

Dauphin County Affordable Housing Trust Fund Application Guidelines

The Dauphin County Affordable Housing Trust Fund (AHTF) was formed under the authority of Act 137 of 1992 to increase the availability and quality of affordable housing for county residents. Funded by a special Recorder of Deeds fee, the AHTF supports the Dauphin County First-Time Homebuyer's downpayment assistance program to support new homeownership for low-to-moderate income families as well as assists with financing new affordable housing construction.

We appreciate and thank you for your interest in applying to the AHTF for your project. Please carefully review the application and guidelines below prior to making your submission.

Once submitted, your application is first reviewed by program staff. If your application is determined to be complete and ready for board review, it is then placed on the agenda of the Affordable Housing Trust Fund Advisory Board—an appointed board responsible for recommending uses of AHTF funds to the Dauphin County Board of Commissioners. After reviewing, the AHTF Advisory Board votes at a public meeting to make a recommendation on your application to the Dauphin County Board of Commissioners.

The AHTF Advisory Board meets on the third Thursday of January, April, July, and October at 10:00AM at the Dauphin County Office of Community and Economic Development located at 3211 North Front Street, Suite 301-C, Harrisburg, PA 17110. These meetings are open to the public.

The official recommendation of the AHTF Advisory Board is sent to the Dauphin County Board of Commissioners for review, consideration, and final approval/denial at a regularly scheduled meeting.

Thank you in advance for your work expanding affordable housing in Dauphin County. We wish you the best of luck in your application and can be reached at 717-780-6250 if you have any questions.

-The Dauphin County Affordable Housing Trust Fund Team

**DAUPHIN COUNTY AFFORDABLE HOUSING TRUST FUND
APPLICATION GUIDELINES**

January 2024

I. SELECTION CRITERIA

Only proposals that meet all Affordable Housing Trust Fund (AHTF) program requirements and meet minimum threshold requirements will be reviewed for AHTF funds. DCED will conduct project selection review as follows:

- A. The AHTF Board will review all applications for completeness and compliance.
- B. AHTF will exclude those applications that, in the sole judgment of DCED, fail to meet AHTF Program Threshold requirements; fail to demonstrate the necessary financial commitments and feasibility; propose a development team that lacks sufficient development experience; or fail to comply with the terms and conditions of an AHTF award.
- C. AHTF will consider the following criteria in selecting projects as specified below. All criteria used by the AHTF are collectively referred to herein as the "Project Selection Criteria".
 - a) The extent to which the Applicant's application addresses the housing needs outlined in Dauphin County's Housing Study, Assessment of Fair Housing, and other affordable housing goals.
 - b) The extent to which the developer has all necessary approvals and permits for the construction of the project.
 - c) The extent to which the developer has firm commitments for all project financing necessary to complete the project.
 - d) The financial feasibility of the project.
 - e) The extent of site control by the developer.
 - f) The experience of the developer and the other members of the development team with projects of a similar size, scale, and complexity.
 - g) Owner/Developer ability to provide minimum 10% equity.
 - h) The proposed development schedule and evidence that such schedule can be met.
 - i) The number of units to be assisted in the project.
 - j) The per unit AHTF program funding requested.
 - k) The per unit project costs proposed.
 - l) Whether, and the extent to which, real property tax exemptions or abatements have been extended to the project.
 - m) The developer's performance record with DCED, AHTF, federal and state housing agencies, and local municipalities.
 - n) The extent to which the project proposes to maintain affordability beyond the standard HOME minimum affordability period.
 - o) The range of affordability options provided by the proposed project. For example, mixed-income projects that range in affordability from thirty percent (30%) AMI (very low income) to one hundred twenty percent (120%) of AMI.
 - p) All applicants must be current on all local, county, state, and federal taxes and free and clear of any liens on the property subject to the development project.

II. PROJECT FUNDING REQUIREMENTS

AHTF will fund developers of affordable rental and/or homeownership housing including for-profit developers, non-profit developers, and County-designated CHDOs. Prior to committing funds, AHTF will review the status of any organization seeking funds to ensure that it meets all requirements and that it has sufficient staff capacity to carry out the project. AHTF will consider proposals for both new construction or acquisition and rehabilitation of existing units.

Eligible Costs

Costs funded with the County's AHTF funds must be related to increasing the availability of quality affordable housing pursuant to Title 53, Chapter 60 (Optional Affordable Housing Funding). The following additional limitations also apply:

- i. **IMPORTANT INCOME GUIDELINES:** Funds shall be used solely for the construction and development of affordable housing. Applicant shall outline the target rental or homebuyer populations and number of units reserved for each target population. (Ex: 10 units rented to 80% AMI, 5 units rented to 50% AMI, etc.)
- ii. Funds shall not be used for luxury improvements.
- iii. Acquisition costs shall be supported by an independent appraisal of the property. Acquisition costs exceeding the appraised value of the property will be ineligible for funding.
- iv. Funds shall not be used for non-residential accessory structures such as free-standing community/leasing buildings, garages, carports, or maintenance structures. Funds may be used for community space or common laundry facilities included in residential buildings.
- v. DCED will only disburse AHTF for eligible costs incurred on or after the commitment of AHTF funds.
- vi. Funds shall not be used for organizational costs such as partnership formation or syndication costs, especially those associated with Low-Income Housing Tax Credits.
- vii. For new construction or rehabilitation of rental or homeownership housing units for low-income households, the cost of funding an initial operating deficit reserve, which is a reserve to meet any shortfall in project income during the period of project rent-up for units for low-income households (not to exceed 12 months), is an eligible cost. An initial operating deficit reserve may only be used to pay the share of operating expenses, scheduled payments to a replacement reserve, and debt service of the housing units for low-income households.

Cost Reasonableness

All project costs must be reasonable, whether paid directly with AHTF funds or not. AHTF will review project costs, including hard and soft costs, to evaluate their reasonableness and may, at its option, require applicants to obtain additional quotes, bids, or estimates of costs. AHTF staff must be allowed the opportunity to conduct a cost analysis to determine cost reasonableness. Applications may be determined ineligible if access is not granted or costs are determined to be unreasonable. Applicants are encouraged to request only the amount of AHTF funds needed as **gap financing** to make the project feasible. Requesting funds for administration is not allowed; however, applicants may request reasonable dollars for soft costs in an amount corresponding to affordable housing activities. All AHTF costs, including soft costs, must be tied to specific housing addresses.

Conflict of Interest

Owners must disclose any perceived or real conflict of interest situations that may occur when contracting with related companies during either the development or ongoing operation of the project.

Property Standards

To ensure quality affordable housing and meet County goals, all AHTF-funded projects must meet certain physical standards intended to provide quality affordable housing that is durable and energy efficient. Property standards will be enforced via inspection within 12 months of project completion and at least once every three years during the compliance period.

- i. Construction must meet all state and local building codes, as well as the County's Property Standards.
- ii. All AHTF projects must meet applicable Section 504/UFAS requirements.
- iii. Site shall be served by public sewer, public water, and public road.
- iv. Site shall be in a designated Fire District or served by a Fire Department.
- v. Units must be equipped with the following appliances: refrigerator, range/oven, dishwasher, and garbage disposal. Developers may also propose to include in-unit clothes washers and dryers, microwave/vent fan combination units, as appropriate. If the Energy Star program rates the type of appliances being installed, the developer must furnish the units with Energy Star rated appliances. Note however that not all appliances are rated by the Energy Star program.
- vi. *Lead-Based Paint:* All rehabilitation projects must comply with HUD's Lead-Based Paint (LBP) Regulations found at 24 CFR Part 35. Any home constructed prior to 1978 must be tested for the presence of LBP and all LBP hazards identified addressed in conformity with 24 CFR Part 35.

Underwriting and Subsidy Layering Review Requirements

All projects must be financially feasible. Income and expense proforma and detailed subsidy layer review for each project which demonstrates financial feasibility must be submitted to and approved by AHTF. Documentation supporting housing needs, including market studies, must be submitted.

All sources of financing necessary to complete the project must be identified in the application, and copies of all financial commitments must be submitted. Developers must disclose all other public sources or applications for funding to AHTF at the time of submission of the application and upon receiving any additional commitments of public source funding. DCED will conduct a subsidy layering review as part of the underwriting process for any project that includes other public subsidies. Using its underwriting criteria, AHTF will assess the project and may require changes to the transaction to ensure that the financial return to the owner/developer is not excessive. Changes may include a reduction in funds awarded or a declination of a previously approved award. AHTF will consider adjusting its underwriting in consultation with other public funders, if applicable to the project. AHTF retains, at its sole discretion, the power to decide whether to accept alternative standards.

Other Requirements

Nondiscrimination and Equal Opportunity

The following federal nondiscrimination and equal opportunity guidelines apply to all County affordable housing projects and affect both development and operation or sales of assisted housing:

- i. The Fair Housing Act (42 U.S.C. 3601-19) and implementing regulations at 24 CFR part 100 et seq.
- ii. Executive Order 11063, as amended by Executive Order 12259 (3 CFR, 1959-1963 Comp., p. 652 and 3 CFR, 1980 Comp., p. 307) (Equal Opportunity in Housing Programs) and implementing regulations at 24 CFR part 107.
- iii. Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d- 2000d-4) (Nondiscrimination in Federally Assisted Programs) and implementing regulations at 24 CFR part 1.
- iv. The Age Discrimination Act of 1975 (42 U.S.C. 6101-6107) and implementing regulations at 24 CFR part 146.
- v. Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and implementing regulations at part 8 of this title.
- vi. Title II of the Americans with Disabilities Act, 42 U.S.C. 12101 et seq.; 24 CFR part 8; Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) and implementing regulations at 24 CFR part 75.
- vii. Executive Order 11246, as amended by Executive Orders 11375, [[Page 41]] 11478, 12086, and 12107 (3 CFR, 1964-1965 Comp., p. 339; 3 CFR, 1966-70 Comp., p. 684; 3 CFR 1966-70 Comp., p. 803; 3 CFR, 1978 Comp., p. 230; and 3 CFR, 1978 Comp., p. 264, respectively) (Equal Employment Opportunity Programs) and implementing regulations at 41 CFR chapter 60.
- viii. Executive Order 11625, as amended by Executive Order 12007 (3 CFR, 1971-1975 Comp., p. 616 and 3 CFR, 1977 Comp., p. 139) (Minority Business Enterprises); Executive Order 12432 (3 CFR, 1983 Comp., p. 198) (Minority Business Enterprise Development).
- ix. Executive Order 12138, as amended by Executive Order 12608 (3 CFR, 1977 Comp., p. 393 and 3 CFR, 1987 Comp., p. 245) (Women's Business Enterprise). The nondiscrimination provisions of Section 282 of the National Affordable Housing Act of 1982.

The following additional guidelines apply to all rental housing projects:

- x. The requirements that rental housing be made available without regard to actual or perceived sexual orientation, gender identity, or marital status and prohibiting owners (or their agents) from inquiring about the sexual orientation or gender identity of an applicant for, or occupant of, HUD-assisted housing for the purpose of determining eligibility for the housing or otherwise making such housing available. This prohibition on inquiries regarding sexual orientation or gender identity does not prohibit any individual from voluntarily self-identifying sexual orientation or gender identity.
- xi. The requirements of 24 CFR 92.359 and 24 CFR Part 5, Subpart L which implement provisions of the Violence Against Women Act (VAWA), as amended, which provides various protections to applicants and tenants who are victims of domestic violence, dating violence, sexual assault, and stalking. Notwithstanding the title of the statute, VAWA's requirements and tenant protections apply regardless of any individual's sex, gender identity, or sexual orientation.

**DAUPHIN COUNTY
AFFORDABLE HOUSING TRUST FUND
FUNDING REQUEST APPLICATION**

A. GENERAL INFORMATION

Applicant Name _____

Contact Person _____

Project Name _____

Address _____

Telephone _____ Fax _____

Contact Person and Title _____

Telephone _____ Times Available _____

Email Address _____

IRS Tax ID Number _____

UEI Number _____

Non-Profit Organization Exemption Section No. _____

Regular Meeting Date & Time _____

Is Engineer/Architect Selected? Yes No

Firm Name _____

Contact Person _____ Telephone _____

Address _____

Email Address _____

B. AMOUNT OF AHTF FUNDING REQUESTED \$ _____

C. PROJECT SUMMARY INFORMATION

Type of project (check all that apply):
 Owner-occupied-New Construction
 Owner-occupied-Rehabilitation
 Rental Housing-New Construction
 Rental Housing-Rehabilitation
 Supportive Services

Is the project part of phased improvements? Yes No

PROPOSED UNITS

Number of Residential Units:

- a. Revenue units:
- b. non-Revenue units:
- c. Total Units:

Gross Residential Floor Area:

Number of AHTF assisted units:

1. Brief summary of the project (need for project, the benefit to eligible populations, activities to be undertaken, including the scope of work and timeframe, outcomes to be achieved). Detailed description to be provided as Addendum.

2. Project site address (provide maps showing the location and boundaries of service area)

LAND AND BUILDING FORM

Land Form: (for construction on previously undisturbed land)

Tax Map ID number: _____

Describe surrounding area: _____

Acres to be converted into impervious surface _____

Acres that will be disturbed directly or indirectly _____

List all soil types in the area _____

Building Form (for infill Construction/Rehabilitation)

Current Building Use: _____

Proposed Building Use: _____

If this project involves building construction/rehabilitation, please list the following information with names/addresses and proximity in miles of the nearest:

Hospital _____

Education Facility _____

Trash Pickup _____

Sanitary Sewer _____

Storm Sewers _____

Fire Station _____

Police Station _____

EMT _____

Recreational Area _____

Designated Open Space _____

D. PROJECT IMPLEMENTATION SCHEDULE

How long will it take to attain occupancy? _____

NOTE: Project must be completed within four (4) years of commitment of funds!

E. PROJECT BUDGET (must be submitted by all applicants)

Please complete Summary Budget Template at the end of the application and provide detailed budget/proforma as addendum.

In addition, provide the financial information described below:

- () For all construction/rehabilitation projects, provide an itemized signed cost estimate from a qualified professional showing all cost, including engineering
- () If AHTF funds will support a portion of the total cost, describe which costs AHTF will support.
- () Project Costs

- a. Total estimated project cost \$ _____
- b. Amount of HOME funds requested \$ _____
- c. Amount of applicant contribution \$ _____
- d. List of other sources of funds
- _____ \$ _____
- _____ \$ _____
- _____ \$ _____

Note: b+c+d must equal a

- () Provide a complete list of sources/uses for all funding sources (see p. 20), as well as evidence of commitment for all other sources of funds.

F. PROJECT PHOTOS AND LOCATION (Construction/Rehabilitation Projects Only)

- () Submit at least one (1) but not more than ten (10) photos of the project site.
- () Submit a census block group map with the project area clearly marked.

G. ENGINEERING, ENVIRONMENTAL AND TECHNICAL REQUIREMENTS

Has the applicant investigated the need for federal, state, and local permits and/or approvals that will be required to complete this project?

Yes No If YES, answer question 2. If NO, proceed to question 3.

List all applicable federal, state, and local permits or approvals required for this project and list the current status of each permit or approval in the space provided.

Permit or Approval Required	Application Date	Status
_____	_____	_____
_____	_____	_____

If the need for permits or approvals has not been identified and/or if the application submission process for permits has not been started, please explain why not.

H. EVALUATION REQUIREMENTS

1. Can the activity be completed with the funds requested?

Yes No

2. What is the number of low-to-moderate income households that will benefit from this activity? _____

3. Breakdown of proposed units by income levels:

_____ Above 100% AMI
 _____ At or below 100% AMI
 _____ At or below 80% AMI
 _____ At or below 50% AMI
 _____ At or below 30% AMI
 _____ TOTAL

Number of units designated for disabled individuals _____

4. How soon can the project start? Specify month and year _____

5. Describe in detail the responsibilities of the individuals in charge of various aspects of the development and implementation of the Project, both during preconstruction and construction phases. Also provide information on the Organization's (applicant's) relevant experience.

6. Provide in detail how the Project will be operated after construction, including a marketing and management plan, tenant selection plan and waiting list procedures, and measures taken to ensure affordability during the minimum compliance period. Explain efforts that will be taken to Affirmatively Market units for Fair Housing. For supportive services projects, include the applicant's standard operating procedures and a description of how referrals will be accepted, and length of time services will be provided.

I. ADDENDUMS

In addition to your application, the following addendums **MUST** be submitted.

Applicant Submissions		Included
Addendums		
I	Executive Summary	
II.	Scope of Work – detailed narrative and professional cost estimates	
III.	Site Specific Description – include any known site issues, ownership	
IV.	Building – If infill, include any known building issues.	
V.	Proof of Site Ownership	
VI.	Detailed Development Budget and Proforma	
VII.	Status of Funding Sources – Include copies of commitments	
VII.	Rent Plan	
IX.	Organizational Operating Budget	
X.	Basis for Projection of Operating Budget	
XII.	Development and Construction Team Profile	
XII.	Financial and Credit Statements – Most recent.	
XIII.	Organizations Most Recent Tax Return	
XV.	Post-Construction Marketing, Tenant Selection, and Management Plan	
XVI.	Timetable for Approvals and Completion of Project	

The Applicant will comply with Fair and Affordable Housing policies for low and moderate income persons and families. The Applicant will assist the County or its agencies in promoting Fair and Affordable Housing in the municipality.

The governing body has adopted or passed as an official act, a resolution, motion or similar action authorizing the submission of the Funding Request Application. Request for funds by municipal authorities must be submitted by the Chief municipal elected official.

Additional information may be required on an as-needed basis.

Name of Authorized Official _____

Title _____

Signature of Authorized Official

Date

Any false statement made knowingly and willfully may subject the signer to penalties under Section 1001 of Title 18 of the United States Code

All applicants must submit one (1) hard copy of the project application to:

Dauphin County Department of Community & Economic Development
Attention: Debra Laudenslager, Program Coordinator
3211 North Front Street, Suite 301-C
Harrisburg, PA 17110
717-780-6256/717-329-9305

Emails will not be accepted.

