### Affordable and Special Needs (ASNH) Funding Sources

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>HOME</td>
<td>$3,104,622</td>
</tr>
<tr>
<td>State Housing Trust Fund</td>
<td>$3,312,000</td>
</tr>
<tr>
<td>National Housing Trust Fund</td>
<td>$2,825,847</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$9,242,469</strong></td>
</tr>
</tbody>
</table>

2016 – 2017 ASNH
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

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

<table>
<thead>
<tr>
<th>Source</th>
<th>Income (AMI)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Homebuyer (HOME and VA HTF)</td>
<td>80 percent or below</td>
</tr>
<tr>
<td>State Housing Trust Fund</td>
<td>80 percent or below</td>
</tr>
<tr>
<td>HOME Rental</td>
<td>60 percent or below</td>
</tr>
<tr>
<td>National Housing Trust Fund</td>
<td>30 percent or below</td>
</tr>
</tbody>
</table>
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
<table>
<thead>
<tr>
<th>HOME Entitlements and Consortiums – 25 percent Match Required</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Winchester Consortium</strong> – including:</td>
</tr>
<tr>
<td>Winchester</td>
</tr>
<tr>
<td>Fredrick County</td>
</tr>
<tr>
<td>Page County</td>
</tr>
<tr>
<td>Clarke County</td>
</tr>
<tr>
<td>Warren County</td>
</tr>
<tr>
<td>Shenandoah County</td>
</tr>
<tr>
<td><strong>Charlottesville Consortium</strong> - including</td>
</tr>
<tr>
<td>Charlottesville</td>
</tr>
<tr>
<td>Albemarle County</td>
</tr>
<tr>
<td>Fluvanna County</td>
</tr>
<tr>
<td>Greene County</td>
</tr>
<tr>
<td>Louisa County</td>
</tr>
<tr>
<td>Nelson County</td>
</tr>
<tr>
<td><strong>New River Consortium</strong> – including</td>
</tr>
<tr>
<td>Radford</td>
</tr>
<tr>
<td>Giles County</td>
</tr>
<tr>
<td>Montgomery County</td>
</tr>
<tr>
<td>Pulaski County</td>
</tr>
<tr>
<td>Blacksburg</td>
</tr>
<tr>
<td>Christiansburg</td>
</tr>
<tr>
<td><strong>Suffolk Consortium</strong> – including</td>
</tr>
<tr>
<td>Suffolk</td>
</tr>
<tr>
<td>Isle of Wight</td>
</tr>
<tr>
<td>Franklin City</td>
</tr>
<tr>
<td>Southampton</td>
</tr>
</tbody>
</table>
Eligible Costs

- Hard costs including land acquisition
- Soft project costs
- Utility connections
- Relocation costs
- Up to 18 months of project reserves
<table>
<thead>
<tr>
<th>Bedroom Type</th>
<th>Maximum ASNH Subsidy Limit</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-Bedroom</td>
<td>$140,107</td>
</tr>
<tr>
<td>1-Bedroom</td>
<td>$160,615</td>
</tr>
<tr>
<td>2-Bedroom</td>
<td>$195,304</td>
</tr>
<tr>
<td>3-Bedroom</td>
<td>$252,662</td>
</tr>
<tr>
<td>4+-Bedroom</td>
<td>$277,344</td>
</tr>
</tbody>
</table>

*Effective January 1, 2015*
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 6\textsuperscript{th} 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**

<table>
<thead>
<tr>
<th>Source/Activity</th>
<th>Years</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>National HTF</strong></td>
<td></td>
</tr>
<tr>
<td>National HFT (only rental eligible)</td>
<td>30 years</td>
</tr>
<tr>
<td><strong>HOME</strong></td>
<td></td>
</tr>
<tr>
<td>HOME Rental New Construction</td>
<td>20 years</td>
</tr>
<tr>
<td>HOME Rental Rehabilitation</td>
<td>15 years</td>
</tr>
<tr>
<td>HOME Homebuyer (less than $15,000)*</td>
<td>5 years</td>
</tr>
<tr>
<td>HOME Homebuyer ($15,000 - $40,000)*</td>
<td>10 years</td>
</tr>
<tr>
<td>HOME Homebuyer (more than $40,000)*</td>
<td>15 years</td>
</tr>
<tr>
<td><strong>State HTF</strong></td>
<td></td>
</tr>
<tr>
<td>State HTF Rental</td>
<td>20 years</td>
</tr>
<tr>
<td>State HTF Homebuyer</td>
<td>5 years</td>
</tr>
</tbody>
</table>

*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 Compliance Monitoring includes verification of:

- Rent and Occupancy Requirements
- Tenant Eligibility
- Property Standards (onsite monitoring)
- Other program regulations: affirmative marketing, fair housing laws, etc.
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
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
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
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.
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
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)
Application (in CAMS)

Panel Review

Preliminary Qualification Letter (expires 12 months)

Program Agreement (expires in two years)

Environmental Release

Project Management Conference

Loan Commitment (expires in 12 months)

Closing/Project Completion
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

**Organization Name**: DHCD

**Project Primary Contact**

- **First Name**: 
- **Title**: 
- **Work Phone**: 

**Place of Primary Performance**

- **Address**: 
- **City/County**: 
- **Zip Code**: 

**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.

**Project Information**

- **Application ID**: 34305292012094938
- **Application Start Date**: 05/01/2012
- **Application End Date**: 07/31/2012

**Project Name**: HPP Test kld 5/29

**Program Name**: HPP
# Project Budget

<table>
<thead>
<tr>
<th>Cost/Activity Category</th>
<th>DHCD Request</th>
<th>Other Funding</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tenant-based Rental Assistance</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>Housing Relocation and Stabilization Services</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>Pre-Development</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>TOTAL</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
</tbody>
</table>
Attachments

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**
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


- Best Practices in CDBG Grant Management November 15 - 16


- Affordable and Special Needs Housing (ASNH) competitions, applications due -November 30th and May 31st