

2010 APPLICATION CITY OF VANCOUVER HOME PROGRAM

1. TITLE: _____

PROJECT

SPONSOR: _____

Name _____

Address _____

Contact Person _____

Title _____

Email Address _____

Phone/FAX

Numbers _____

Signature _____

SUMMARY OF PROJECT/PROGRAM:

(1-2 sentences) _____

SOLUTION STATEMENT: (1-2 sentences) _____

-
- HOME funds can be used by a CHDO for operating costs. There is approximately \$40,000 available for CHDO operations. Annually, a CHDO may receive funding support for up to 50% of their organization's total operating budget in the fiscal year, or \$50,000, whichever is greater.
 - CHDOs must be certified by the City of Vancouver prior to funding.
 - Please note that operating funds and project funds can not be used to support the same activity.
 - A Community Housing Development Organization is a non-profit, community-based organization that has obtained or intends to obtain staff with the capacity to develop affordable housing for the community it serves. See CPD 97-11 Guidance on Community Housing Development Organizations (CHDOs) under the HOME Program available through City of Vancouver CDBG/HOME Program, or contact City of Vancouver staff.

I certify that to the best of my knowledge the information contained in this proposal is accurate and complete and that I have the legal authority to commit this agency to a contractual agreement. I realize the final funding for any service is based upon funding levels, and the approval of the Vancouver City Council.

Signature, Administrator of Applicant Agency

Date

Check one activity Acquisition New Construction Conversion Pre-development
 Rehabilitation Tenant Assistance Home Buyer Owner-Occupied

Is organization applying as a CHDO? YES NO

4. TARGET POPULATION INCOME LEVEL (number of units): No Assigned Points

60 to 80% of median _____ 50 to 60% of median _____
30 to 50% of median _____ Under 30% of median _____
No income _____ Total units _____

5. COST:

- Enter total amount of dollars requested, round to the nearest hundred dollars.
- Enter total dollar amount of other resources that will be available to supplement the request.
- Add the above two numbers together to derive the total project cost.
- The maximum award is \$200,000. (this may be waived by written request).

Total funds requested \$ _____
Total dollar value other resources \$ _____
TOTAL COST: \$ _____

6. DESCRIPTION: 30 points maximum – 30% of total

Provide a succinct, complete description of the project/program and the population to be served. Please try to limit answers to no more than one page per lettered section.

- A. Describe type of household and/or population to be served in the housing, include information such as number of tenants, size and description of households, known special characteristics of tenants (i.e., age, disabilities, special needs, etc.) and estimate the amount and sources of tenant incomes. Provide a description of the living arrangement, such as individual apartment units or shared housing, on-site management, or any on-site services to be provided.

- B. Describe your efforts to determine if the market supports your project objectives. Provide documentation supporting your findings; i.e. market analysis, feasibility study. Describe existing housing near the proposed project site. Explain how competitive properties, income levels, or other factors such as housing trends or population affect the marketability.
- C. Explain how this project is creative or unique in expanding or preserving affordable housing in our community. Describe any special design features, multiple use features, creative financing, new services, or special features not found in similar projects.
- D. If applicable, describe the site, the location, list the address, and indicate the status of site control and zoning. If any offers for acquisition have been made, please provide a narrative to describe the details and attach copies of any option agreements.
- Provide a detailed description of any planned construction, rehabilitation or other site improvements. Give enough detail to determine if wetland or flood plain issues have been addressed, and if any additional costs may be involved to bring the site into regulatory compliance for federal funding (i.e. hazard/toxic waste considerations, asbestos removal). Indicate whether the site is within 300 feet of a natural body of water. Also, please indicate if a *Phase I Environmental Site Assessment* has been completed. If so, attach a copy.
 - Describe the building(s). Include age, property conditions, number of units, size of units, bedrooms, baths, common areas, and parking. Provide a current building inspection report.
 - Attach a copy of any architectural drawings, site maps, or site plans that are available.
- E. Describe how the project incorporates sustainability practices. If applicable, include a description of sustainable building principals and universal design. Specifically, address how the proposed project will meet any of the criteria established by the Washington State Department of Community Trade and Economic Development (CTED) *Evergreen Sustainable Development Criteria*. This document can be found at : www.cted.wa.gov/DesktopModules/CTEDPublications/CTEDPublications. See www.adaptenv.org for more information on universal design.

7. PROPOSED FUNDING: 25 points maximum – 25% of total

- Describe how the proposed solution is the most effective.
- Explain why Housing (HOME) funds are critical to this project.
- Explain in detail the source and amount of your match.
- Identify if the match is a loan, grant or from the sale of bonds. (The minimum non-federal match requirement is 25% for all HOME-eligible activities).
- Include a discussion of other funding sources being used in this project.

8. MANAGEMENT ABILITY: 20 points maximum – 20% of total

- Describe how your organization can carry out this project and its ability to manage the project over time.
- Please provide a copy of the Agency’s most recent complete Financial Statements and Audit. Complete Financial Statements should include a statement of financial position, statement of activities, cash flow statement, statement of changes in net assets and notes to financial statements, if available.
- Describe the management structure and staffing of your organization. Include similar projects/programs completed.
- Identify other organizations involved in the development of this project/program.
- List any projects you may have in development, provide project status and completion date.
- Nonprofit organizations must submit a copy of their Charter or Articles of Incorporation and IRS documentation showing qualification as a nonprofit corporation under Section 501(c)(3) of the IRS Code, with the proposal application. Include documentation with application.

9. DESCRIBE LOCAL PLANS AND POLICIES THAT SUPPORT APPLICATION:

5 points maximum – 5% of total

- Check the City of Vancouver Affordable Housing Objectives identified in the Consolidated Housing and Community Development Plan that this project meets. Support your response with narrative.
 - Increase the supply of housing in urban growth areas that is affordable to renter households, earning 60 percent or less of AMI. Projects should serve households within a range of incomes, provide a range of unit sizes and meet recognized sustainability standards.
 - Preserve existing affordable housing threatened by loss due to condition, location, expiring federal contracts, redevelopment efforts, lead-based paint, or other situations.
 - Promote homeownership opportunities for low- and moderate-income households, including persons with disabilities and first-time homebuyers.
 - Plan for and support strategies and initiatives to promote fair housing and increase access to housing and housing programs.
- Provide priority need level of the proposed activity based on the **Priority Needs Summary Table** located in the General Information section.

10. ANTICIPATED OBJECTIVE, MEASURABLE OUTCOME(S): 5 points maximum – 5% of total

Describe in measurable, objective terms the results you expect to achieve from this program. Your answer should include economic and social results.

Are 5% of the total units handicapped accessible? (minimum one unit) Yes No

Are an additional 2% of the units accessible for sight and hearing impaired? (minimum one unit) Yes No

II. WORK PLAN AND SCHEDULE: *5 points maximum – 5% of total*

- Provide a detailed work plan showing all activities and sub-activities of the projects (for example, financing, closing, and construction) and a completion date for each activity and sub-activity.
- List past, current, and future tasks necessary for timely completion and ongoing management.

When preparing the work plan and schedule, please consider all other funding source requirements and state and local permitting.

12. COMMITTED AND CONDITIONAL FUNDS: *No assigned points*

Fill in all funds expected to be used.

Committed and Conditional Funds Form

Fund Source	Committed*	Conditional*	Proposed
State HTF Program	\$		
	\$		
Other	\$		
	\$		
HOME (note jurisdiction)	\$		
	\$		
Federal	\$		
	\$		
Local Government (nonfederal)	\$		
	\$		
Applicant	\$		
	\$		
Private	\$		
	\$		
Subtotals	\$	\$	\$
TOTAL PROJECT COST	\$		

* Please explain in detail the uses, terms, dates and conditions of conditional commitments

Calculate HOME Match:

HOME Request \$ _____ x 25% = \$ _____ (Match Required)

13. ECONOMIC CHARACTERISTICS OF NEIGHBORHOOD: (If applicable) *No assigned points*

- Project sites should be located where they provide housing opportunities for minorities and lower income households outside existing areas of low(er) income concentrations. Census data is used in this measurement because it is generally accepted as being reputable and no other information is available in an aggregated form to measure these characteristics.
- Census data is available on the City of Vancouver web site at www.cityofvancouver.us/cdbg.

Census Data _____

How close is the proposed project site to:

Elementary School (<i>name</i>)	_____ Miles
Middle School (<i>name</i>)	_____ Miles
High School (<i>name</i>)	_____ Miles
Retail/commercial facilities (food and drug)	_____ Miles
Public transportation	_____ Miles
Identify the nearest bus stop	_____ Feet
Health facilities	_____ Miles

Does the property meet local zoning requirements?

Attach copies of any permits or licenses.

14. ASSOCIATED SERVICES: *10 points maximum – 10% of total*

- Describe in detail the associated social services such as case management, day treatment, or other services that will be provided or coordinated for special populations.
- Please attach any contractual agreements that are currently in place or proposed for the provision of services and the source of funds.
- Describe any licensing requirements associated with the project. Give a timeline for obtaining licenses and/or permits.
- Explain how your program partners with community organizations, and services to assist your clients, tenants, and potential customers.

15. ACQUISITION/DISPLACEMENT: (If applicable) *0 points maximum: up to -30 points if relocation is involved. Subtract 5 points for each household, subtract 10 points for each business relocated.*

- Fill in property status; attach a map showing location of project and provide distance to nearest community services.
- Indicate whether the owner of the property has been contacted. If so, include a copy of the URA acquisition notice that was issued. Attach a copy of any option agreements.
- If acquisition or rehabilitation of property occupied by residential or business tenants is anticipated, indicate number of households or businesses to be displaced. The estimate of displacement should be based upon the number of tenant households occupying facility at the time of project application.

- Displacement or relocation is strongly discouraged. Where displacement is unavoidable, relocation assistance shall be provided consistent with the Uniform Relocation Act (URA) or Section 104(d) One-for-One Replacement and will add to the cost of the project.
- If displacement and/or relocation occur, the City of Vancouver staff may manage the displacement and relocation, charging the project for all costs.
- An MAI independent appraisal and a full inspection must be completed for the property;
- Acquisition or rehabilitation of housing built before 1978 will require a lead hazard evaluation, and possible lead hazard reduction. The lead hazard reduction can involve identification and either stabilizing deteriorating paint, the control of the hazard, or abatement. Lead-based paint hazard reduction can be expensive and time consuming.

Property Status:

- Privately Owned
- Publicly Owned
- Vacant Structure
- Vacant Property

Project Location (attach map)

16. FINANCIAL CRITERIA: *No assigned points*

Staff will evaluate the development and operating budget of proposed projects based on the following criteria:

- A. Revenue: Vacancy rate should not be less than 5%. Special populations and senior housing may have a vacancy rate of 4%.
- B. Operating Expenses
 - Maintenance and repair should be between \$200 - 250 per unit per year.
 - Operating reserve should be based on 6 – 9 months of costs.
 - Project management fees should be between 5 - 7%.
 - Nonprofit agencies can request a property tax exemption after the first year of operation; this should be incorporated into the budget.
 - Total operating expenses should be between 40 – 50% of gross revenue.
 - Debt Cover Ratio (Net Operating Income ÷ debt service) should be between 1:1.05 (1.05%) and 1:1.25 (1.25%).
 - HOME loan to value ratio should not exceed 85%, if ratio is higher, please explain.
 - The Break-Even Percentage (gross income and other income ÷ operating expenses and debt service) generally a maximum of 90%.
- C. Developer Fee
 - The developer fee limits listed below are based on an average project in complexity and funding. If the developer fee for your project is higher than outlined, please provide a rationale.
 - Please note that the developer fee is defined as a percentage of the total project. The total project cost can not include the developer fee.

Developer Fee

Units	Percentage of Project Cost
1 -10	11%
11 or more	10%

- D. Ten percent of the award will be retained until project is complete and recipient has submitted the following:
- documentation showing that assisted units meet applicable building codes or HQS
 - an occupancy permit for the project
 - verification that all federal labor standards have been met (if applicable)
 - architect certification that a minimum number of completed units meet Section 504 accessibility standards.

17. USE OF FINANCES - ALL FUND SOURCES: *No assigned points*

Source	Fund Amount	Terms and Conditions
A. HOME funds		
B.		
C.		
D.		
E.		
F.		

TOTAL

Shaded areas in table indicate a line item that is not eligible for HOME funding

COSTS					
Itemized Cost	Total Cost	HOME Source A	Source B	Source C	Source D
I. Acquisition Costs a. Purchase Price b. Closing/Title/Recording costs c. Legal Subtotal					
2. Development Costs a. Appraisal b. Architect/Engineer c. Geotechnical Study d. Boundary Survey e. Developer Fee f. Environmental Survey g. Project Management h. Technical Assistance i. Legal j. Other (Specify) Subtotal					

COSTS					
Itemized Cost	Total Cost	HOME Source A	Source B	Source C	Source D
3. Construction/Rehab a. Basic Construction Contract b. Bond Premium c. Infrastructure Improvements d. Construction Contingency e. Site Work f. New Building g. Rehabilitation h. Hazardous Materials Abatement					

COSTS					
i. Lead-based Paint					
j. Building Permits					
k. Project Management					
l. Other (Specify)					
Subtotal					
4. Other Development Costs					
a. Construction Insurance					
b. Construction Interest					
c. Loan Origination Fee					
d. Developer Fee					
e. Relocation					
f. Technical Assistance					
g. Real Estate Tax					
h. Bidding Costs					
i. Permits/Fees/Hookups					
j. Impact/Mitigation Fees					
k. Development Period					
l. Other Loan Fees (WCDFL, State HTF, etc.)					
m. LIHTC Fees					
n. Accounting					
o. Marketing/Leasing Expenses					
p. Carrying Costs at Rent Up					
q. Operating Reserves					
r. Other (Specify)					
Subtotal					
TOTAL COSTS					

18. HOUSING OPERATING BUDGET: *No assigned points*

Name of Organization: _____

19. ADDITIONAL INFORMATION:

Maximum HOME Expenditure	
Studio/Efficiency	\$125,064
1-bedroom	\$140,070
2-bedrooms	\$171,755
3-bedrooms	\$215,113
4-bedrooms	\$243,226

- Minimum expenditure is an average of \$1,000 per assisted unit.
- HOME funds cannot be used for contingency and project administration.

20. CONDITIONS OF COMMITMENT:

Agencies whose projects are funded with housing funds are required to sign an agreement enforcing the HOME affordability regulations and policies. The chart is listed below. Included in the agreement will be the loan conditions, which can be up to 50 years. This condition will be secured by a deed of trust and promissory note that will run with the land. Interest rates range from 0-3% amortized up to 50 years.

Applicants may suggest possible loan terms for their projects. City of Vancouver staff will offer the final loan terms based on all available information in the application, a possible review may be conducted by outside consultants. The City of Vancouver prefers to recycle or revolve the housing funds.

Homeownership Assistance HOME amount per-unit	Minimum period of affordability in years
Under \$15,000	5
\$15,000 to \$40,000	10
Over \$40,000	15

Rental Housing Activity	Minimum period of affordability in years
Rehabilitation or acquisition of existing housing per unit amount of housing funds: Under \$15,000	5
\$15,000 to \$40,000	10
Over \$40,000 or rehabilitation involving refinancing	15
New construction or acquisition of newly constructed rental housing	20

City of Vancouver reserves the right to withdraw funding of a project prior to the signing of the Agreement or Contract if there are material changes in the financial condition of the applicant or project. Applicant is required to report any changes to the project from the time of admission of the proposal until the execution of the final agreement or contract.

HOMEOWNER REHABILITATION 2009

Maximum value of property after rehabilitation with HOME funds as determined by HUD.

1-Family / Condo	2-Family	3-Family	4-Family
\$418,750	\$536,050	\$648,00	\$805,300

FY 2009 Income Limits Summary

Clark County, Washington

FY 2009 Income Limit Area	Median Income	FY 2009 Income Limit Category	Number in Household							
			1	2	3	4	5	6	7	8
Clark County	\$70,000	Very Low (50%) Income Limits	\$24,500	\$28,000	\$31,500	\$35,000	\$37,800	\$40,600	\$43,400	\$46,200
		Extremely Low (30%) Income Limits	\$14,700	\$16,800	\$18,900	\$21,000	\$22,700	\$24,350	\$26,050	\$27,700
		Low (80%) Income Limits	\$39,200	\$44,800	\$50,400	\$56,000	\$60,500	\$64,950	\$69,450	\$73,900

NOTE: Clark County is part of the **Portland-Vancouver-Beaverton, OR-WA MSA**. The **Portland-Vancouver-Beaverton, OR-WA MSA** contains the following areas: Clackamas County, OR; Columbia County, OR; Multnomah County, OR; Washington County, OR; Yamhill County, OR; Clark County, WA; and Skamania County, WA.

Income Limit areas are based on FY 2009 Fair Market Rent (FMR) areas.

Source: U.S. Department of Housing and Urban Development, effective March 10, 2009

2009 HUD HOME Program Rent Limits for Clark County

Rent (Monthly)	Number of Bedrooms						
	Studio	1	2	3	4	5	6
Fair Market Rent (FMR)	\$604	656	809	1,178	1,415	1,627	1,840
High HOME Rent	604	700	809	1,149	1,263	1,374	1,487
Low HOME Rent	604	636	787	910	1,015	1,120	\$1,225

Source: U.S. Department of Housing and Urban Development, effective April 27, 2009

HOME Rents: One - four HOME assisted units is the lesser of the Fair Market Rent or High HOME Rent. Five or more HOME assisted units, 20% of the assisted units rent cannot exceed the Low HOME Rent and 80% cannot exceed the lesser of the Fair Market Rent or High HOME Rent. Rents include utilities. Rents must be reduced for tenant paid utilities.

20. PROPOSAL SUBMITTAL:

Please submit one (1) original application. Please use binder clips, do not staple any of the pages or use dividers, use a 10-12 point font, number all pages, and use one inch margins. It is unnecessary to include the application instructions. For additional information, contact the City of Vancouver CDBG/HOME program staff at (360) 487-7952 or 487-7953.

**FINAL APPLICATIONS MUST BE RECEIVED
BY:
CDBG/HOME PROGRAM
COMMUNITY PLANNING
MAILING or IN PERSON
1610 "C" STREET, SUITE 203,
VANCOUVER, WA 98663
NO LATER THAN 5:00 PM
TUESDAY, DECEMBER 15, 2009**

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