

Housing Acquisition Program or Project

INSTRUCTIONS FOR COMPLETING ACTIVITY FORMS

Note: If more than one project is being proposed, then submit a separate Activity Form for each project. Only one program may be applied for.

A. ACTIVITY DESCRIPTION:

1. Please indicate the type of activity proposed.

Note: Housing Acquisition/Housing Rehabilitation Combination Program.

If applying for a Housing Acquisition/Housing Rehabilitation Combination Program. This is a **separate** category that:

- ❖ allows the grantee to use **one combined** CDBG budget amount to be used for both housing rehabilitation and/or housing acquisition; and
- ❖ Can only be used for jurisdiction-wide programs (no target areas are allowed).

Note: When using this option, grantees must also complete a Housing Rehabilitation Activity Form.

2. **Program Description.** Please provide a brief narrative description of the proposed program, homebuyer assistance only or homebuyer assistance with rehabilitation done on the house after close of escrow. Feasibility of doing the activity in the community (are there sufficient eligible households who can use the program).
3. **Specific Project Description.** Please provide a brief narrative description of the proposed acquisition project. Give information about:
 - the use of CDBG funds,
 - what the total project will cost,
 - the number of units, and
 - a breakdown of the projected TIG and LTIG beneficiaries.

If you are proposing a **combination of different uses of funds:**

- explain all aspects of these combinations, and
- break out costs where appropriate.

If the proposed CDBG activity is **part of a larger project:**

- describe the whole project, and
- describe how the CDBG-funded portion fits into that project.

Note: Remember that occupancy by the TIG/LTIG beneficiaries must occur by the CDBG contract expiration date.

EXAMPLES

Single-Family Project:

The City of XYZ will use the \$400,000 to assist 15 homebuyers to purchase existing homes. It is anticipated that 12 of the homebuyers will be TIG and the remaining 3 will be LTIG households. We anticipate that the average purchase price will be \$110,000 plus closing costs of \$3,000; the average CDBG loan will be \$25,000; the average downpayment will be \$3,500; and the average bank loan will be \$81,500. The CDBG funds will be used in conjunction with bank loans obtained individually by the homebuyers. A letter of interest from MNO Bank is attached to document the bank funds as leverage.

Multi-Family Project:

The County of PQR will use the \$500,000 to assist the NP Housing Development Corporation (NPHDC) to purchase a rental housing project consisting of 50 units, located in the rural Vista community in the Northwest area of the County. These units are currently occupied by 10 LTIG and 40 TIG households, and we expect this mix to be maintained. The balance of funding for this \$2,000,000 project will be provided by a CHFA loan in the amount of \$1,400,000 and a FHLB Affordable Housing Program grant of \$100,000. No rehabilitation funds are needed, as the project currently meets all code requirements.

4. Please check the box for the anticipated level of environmental clearance under the National Environmental Policy Act (NEPA).

Notes: If you already have a NEPA environmental review record (ERR) for your proposed project that was prepared by or for another agency (e.g., USDA-RD), that ERR may or may not satisfy environmental review requirements for HUD purposes for this grant application. Please contact your CDBG representative for further guidance on avoiding ERR duplication.

Scheduling and budgeting should allow for sufficient time and funds to complete environmental clearances prior to commencement of activities. New Construction frequently requires a higher level of NEPA environmental clearance than other types of community development activities.

Housing Acquisition Program or Project

B. NEED FOR ACTIVITY:

1. Please enter the percentage of all renter households who are paying more than 25% of their income for housing.

Notes: You **must** use 2000 Census data for this number. Overpayment data are available in the 2000 Census Summary File 3, Table DP-4 (see sample of this table in Appendices). If you are unable to obtain this Table, please ask your CDBG Representative for a copy.

Remember to attach the 2000 Census table and show your calculations.

2. Please enter the percentage of total households who are overcrowded.

Notes: Overcrowding means 1.01 or more persons per room.

You **must** use 2000 Census data for this number. Overcrowding data are available in the 2000 Census Summary File 3, Table DP-4 (see sample of this table in Appendices). If you are unable to obtain this Table, please ask your CDBG Representative for a copy.

Remember to attach the 2000 Census table and show your calculations.

3. **Need for New Units**. Recent surveys (less than 5 years) or 2000 Census data are acceptable documentation. The data requested is for the entire jurisdiction.

Exception: For this activity, CDBG will allow the designation of a Target Area only for County applicants where the proposed project is in a geographically isolated area of the county.

a. Please:

- enter the percent(s) of **owner-occupied** units that are vacant in the entire jurisdiction, or a geographically isolated area of the county
- check the appropriate box that specifies the data source (2000 Census or local survey), and
- attach a copy of the Census table with your calculations and/or the results of the local survey (as applicable).

b. Please

- enter the percent(s) of **rental** units that are vacant in the entire jurisdiction, or a geographically isolated area of the county.
- check the appropriate box that specifies the data source (2000 Census or local survey), and
- attach a copy of the Census table with your calculations and/or the results of the local survey (as applicable).

Housing Acquisition Program or Project

Notes: If you use 2000 Census data, refer to the Census Summary File 1, Table DP-1(see sample of this table in Appendices) for the jurisdiction-wide vacancy rates by tenure type. If you wish to use Census data but are unable to obtain the required Table, please ask your CDBG Representative for a copy.

If you use local survey data, be sure to include a copy of the results of that survey with pertinent information highlighted.

4. Please state whether there is a project-specific waiting list or market study. If yes, be sure to attach a copy.

5. Supplemental Information: If the Census data for Overpayment, Overcrowding, and/or Homeownership Rate do not accurately depict your community's need in those categories, please:
 1. Check which category(ies) are being rebutted,
 - Worsened Overpayment: Information rebutting or not captured in the 2000 Census.
 - Homeownership Rate: Information rebutting or not captured in the 2000 Census.
 - Housing Overcrowding: Information rebutting or not captured in the 2000 Census.

 - describe your community's worsened needs in those categories,
 - attach third-party documentation, if available, showing your community's worsened needs in those categories,
 - and identify the page number in the application where the third-party documentation can be found .

Notes: Such supplemental information may not be older than five years from this year's application filing date and **must be specific to the community**.

Vacancy rate data cannot be supplemented, as recent surveys are already allowed as noted above under "Need for New Units."

Housing Acquisition Program or Project

C. TARGETED INCOME GROUP (TIG) BENEFIT

1. Enter the percentage of total project beneficiaries who would be TIG households.
____%
2. If your answer to question #1 is **51% or greater**, enter percentage and go to Section C.
If your answer to question #1 is **Between 20% and 50%**, answer question 4.a-d below.
If your answer to question #1 is **less than 20%**, stop here. Your project does not meet
The TIG National Objective and is **ineligible**.
3. If you propose to assist a senior housing project, stop here. Your project does not meet the TIG National Objective and is **ineligible**.
4. If the answer to question #3 was **No** and the project is between 20% AND 50% TIG, complete question 4. a-d to determine if the percentage of CDBG dollars, relative to total activity costs, equal or are less than the percentage of TIG households in the project.

NOTE: Compare the percent of benefit to TIG households with the percent of CDBG dollars relative to the total development cost (TDC). For example, a potential \$1,000,000 project may be designed to set aside 40 percent of the finished project units for TIG households. If the applicant is requesting \$400,000 of CDBG funds, which is 40 percent of the TDC, then the application meets the test that the percent benefit to TIG households is equal to or greater than the percent of TDC that CDBG dollars represent.

D. SOURCES AND USES:

1. Sources and Uses Form.

Sources. The major funding sources are printed on the form.

The amounts and sources for local and private funding contributions should match the Information provided on the leverage charts in the application summary. In addition, make entries here for any State, Federal, or other sources, that you will be using to finance the **entire project**.

For "other State" funds, if any are from another HCD program, please identify that State funding source on this chart.

Housing Acquisition Program or Project

Uses. Identify the cost categories applicable to your proposed project and enter the amount you plan to use. Allocate the amounts across the table to the funds you expect to receive from all the sources listed. This chart should include costs for the entire project (not just the CDBG portion). Your cost estimates can assist you in calculating these entries.

- For the Construction lines, include a factor for Davis-Bacon wages when applicable. All construction costs should include a contingency established in the line item.
- The equipment category could include items such as outdoor playground equipment.
- Examples of fees that should be listed are commissions to brokers or closing costs for the acquisition of land or a building.

Please double-check the totals, in all rows and columns, for accuracy.

E. PROGRAM READINESS.

Of the 150 points available for capacity, your application may be awarded up to 50 of those points for documenting actions that make the proposed project or program ready to proceed. These actions must be directly related to the activity. They may include the completion of the special conditions and environmental review requirements, procuring an operator or subrecipient, and obtaining funding commitments.

Site Control. We have included a site control section in Program Readiness even though it will have limited use under the housing acquisition activity category. An example where site control does become relevant would be: Where a City/County or their RDA have purchased a housing project or individual housing units and have proof of site ownership which can be submitted for readiness points under site control. **Most Housing Acquisition applications will not use the Site Control section in the readiness chart.**

A partial list of Examples of such actions and the documentation to be submitted for each are in the Program Readiness Chart. (This Chart is not a complete list of possible readiness actions).

Housing Acquisition Program or Project

A. ACTIVITY DESCRIPTION:

1. Please indicate the ONE activity to be proposed and described with this set of forms. Each separate housing acquisition activity must have a separate set of forms submitted for it.

_____ Homebuyer Assistance Program (units already built at time of application)
(Must be jurisdiction-wide. Target areas may be allowed for county applicants only)

_____ Acquisition of Existing Multi Family Housing Project

_____ Acquisition of Existing Mobile Home Park Project

_____ Combination of Homebuyer Assistance and Housing Rehabilitation Programs

2. **Description of Homebuyer Assistance Program (see instructions):**

3. **Project Description (see instructions):**

4. **Environmental Clearance.** Please check the box for the anticipated level of environmental clearance under the National Environmental Policy Act (NEPA).

Environmental Assessment

Categorically Excluded, but Subject to 58.5...

Housing Acquisition Program or Project

B. NEED FOR ACTIVITY:

Data Type	Instructions:	%	Data Source
1. <u>Overpayment</u>	Enter the percentage of all <u>renter</u> households who are paying more than 25% of income for housing. <i>Please show calculations on your attached Census table.</i>	___%	2000 Census Data
2. <u>Overcrowding</u>	Enter the percentage of total households who are overcrowded. <i>Please show calculations on your attached Census table.</i>	___%	2000 Census Data

3. Need for New Units Based on Census Data:

Data Type	Instructions:	%	Data Source
	Below, enter the vacancy rate for the tenancy type(s) proposed (homeowner and/or rental).		Below, specify if data is from 2000 Census OR local survey.
a. <u>Homeowner Vacancy Rate</u>	For Homeowner Acquisition Programs: Enter the percent(s) of <u>owner-occupied</u> units that are vacant in the entire jurisdiction. <i>Attach the Census tables and/or the results of the local survey, if applicable.</i>	___%	<input type="checkbox"/> 2000 Census <input type="checkbox"/> Local Survey
b. <u>Rental Vacancy Rate</u>	For Rental Acquisition Projects: Enter the percent(s) of <u>rental</u> units that are vacant in the entire jurisdiction. <i>Attach the Census tables and/or the results of the local survey, if applicable.</i>	___%	<input type="checkbox"/> 2000 Census <input type="checkbox"/> Local Survey

Housing Acquisition Program or Project

4. Documentation of Local Demand for Project:

Waiting List

Yes. Attach a copy.

No.

Market Study

Yes. Attach a copy.

No.

5. Supplemental Information:

This section is used to provide information being rebutted and/or not captured in the 2000 Census in regards to your community's worsened overpayment, overcrowding needs, and/or homeownership rate. Provide all information that is requested.

Check if you are providing supplemental information for:

Worsened Overpayment

Worsened Housing Overcrowding

Homeownership Rate

Describe the worsened overpayment, overcrowding, and/or homeownership rate issue:

How is this issue specific to your community?:

List:

- third-party documentation (must be less than 5 years old) that is being submitted to support the issue, and
- the date of the documentation submitted, and
- the page numbers, in this application, where it can be found.

Description of Documentation:	Date of Doc.	Page #
1.		
2.		
3.		
4.		

Housing Acquisition Program or Project

C. TARGETED INCOME GROUP (TIG) BENEFIT

All CDBG Housing Acquisition projects must meet the TIG National Objective in order to be eligible for funding. **Answer the questions and follow the prompts below to determine project eligibility.**

1.	What percentage of households benefiting from this proposed activity are TIG households?	_____ %	
	<ul style="list-style-type: none"> • If you are proposing assistance for acquisition of individual-ownership housing, you must have <u>100% TIG benefit</u>. (Stop. GO to C.) • If a multi-family rental project, <i>CONTINUE</i> 		
2.	<ul style="list-style-type: none"> • If your answer to question # 1 is 51% or greater, Stop. GO to Section C. • If your answer to question # 1 is between 20% and 50%, <i>CONTINUE with questions below</i>. 		
	<ul style="list-style-type: none"> • If your answer to question # 1 is less than 20%, ... 		STOP HERE. Your project is ineligible .
3.	Do you propose to assist a senior housing project?	<input type="checkbox"/> YES	STOP HERE. Your project is ineligible .
		<input type="checkbox"/> NO	CONTINUE.
4. a.	Enter the Total Development Costs (TDC) for this project.	\$ _____	
4. b.	Enter the dollar amount of CDBG funds requested for this project <u>and</u> CDBG Program Income funds being added to this project. Add these amounts.	\$ _____ (funds requested) \$ _____ (PI funds) \$ _____ (TOTAL CDBG \$)	
4. c.	Divide <u>Total</u> CDBG funds (4. b.) <u>by</u> TDC (4. a.) = (percentage of CDBG funds relevant to TDC)	_____ %	
4. d.	Is the percentage of CDBG funds equal to or less than the percentage of TIG households in the project?	<input type="checkbox"/> YES	Your project meets the TIG National Objective and is eligible .
		<input type="checkbox"/> NO	Your project does not meet the TIG National Objective and is ineligible .

SOURCES AND USES
Housing Acquisition

D. SOURCES AND USES FORM. Show all funds you plan to use for the entire project (CDBG funds requested and all other funding sources).

USES	SOURCES							Totals:
	State CDBG	Local Financial	Private Financial	Program Income	Federal	Other State Funds	Other: List	
Land Acquisition								\$
Building Acquisition								\$
Construction On-Site								\$
Construction Off-Site								\$
Equipment								\$
Final Plans & Specs.								\$
Fees								\$
Contingency								\$
Relocation								\$
Local Govt. approvals								\$
Other:								\$
Other:								\$
Totals:	\$	\$	\$	\$	\$	\$	\$	\$

Housing Acquisition Program or Project

E. ACTIVITY READINESS CHART

See Instructions for details of how to complete and provide proper documentation. No partial points will be given, if all readiness documents are not submitted and completed properly then no points will be awarded in the category.

PROGRAM OPERATOR	INDICATE "Yes" OR "No"	DOCUMENTATION Submitted	PAGE NO.
In-House Administration			
Sub-recipient Agreement			
Consultant Hired			

ENVIRONMENTAL	INDICATE "Yes" OR "No"	DOCUMENTATION Submitted	PAGE NO.
Complete Environmental Review Record (EER)			
Ready to Publish Public Notice			
Environmental Finding Form			
Form 58.6			

SPECIAL CONDITIONS	INDICATE "Yes" OR "No"	DOCUMENTATION Submitted	PAGE NO.
Site Control			
All financing in Place			
Timeline for completion			
Approved Program Guidelines			
Approved PI Reuse Plan			

READINESS	INDICATE "Yes" OR "No"	DOCUMENTATION Submitted	PAGE NO.
Waiting List – Eligible Participants			
List of Eligible Bidders			
Final Plans and Specs			
Bid Documents Completed			