflect all requests as applicable (NHTF, State HTF, ASNH)
- For lines that are not appropriate for your project, leave blank
- Scoring will be negatively affected if underwriting template is not completed

Rental Monitoring and Compliance

- Rental Compliance Monitoring includes verification of:
 - Rent and Occupancy Requirements
 - Tenant Eligibility
 - Property Standards (onsite monitoring)
 - Other program regulations: affirmative marketing, fair housing laws, etc.

Environmental Review

- Some projects are exempt
- Requires public notices
- Requires a “release of funds” from HUD
- No development activity can occur prior to the “release of funds”
- Proceeding with development prior to “release of funds” will jeopardize funding

Fair Housing

- Applies to all assisted projects
- Prohibits discrimination in the sale or rental of housing based on race, color, religion, sex, national origin, handicap or familial status
- Rental projects are monitored throughout the affordability period for compliance

Furthering Fair Housing

- Site and Neighborhood Standards form required for all projects
- Must be completed and signed by local government official
- Must be submitted with project application in CAMS

Lead Safe

- Some projects may be exempt
- If applicable projects must assure that:
 - Rehab or demolition activities meet lead safe requirements
 - Development costs include associated costs
 - Homebuyer or tenants will receive notification
 - Rental operating costs include costs associated with ongoing maintenance
 - Records are maintained to document all measures taken including ongoing maintenance

Uniform Relocation Act

- All projects must submit a completed URA Supplement with application
- Applies to all projects where development activities will cause temporary or permanent displacement
- Applies to displacement of households, businesses, farms, and nonprofits
- Notice of intent and survey of occupants must be completed prior to application
- Costs must be reflected in the development costs

Section 3

- Applies to all federally assisted projects
- Virginia HTF-only projects doesn't trigger requirement
- Development activity must be designed to benefit to the greatest degree possible low and very low income persons in the project's service area and the businesses that employ them.
- Impacts developer hiring, contracting, and subcontracting
- Requires notices, documentation of efforts, and reporting
- Developer will sign a Section 3 plan at project management conference
- Reporting in CAMS

ASNH Program Funding Process

- Due Dates:
 - ❑ November 30, 2016
 - ❑ May 31, 2017
- Review Panel
- Review Criteria:
 - ❑ Need (40 points)
 - ❑ Feasibility (30 points)
 - ❑ Capacity (30 points)
- Minimum of 60 points (threshold) needed for funding



Funding Process: Threshold Requirements

- Submitted by deadline
- Submitted in DHCD's Centralized Application and Management System (CAMS)
- Complete Application
- Eligible Applicant
- Eligible Project
- No unresolved findings/issues
- Minimum of 60 points needed

Need (40 points):

- Market study or needs assessment supports need
- Low vacancy rates in similar projects
- Match between project unit numbers and types and demonstrated need
- Local government, service provider support of need (unit shortage and demand)
- Pipeline of qualified homebuyers
- Meeting priority need (special need units/ extremely low-income/accessible units/green built)
- Preference for non-entitlement projects (For HOME funds)

Feasibility (30 points):

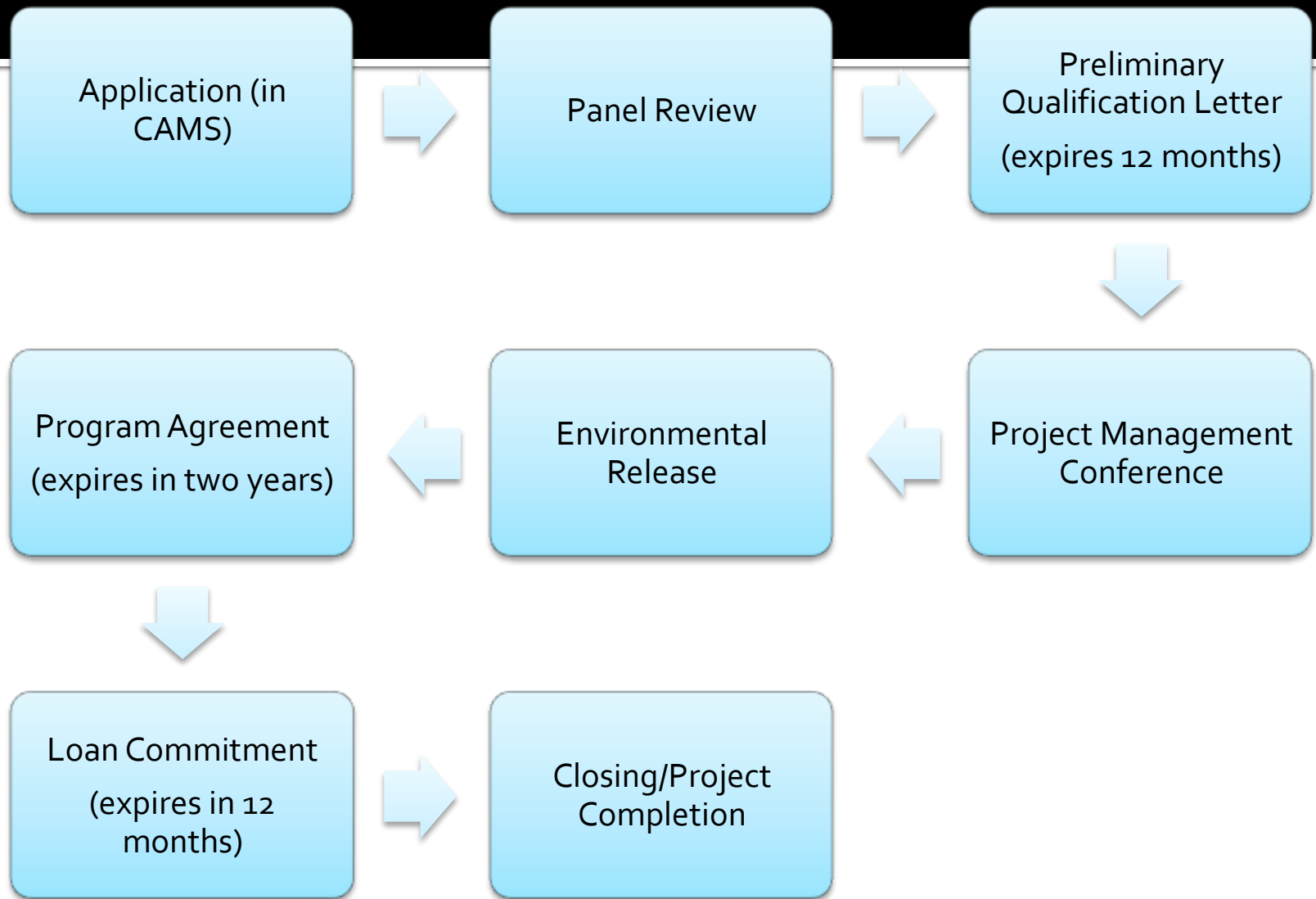
- Other funding committed and documented
- Recent costs estimates
- Appropriate design
- Location near jobs, schools, transportation services
- Reasonable operational costs with cash flow to meet expenses
- Reasonable timeline
- No logistical impediments

Capacity (30 points):

- Development team experience with similar projects
- Financial soundness of key partners
- Property management experienced with similar projects
- Lack of or limited/resolved prior issues (performance or compliance)

Funding Process

- Application submission and review
- Preliminary qualification letter (expires in 12 months)
- ASNH project management conference
- Program agreement (once conditions are met – expires in two years)
- Loan commitment (expires in 12 months)



ASNH Technical Assistance

- Application Questions

Kevin Hobbs

Kevin.hobbs@dhcd.virginia.gov

804-371-7120

Nancy Palmer

Nancy.palmer@dhcd.virginia.gov

- Technical CAMS Questions

CAMS Help Desk

CamsHelp@dhcd.virginia.gov

CAMS Tips

- All work in CAMS should be frequently saved
- Please note that Chrome is the recommended browser
- Work in Word and copy and paste into the CAMS text boxes
- Use the “Print” tab at the top of the page and review them for completeness and accuracy
- The text box will only accommodate text responses. Graphic, tables, charts should not be pasted into the narrative section; instead, include the information in a separate attachment

Project Information

Application Submission



Application ID: 34305292012094938 Project Name: HPP Test kld 5/29 Program Name: HPP
Application Start Date: 05/01/2012 Application End Date: 07/31/2012

Project Information Project Budget Narrative Information Attachments Additional Information

Project Information You must click the "Save" button below to save the info you enter in the page!

Organization Name*: DHCD

Project Primary Contact ?

First Name*: [input] Last Name*: [input]
Title*: [input] Email*: [input]
Work Phone*: [input] - [input] - [input]

Place of Primary Performance ?

Address*: [input] Zip Code*: [input] - [input] [Whats my +4?](#)
City/Country*: [input]


Primary Service Area* ?

Please select ALL localities that will be in your project's primary service area. Only one County, City or Town must be selected to save this page. Select the Add/Edit link to make changes. Selections will display below the County, City and Town sections. When selecting a County, it is not necessary to also select a Town that lies within that county. Consult the application information for this program for additional information.

County: [Add/Edit County](#) City: [Add/Edit City](#) Town: [Add/Edit Town](#)
No County Selected. No City Selected. No Town Selected.

Save

Project Budget



VIRGINIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
Partners for Better Communities

→ Project Management

→ Admin Management

🔍 Glossary

Cost/Activity Category	DHCD Request	Other Funding	Total
<input type="checkbox"/> Tenant-based Rental Assistance <input type="text" value="Tenant-based Rental Assistance"/>	\$0.00 \$ <input type="text" value="0.00"/>	\$0.00 \$ <input type="text" value="0.00"/>	\$0.00 \$0.00
<input type="checkbox"/> Housing Relocation and Stabilization Services <input type="text" value="Housing Relocation and Stabilization Services"/>	\$0.00 \$ <input type="text" value="0.00"/>	\$0.00 \$ <input type="text" value="0.00"/>	\$0.00 \$0.00
<input type="checkbox"/> Pre-Development <input type="text" value="Pre-Development"/>	\$0.00 \$ <input type="text" value="0.00"/>	\$0.00 \$ <input type="text" value="0.00"/>	\$0.00 \$0.00
TOTAL	\$0.00	\$0.00	\$0.00

CLOSE ✖

Attachments

Title 1:	Implementation Timeline (required)	Temp.:	Implementaion Timeline
Title 2:	Certifications and Assurances (required)	Temp.:	Housing Trust Fund Certificates and Assurances
Title 3:	Applicant Financials (required)	Temp.:	

CLOSE X

Project Information | **Project Budget** | **Narrative Information** | **Attachments** | **Additional Information**

According to the program requirement, you must submit/upload following required documents:

UPLOAD ATTACHMENTS INSTRUCTION:
Please see the application instructions for details.

Implementation Timeline (required)
(to get the template file by clicking [HERE](#))

Certifications and Assurances (required)
(to get the template file by clicking [HERE](#))

Applicant Financials (required)

Outcome Logic Model

CoC Letter of Support

Addition Attachments

Copyright ©2013 DHCD

Done Local intranet 100%

Additional Information

The screenshot shows a web browser window with the address bar displaying `http://10.192.101.140/CAMSPortal/Applications/Application.aspx?App=356`. The browser's address bar includes a search box with the text "Live Search". The browser's toolbar shows "Favorites", "Free Hotmail", and "Get more Add-ons". The page title is "DHCD CAMS Portal". The navigation menu includes "Profile", "Search Programs", "Downloads", "Apply", "Application Status", "View And Manage Projects", and "User Guide".

The main content area is titled "Application Submission" and includes a "Print" button. The application details are as follows:

Application ID: 8805152012161518	Project Name: Test Budget webform kld 5/15/12	Program Name: Urgent Need
Application Start Date: 12/01/2011	Application End Date: 10/31/2012	

The "Additional Information" tab is selected, showing a text area for comments. The text area contains the following instructions:

Enter optional comments regarding your application in the space below:
You must click the "Save" button below to save the info you enter in the page!

Below the text area is a "Save" button. At the bottom of the page, there are links for "Contact Us", "FAQ", and "DHCD Site", along with the copyright notice "Copyright ©2012 DHCD". The browser's status bar shows "Done" and "Local intranet".

Application Status

- Multiple users can work on, edit and review application materials.
- CAMS will save the application as Incomplete. Applicant may return repeatedly to CAMS to work on application.
- Please be sure all work on the application is saved in CAMS.
- Once the application is submitted the status will change from Incomplete to Pending.

Dates to Remember

- CDBG Input Sessions – September 26 (Richmond) and September 28 (Abingdon)
- Appalachian Regional Commission applications due – October 6
- ASNH Property Management Training (webinar) – September 28
- Vibrant Community Initiative pre-applications due, October 14

Dates to Remember

- September 21-22, 2016 Housing Credit Conference - <http://thevirginiahousingcoalition.org/>
- Best Practices in CDBG Grant Management November 15 - 16
- Governor's Housing Conference – visit www.dhcd.virginia.gov November 16-18.
- Affordable and Special Needs Housing (ASNH) competitions, applications due -November 30th and May 31st