

CITY OF
UTICA, NEW YORK

DEPARTMENT OF
URBAN & ECONOMIC DEVELOPMENT



HOME INVESTMENT PARTNERSHIPS PROGRAM
APPLICATION FOR FUNDING
2025-2026

GENERAL INFORMATION

All applicants must submit one (1) original hardcopy and one (1) electronic copy of the cover sheet, narrative, budget forms (budget submitted for NYS HCR application is preferred), and all required and support documents. Electronic copies can be emailed to mpeek@cityofutica.com with a link to a dropbox or other verified storage host, or may be submitted on a thumb drive.

Proposals must be submitted to the City of Utica Department of Urban and Economic Development, 1 Kennedy Plaza, Utica, NY 13502. Any applications for funding will be reviewed and considered based on availability of funds, need for the program, and any other relevant facts or conditions.

Information and documents submitted pursuant to this application process are deemed to be public records and will be disclosed accordingly. However, while financial and credit information may be confidential, the City will process requests for this information pursuant to the provisions of the Freedom of Information Act. Additionally, if there are documents or information that you feel should not be released because of trade secret issues, please provide written explanation and identify the document or information in question.

HOME PROGRAM APPLICATION COVER SHEET
BACKGROUND INFORMATION

Submitted by (Entity/Organization): _____

Authorized Signature: _____

Title: _____

Contact Person: _____

Address: _____

Telephone: _____ Fax: _____

E-mail Address: _____

HOME Funds Requested: _____ Total Project Costs: _____

Project Title: _____

Type of Project/Number of HOME Beneficiaries/Service Area: (Check only one type of activity)

<u>Type of activity:</u>	<u>Number of beneficiaries:</u>	<u>HOME costs per beneficiary:</u>
_____ Homebuyer Assistance	Households Assisted: _____	\$ _____/household
_____ New Construction Single Family	Households Assisted: _____	\$ _____/household
_____ New Construction Multi Family	Households Assisted: _____	\$ _____/household
_____ Rehabilitation Single Family	Households Assisted: _____	\$ _____/household
_____ Rehabilitation Multi Family	Households Assisted: _____	\$ _____/household

Checklist of Required Documents (Please check all items submitted. See page 12 for more information.)

- _____ 1. Signed and completed application cover sheet.
- _____ 2. Project or Proposal Description/Narrative (See page 3 for requirements).
- _____ 3. Completed and signed computer-generated budget forms (See budget page handout).
- _____ 4. One Original hardcopy and one electronic copy of cover sheet, proposal narrative, and budget forms.
- _____ 5. Articles of Incorporation and Bylaws (must be signed and dated).
- _____ 6. State and Federal (IRS) Tax Exemption Determination Letters (non-profits only).
- _____ 7. List of Board of Directors (Names, Addresses, Employers, Occupations).
- _____ 8. Board of Director's authorization to request funds.
- _____ 9. Board of Director's designation of authorized official and contact person.
- _____ 10. Organization Chart.
- _____ 11. Job Description and Resume of Chief Program Administrator.
- _____ 12. Job Description and Resume of Chief Fiscal Officer.
- _____ 13. Most Recent Financial Statements and Audit.

- _____ 14. Completed and signed Conflict of Interest Disclosure Form. (See pages 16-18).
- _____ 15. Letters of Commitment for all funds (Letters should be current; i.e., dated within thirty (30) days of an application's submission for funds).
- _____ 16. Job Descriptions for all positions to be funded with HOME Program funds.

If applying for a CHDO set-aside funding source (available per request):

- _____ 18. Completed CHDO Checklist (if applying for CHDO set-aside)

REQUIRED INFORMATION FOR NARRATIVE

I. PROJECT DESCRIPTION (NARRATIVE)

A. **Project Summary** (minimum one (1) page maximum three (3) pages)

Briefly describe the proposed project. The project summary should provide a general overview of the project, responsibilities of participants, phases of project, and financing. **The summary narrative must answer the following questions:**

1. **How many low-income persons are going to benefit from this activity?**
2. **What is the amount of HOME Program funds requested?**
3. **What is the project?** (Homebuyer assistance, new construction, rehabilitation)
4. **Where is the project located?** (address, streets, city, 2000 Census Tract Block Group)
5. **What steps or phases are necessary to complete this activity?** (engineering/design, bidding, contract award, construction; Is project part of CIP plan or multi-phase project? Please explain.)
6. **Why are HOME funds needed for this activity?**

B. **Documentation of Eligibility and Compliance** (minimum one-half (1/2) page, maximum two (2) pages)

Describe in detail how and why the project is eligible for HOME Program funding. Please state the number of low-income persons to be assisted and the per person or per unit costs of services. HUD requires that records and documentation be maintained and reported regarding persons provided assistance and the condition of housing throughout the contract and affordability periods including data showing the size and annual income of the family of each person receiving the benefit and other demographic information. Please state how your organization will comply with these requirements in a timely manner, if it is funded. Please identify the staff assigned these responsibilities. (See HOME Proposal guidelines pages 20-36 for more information.)

Project means a site or sites together with any building (including manufactured housing unit) or buildings located on the site(s) under common ownership, management and financing, to be assisted with HOME funds as a single undertaking. The “project” includes all of the activities associated with the site and building.

The Applicant/Beneficiary

Each project or program assisted through the HOME Program must use 100 percent of its HOME funds to assist families with incomes below eighty (80) percent of the area median income. For rental housing more restrictive income eligibility provisions apply. Ninety (90) percent of the occupants of HOME-

assisted rental units must have incomes that are sixty (60) percent or less of the area median. Twenty (20) percent of the units in each rental housing project containing five (5) or more units must be occupied by tenant families with incomes at or below fifty (50) percent of median income.

Applicant Income Eligibility: Income eligibility: Beneficiaries of HOME funds—homebuyers, homeowners, or tenants—must be low-income or very-low-income. Their income eligibility is determined based on their annual income (80% of MFI).

Annual income: Annual income is the gross amount of income anticipated by all adults in a family during the twelve (12) months following the effective date of the determination.

Income Verifications: Initial Verification: To determine if program applicants are income-eligible, income must be verified using source documentation. Once the initial income verification is completed, it is not required to re-examine the applicant’s income unless six months has elapsed before assistance is provided.

Annual Re-examinations: For rental programs, annual re-certifications of income are required.

Long-Term Affordability: To ensure that HOME investments yield affordable housing over the long term, HOME imposes rent and occupancy requirements over the length of an affordability period.

Affordability Periods: For homebuyer and rental projects, the length of the affordability period depends on the amount of the HOME investment in the property and the nature of the activity funded. The HOME Investment per unit and the length of the affordability period are listed below.

<u>HOME Investment per Unit</u>	<u>Length of Affordability Period</u>
Less than \$15,000	5 years
\$15,000 - \$40,000	10 years
more than \$40,000	15 years
new construction of rental housing	20 years
refinancing of rental housing	15 years

Occupancy: Throughout the affordability period, the HOME-assisted housing must be occupied by income-eligible households.

Rental housing: When units become vacant during the affordability period, subsequent tenants must be income-eligible and must be charged the applicable HOME rent.

Homebuyer assistance: If a home purchased with HOME assistance is sold during the affordability period, resale or recapture provisions apply to ensure the continued provision of affordable homeownership.

The Property: Property must be located within the City of Utica’s service area. Property must meet HUD environmental review criteria.

Maximum Subsidy: The Section 234 limits represent the maximum per unit subsidy that a PJ may invest in affordable housing on a per-unit basis as defined at 24 CFR 92.250.

These limits are effective as of **February 13, 2024:**

	0 BEDROOM	1 BEDROOM	2 BEDROOM	3 BEDROOM	4+ BEDROOM
CITY OF UTICA	\$181,488	\$208,049	\$252,994	\$327,293	\$359,263

Property Types: Depending on the nature of the program activity, HOME rules specify the types of property that are eligible for funding.

Property Value: For owner-occupied and homebuyer properties, HOME limits the value of purchase price of the property. In short, the price or, in the case of rehabilitated properties, the value may not exceed 95 percent of the area median purchase price.

The 203(b) Mortgage Limits represent the maximum mortgage amount that can be insured under a FHA insured loan. These limits are effective as of **November 20, 2024:**

	ONE FAMILY	TWO FAMILY	THREE-FAMILY	FOUR-FAMILY
UTICA- ROME MSA				
ONEIDA COUNTY	\$524,225	\$671,200	\$811,275	\$1,008,300

Property Standards: HOME-funded properties must meet certain minimum property standards.

State and local standards: State and local codes and ordinances apply to any HOME-funded project regardless of whether the project involves acquisition, rehabilitation, or new construction.

Model codes: For rehabilitation or new construction projects where there are not state or local building codes, the national model codes must be enforced.

Housing quality standards: For acquisition only projects, if there are no state or local codes or standards, the City of Utica Housing Quality Standards (HQS) must be enforced.

Rehabilitation standards: Written rehabilitation standards apply to all HOME-funded rehabilitation work. These standards are similar to work specifications, and generally describe the methods and materials to be used when performing rehabilitation activities.

Model Energy Code: New construction requires compliance with the Model Energy Code.

Handicapped accessibility: In some cases, handicapped accessibility requirements apply.

Site and neighborhood standards: The site and neighborhood standards of 24 CFR 983.6(b) apply only to the **new** construction of **rental housing**.

The applicable standards vary by the type of activity.

All new manufactured housing must meet the construction and safety standards of 24 CFR 3280. New manufactured housing must be installed according to state or local codes or the manufacturer's written instructions.

C. Sponsoring Organization Information (minimum three (3) pages)

Background - Include the length of time the organization has been in operation, the date of incorporation, the purpose of the organization, your organization's legal status: incorporated, partnership, or non-profit. If your organization is a membership organization, please state the number of members and include a membership list. Please describe the type of services provided, locations, the organization's capabilities, the number and characteristics of clients served, and license to operate if required. Describe the organization's management, office policies and the daily operations of the organization. Discuss your organization's staffing pattern. Explain your organization's capacity for carrying out the proposed activities assisted with HOME Program funds. Please describe at least one year of your organization's history in the provision of housing. Provide a copy of your organization's **written program guidelines** that describe the application process and the standards and procedures your organization will use to carry out the activities funded with HOME Program funds and to ensure compliance with the requirements of this federal program. Please describe the organizational structure and include an organizational chart. Describe how your organization has actively involved the income-targeted individuals and families who may be or who are provided services and/or solicited the input of residents from the areas surrounding this proposed project. This may include, but is not limited to, participation in public hearings board meetings, and letters of support.

Personnel - Describe your organization's existing staff positions (the number of full-time vs. part-time) and include resumes and/or statements that describe the experience of staff that have successfully completed projects similar to the proposed project. Identify all subcontractors and contracts with consulting firms or individuals and describe their qualifications especially those with housing experience with similar projects. State whether or not the organization has a personnel policy manual with an affirmative action plan and grievance procedure. [Note: Job descriptions for each position requesting HOME Program funding must be on a separate page and include the essential job duties and responsibilities; the minimum job requirements such as knowledge or minimum education, minimum work experience, skills and abilities, special requirements, equipment used, contacts, supervision required, physical demands, work environment, hours, benefits and salary.]

Financial – Governmental entities: The requirements of OMB Circular No. A-87 and the following requirements of 24 CFR part 85 apply: 85.6, 85.12, 85.22, 85.26, 85.32-85.34, 85.36, 85.44, 85.51, and 85.52. Non-profit organizations: The requirements of OMB Circular No. A-122 and the following requirements of 24 CFR part 84 apply to sub recipients receiving HOME that are nonprofit organizations that are not governmental sub recipients: 84.2, 84.5, 84.13-84.16, 84.21, 84.22, 84.26-84.28, 84.30, 84.31, 84.34-84.37, 84.40-84.48, 84.51, 84.60-84.62, 84.72, and 84.73.

HOME Program funds are available on a reimbursement basis only and will cover approved budget costs associated with the approved proposal only. Please, describe the organization's current operating budget, itemizing revenues and expenses. Describe the organization's fiscal management including financial reporting, record keeping, accounting systems, payment procedures, and audit requirements. Please provide references from financial institutions that have provided financing to project participants for similar projects. Identify applicant's financial arrangements including the amount of developer's profit and the method used to estimate this amount. Please include a sources and uses of funds statement which lists site acquisition and preparation costs, including any public infrastructure; housing construction costs for each type of unit (including builder profit); the amount of construction funds firmly committed and terms of the interim (construction) loan; permanent mortgage financing terms and amount of funds firmly committed (including determination of need to pre-qualify LMI buyers); and all other costs, such as A&E, various fees, administrative/overhead, marketing (if needed), etc. [Note: All costs should be supported with documentation such as site appraisal(s), estimates from architects/engineers/contractors confirming development costs, and statements from builder(s) confirming their housing construction costs for each type/size of unit.]

Please describe your organization's experience and working knowledge of federal guidelines especially OMB Circulars. Identify commitments for ongoing funding and provide letters of commitment for these funds. [Note: Letters of commitment for all funds should be current; i.e., dated within thirty days of an application's submission for funding.] Do not mail separately. These letters must be included with application.

Audit Requirements - In accordance with the Office of Management and Budget Circulars A-133 and A-110, the Federal Government requires that non-federal entities receiving \$300,000 or more in federal financial assistance in a fiscal year must secure a single audit. If the organization expends \$300,000 or more under only one Federal program, a program-specific audit may be acceptable. Organizations receiving less than \$300,000 must secure an audit, but neither a single audit nor program-specific audit is required.

Insurance/Bond/Worker's Compensation - State whether or not the organization has liability insurance coverage, in what amount, and with what insuring agency. State whether or not the organization pays all payroll taxes and worker's compensation as required by Federal and State Law. State whether or not the organization has fidelity bond coverage for principal staff who handle the organization's accounts, in what amount, and with what insuring agency.

Additional Information - Include any other pertinent information.

D. Project Details (minimum five (5) pages)

This section should describe in detail the proposed project, the need for the project, the experience of the applicant, past projects, details of project implementation, and qualifications of staff. In addition, applicant should provide the following:

Project. Provide map of project site. Describe the need for the project. Identify and describe the eligible activities proposed for HOME Program funding. Discuss all components of the proposed project. Identify all organizations and entities participating in the project. Describe project boundaries, linear or square feet, architectural plans, the number of housing units, the age of the housing, and unit size (number of bedrooms), common area improvements, etc. Provide details of how the project will be constructed and the materials to be used. (Example: HOME Program funds will only be used to purchase materials.) Please include work specifications, cost estimates, cash flow analyses, market feasibility study, appraisal, site plan, proof of property ownership, taxes/appraisal, insurance and local government requirements such as building permits, zoning classifications, etc. Contingency plans for construction and permanent financing, project delays, and cost overruns also must be provided. **[Note: All building improvements must comply with Federal Disability Rights Laws and Accessibility Requirements. Describe the standards and procedures to be used to ensure compliance with these requirements by the proposed project.]**

Site Profile. Please describe the general neighborhood/site in which the project will be located. Please identify noise contours for aircraft; heavily traveled roadways; railways; or any hazardous industrial operations handling explosive or flammable fuels or chemicals within 1,000 feet of the proposed project site. **Applicant must include a flood plain map showing the flood plain classification of the property.**

New Construction. For new rental housing, a PJ must follow 24 CFR 893.6(b), HUD's Site and Neighborhood Standards to determine that the location is appropriate and suitable for the housing and meets federal site standards. In carrying out these requirements with respect to the new construction of rental housing, the following information is required: street addresses for each lot or site; if the project is for a new subdivision, a copy of the plan/layout with the lots identified must be provided; a map showing the locations of the structures to be constructed, including the census tract (CT) line/boundaries; CT racial data for each location; and if the minority concentration in a CT equals or exceeds the PJ's minority population, then you must submit documentation that shows there are comparable housing opportunities outside the concentrated minority area.

Housing Quality Standards. All assisted properties must be safe, sanitary, and decent. The site, the common use and visitor spaces, and each unit in buildings undergoing construction must comply with

the City of Utica's Housing Standards at minimum. Housing rehabilitation projects must comply with the City of Utica's Written Rehabilitation Standards.

Local Building and Fire Codes/Requirements. All HOME projects must comply with local code and rehabilitation standards, and local ordinances for dwelling units. This applies to both new and rehabilitation work as well as un-altered conditions in existing facilities undergoing construction. Early consultation with the local Building Official and Fire Marshal's office is advised.

Projects without Local Code Authority. In the absence of applicable local codes, single-family projects will comply with the 2003 International Code. The electrical work on all projects will comply with the 2002 National Electrical Code and state licensed electricians must perform the work. All work also must comply with the 1992 Model Energy Code published by the Council of American Building Officials (CABO). Work for which reimbursement may be requested must meet or exceed the 1992 CABO Model Energy Code.

DISABILITY RIGHTS LAWS/ACCESSIBILITY REQUIREMENTS

The Architectural Barriers Act or the Barriers Act requires certain buildings to be accessible to people with disabilities. The Barriers Act covers buildings constructed by or leased by the United States and buildings constructed under a loan or a grant from the United States. The accessibility standard is UFAS, the Uniform Federal Accessibility Standards.

Section 504 of the Rehabilitation Act includes housing built by a recipient of "federal financial assistance." The access standard is the Uniform Federal Accessibility Standards (UFAS). Five percent of units must be fully accessible to people with mobility impairments and two percent of units must be fully accessible to people with sensory impairments.

The Fair Housing Act covers almost all housing, public and private. The Act's accessibility requirements apply to "covered multifamily housing." This is housing designed and constructed for first occupancy after March 13, 1991. Covered multifamily housing includes: all dwelling units in buildings containing four or more units, with an elevator and all ground floor units in buildings containing four or more units without an elevator. HUD has adopted eight "safe harbors" by which compliance can be achieved.

Americans with Disabilities Act (ADA) Title II covers activities operated by state or local governments, including individual housing units, as well as offices, recreational areas, and other parts of a housing project or site that may not be covered by the Fair Housing Act. There are two access standards that can be used to comply with Title II: UFAS (Uniform Federal Accessibility Standards) and ADAAG (ADA Accessibility Guidelines.)

American with Disabilities Act (ADA) Title III covers places of public accommodation such as rental offices, day care centers and other places that serve the public associated with housing. Facilities built after January 26, 1993 must be built in compliance with the ADA Standards for Accessible Design and barriers in existing buildings must be removed if it is readily achievable to do so. The ADA Standards for Accessible Design differs from the ADAAG.

State and Local Building Codes: Most state and local building codes do not contain accessibility requirements that meet the standards in the Fair Housing Act or other federal laws that require accessibility. Builders, architects and others should not assume compliance with state or local codes means compliance with federal access standards. Individuals involved in the design and construction of housing must evaluate which federal accessibility laws apply to the housing and make sure that the housing meets all applicable requirements. If more that one law applies, then all of the laws must be applied and the provisions which require the most accessibility will prevail.

Lead Based Paint (LBP). The Residential Lead-Based Paint Hazard Reduction Act of 1992, also known as Title X of the Housing and Community Development Act of 1992, amended the Lead-Based Paint Poisoning Prevention Act of 1971 (Lead Act). Applicants will be expected to comply with OSHA worker safety laws, and Title X Residential Property Law concerning tenant/occupant notification of any LBP that may remain in the dwelling. In addition, Title X of the New York State Public Health Law covers lead-based paint activities in target housing (most housing constructed prior to 1978). For technical assistance, or information on property owner's responsibilities concerning renovations, operations and maintenance or existing LBP or further information, please see <http://ocgov.net/oneida/health> or contact the Oneida County Department of health, Adirondack Bank Building 5th Floor 185 Genesee Street Utica, New York 13501, or call (315) 798-6400) for more information.

The Asbestos Control Bureau of the New York State Department of Labor regulates the removal of asbestos from public buildings within the state. The rules and regulations enforced by the department include 10 NYCRR Part 73, 12 NYCRR Part 56, 6 NYCRR Part 360, 6 NYCRR Part 364 and the Federal National Emission Standards for Hazardous Air Pollutants (NESHAP). These rules and regulations apply to all buildings which are subject to public occupancy, or to which the general public has access, and to all persons disturbing, removing, encapsulating, or enclosing asbestos within public buildings for any purpose, including repair, renovation, dismantling, demolition, installations, or maintenance operations, or any other activity that may involve the disturbance or removal of asbestos-containing building materials (ACBM) whether intentional or unintentional. NESHAP applies to the abatement of friable ACBM or the demolition of a facility. For additional information please see call (315) 479-3215 or see http://www.labor.ny.gov/workerprotection/safetyhealth/DOSH_ASBESTOS.shtm.

E. Project Schedule (minimum one (1) page)

Discuss the timetable for completion of major tasks/phases and the overall project. If this project is a phase of a larger project, provide a description of all phases, the costs of each phase, and the total project, the year the phases will be constructed and how the construction will be funded. Please identify any deadlines required or necessitated by other funding entities, expiring land options, financing options or project participants. [Note: Project should be ready to implement within six (6) months of award of funds.]

F. Property Information/Acquisition (minimum one (1) pages, state if not applicable)

Provide details of any land acquisition necessary for this project, including address and location of property, size of property, zoning designation, flood plain designation, availability of water and sewer service, costs of providing water and sewer services if not available, the value of property, current tax rates, any liens and encumbrances. Documentation of current ownership should be provided and an appraisal, if available. The results of any existing studies and reports regarding the property also should be included.

Applicants are encouraged to have all necessary land acquisitions completed prior to applying for HOME Program funds. If land acquisition is a part of the project proposal, the Community Development Department **must be contacted prior to submitting the proposal on DATE** in order to comply with the Federal Uniform Relocation Assistance and Real Property Acquisitions Policies Act of 1970. Foremost, among the provisions of this Act is the requirement that a general informational notice must be sent to property owners and tenants at the time that the HOME Program application is submitted to the City. The applicant must contact the Department of Urban and Economic Development at (315) 792-0181 to obtain the exact format for the notices that must be provided to owners, renters, tenants, and businesses effected by the acquisition of the property. In addition, the proposal also will have to address the costs associated with these requirements such as appraisals, utility, moving, and any other relocation costs.

G. Relocation (minimum one (1) page or state if not applicable)

The displacement of persons (families, individuals, businesses, nonprofit organizations, and farms) as a result of a project assisted with HOME Program funds is not allowed. In this section, identify individuals or businesses that are located on the project site. Please identify households, the number of persons in each household, whether they rent or own the residence, and length of time in residence. For businesses, please identify owner, describe the type of business, number of employees and length of time at location. **If a proposed project site is in use or occupied currently, please contact the Department of Urban and Economic Development at (315) 792-0181 regarding the applicability of the Uniform Relocation Act (49 CFR Part 24) before the submission of the project proposal.**

II. BUDGET

(THE UNDERWRITING WORKSHEET SUBMITTED TO NYS HCR IS ALSO PREFERRED BY THE CITY OF UTICA)

Budget Narrative:

What is the amount of HOME Program funds requested? Discuss all funding sources, proposed and confirmed. Discuss major cost items. Please provide an explanation for any unusual budget expenditures listed in the line item budget. Complete the budget pages. (Please check budget items, subtotals, and totals for correctness. Number should be consistent between narrative and budget pages.)

Reasonableness--Explain why you consider your program costs to be reasonable. (See OMB Circular A-122 for definitions.)

Donated Goods and Services--Describe your use of donated goods and services. Estimate the value of these services and describe how you estimated these amounts.

Other Funds--Please describe what other funding sources will be involved in the proposed project. Include information on all collaborating organizations involved in the proposed project and identify the source of funds, amounts and how these funds will be used. **Please list all other federal funds received by your organization and briefly describe their use.**

Describe your plans to seek new funding to supplement HOME Program funding. Describe the sources to which you will apply, the amounts sought and the proposed use of those funds.

III. STANDARD REQUIRED DOCUMENTS

Applicants must submit one (1) hard copy of the required documents and one (1) electronic copy of the cover sheet, the proposal narrative and budget pages must be submitted. Incomplete proposals will not be reviewed. Please check-off all items submitted on the cover sheet.

Articles of Incorporation/Bylaws/DBAs - Articles of Incorporation are the documents filed with the State of New York, which formally establishes a private corporation, business or agency. By-laws establish the governing procedures for the organization. DBAs are “doing business as.” Organizations that use a DBA must provide documentation of current registration. All these documents **must be signed and dated** and include a government seal or stamp.

State and Federal (IRS) Tax Exemption Determination Letters - Nonprofit organizations must submit tax-exemption determination letters from the Federal Internal Revenue Service and the State of New York.

List of Board of Directors - A list of the current Board of Directors or other governing body of the organization must be submitted. The list must include the name, telephone number, address, occupation and employer of each member; and must identify the principal officers of the governing body.

Board of Directors' Authorization to Request Funds - A written document certifying that the Board of Directors has authorized the submission of the proposed project.

Board of Directors' Designation of Authorized Official - A written document certifying that the authorized person has the permission of the Board of Directors to act for the organization. Documentation of this requirement consists of a signed letter from the chairperson of the governing body providing the name, title, address, and telephone number of the authorized individual. It is the responsibility of the entity to provide the City of Utica with written notice of any changes in an entity's authorized official as soon as possible.

Board of Directors' Designation of Contact Person - A written document identifying **one** contact person for an entity submitting a proposal. It is the responsibility of the entity to provide the City of Utica with written notice of any changes in an entity's contact person, address, or telephone number as soon as possible. The City requests that the contact person be the organization's **only** liaison with the City in order to avoid any miscommunications and duplication of effort.

Organization Chart - An organization chart must be provided which describes the organization's administrative framework and staff positions. Please indicate where the proposed project will fit into the organizational structure and also identify any staff positions of shared responsibility.

Job Description and Resume of the Chief Program Administrator - Job descriptions must be on a separate page and include the essential job duties and responsibilities; the minimum job requirements such as knowledge or minimum education, minimum work experience, skills and abilities, special requirements, equipment used, contacts, supervision required, physical demands, work environment, hours, benefits and salary.

Job Description and Resume of the Chief Fiscal Officer - Job descriptions must be on a separate page and include the essential job duties and responsibilities; the minimum job requirements such as knowledge or minimum education, minimum work experience, skills and abilities, special requirements, equipment used, contacts, supervision required, physical demands, work environment, hours, benefits and salary. (See Financial Statements and Audit below for more information.)

Fiscal Officer should be knowledgeable of uniform administrative requirements and cost principles. The subrecipient shall comply with the policies, guidelines and requirements of 24 CFR part 85 (Administrative Requirements For Grants and Cooperative Agreements to State, Local and Federally

Recognized Indian Tribal Governments) and OMB Circulars A-87, A-100 (implemented at 24 CFR part 84-Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations), A-122, A-133 (implemented at 24 CFR part 45), and A-128 (implemented at 24 CFR part 44), as applicable, as they relate to the acceptance and use of Federal funds under this part. The applicable sections of 24 CFR parts 84 and 85 are set forth at Sec. 570.502. [See access.gpo.gov]

Fiscal Officer should be knowledgeable of Financial Accounting Services Board guidelines for standards of financial accounting and reporting especially “Statement of Financial Accounting Standards No. 117: Financial Statements of Not-for-Profit Organizations.” Note: Information available at www.fasb.org.

Recent Financial Statements and Audit – Non Profit: Please provide most current IRS Form 990, current year organization budget, balance sheet, and audit. Also, provide an organization budget for the period for which CDBG program assistance is requested. Financial statements should conform to the Financial Accounting Standard Board's "Statement of Financial Accounting Standards No. 117, Financial Statements of Not-for-Profit Organizations" and "Statement of Financial Accounting Standards No. 116, Accounting for Contributions Received and Contributions Made". [See www.fasb.org for more information.]

Audit: In accordance with the Office of Management and Budget Circulars A-133 and A-110, the Federal Government requires that non-federal entities receiving \$300,000 or more in federal financial assistance in a fiscal year must secure a single audit. If the organization expends \$300,000 or more under only one Federal program, a program-specific audit may be acceptable. Organizations receiving less than \$500,000 must secure an audit, but neither a single audit nor program-specific audit is required.

Completed and Signed Conflict of Interest Disclosure Form – Please review, sign and submit the form on **page 18** of this application.

Letters of Commitment - Letters of commitment for all funds should be current; i.e., dated within thirty (30) days of application for HOME funds. Letter must be signed a by person with the authorization to enter into financial or legal agreements for the organization or agency. Letters must be included with application. **Do not send letters separately.**

Job Descriptions - Written descriptions for all positions requesting HOME funding. Job descriptions for each position requesting HOME funding must be on a separate page and include the essential job duties and responsibilities; the minimum job requirements such as knowledge or minimum education, minimum work experience, skills and abilities, special requirements, equipment used, contacts, supervision required, physical demands, work environment, hours, benefits and salary.

Completed CHDO Checklist with Support Documents - CPD Notice 97-11, Field Office Guidance on Community Housing Development Organizations (CHDOs) under the HOME Program contains Attachment A, CHDO Checklist, which is used to document compliance with the HOME regulations. (Please contact the City of Utica Department of Urban and Economic development at (315) 792-0818 for copies of the CHDO Checklist.)

Note: All applicants must submit material changes in their project descriptions as a written request for changes to the City during the proposal review process. Examples of material changes include, but are not limited to, a change in project site, the number of units/clients to be produced/served, changes in funding requirements and any changes to the standard required documents. Failure to comply with change in circumstance requirements may result in the applicants being barred from participation in the City of Utica HOME Program, as well as other HUD Programs administered by the City.

HOME PROGRAM CONFLICT OF INTEREST 24 CFR 92.356

- (a) **Applicability.** In the procurement of property and services by PJs, state recipients, and subrecipients, the conflict of interest provisions in 24 CFR 85.36 and 24 CFR 84.42, respectively, apply. In all cases not governed by 24 CFR 85.36 and 24 CFR 84.42, the provisions of this section applies.
- (b) **Conflicts prohibited.** No persons described in paragraph (c) of this section who exercise or have exercised any functions or responsibilities with respect to activities assisted with HOME funds or who are in a position to participate in a decision-making process or gain inside information with regard to these activities, may obtain a financial interest or benefit from a HOME assisted activity, or have an interest in any contract, subcontract or agreement with respect thereto, or the proceeds thereunder, either for themselves or those with whom they have family or business ties, during their tenure or for one year thereafter.
- (c) **Persons covered.** The conflict of interest provisions of paragraph (b) of this section apply to any person who is an employee, agent, consultant, officer, or elected official or appointed official of the PJ, state recipient, or subrecipient which is receiving HOME funds.
- (d) **Exceptions: Threshold requirements.** Upon the written request of the PJ, HUD may grant an exception to the provisions of paragraph (b) of this section on a case-by-case basis when it determines that the exception will serve to further the purposes of the HOME Investment Partnerships Program and the effective and efficient administration of the PJ's program or project. An exception may be considered only after the PJ has provided the following:
 - (1) A disclosure of the nature of the conflict, accompanied by an assurance that there has been public disclosure of the conflict and a description of how the public disclosure was made; and
 - (2) An opinion of the PJ's or state recipient's attorney that the interest for which the exception is sought would not violate state or local law.
- (e) **Factors to be considered for exceptions.** In determining whether to grant a requested exception after the PJ has satisfactorily met the requirements of paragraph (d) of this section, HUD will consider the cumulative effect of the following factors, as applicable:
 - (1) Whether the exception would provide a significant cost benefit or an essential degree of expertise to the program or project that would otherwise not be available;
 - (2) Whether the person affected is a member of a group or class of low- or moderate-income persons intended to be the beneficiaries of the assisted activity, and the exception will permit such person to receive generally the same interests or benefits as are being made available or provided to the group or class;

- (3) Whether the affected person has withdrawn from his or her functions or responsibilities, or the decision-making process with respect to the specified activity in question;
 - (4) Whether the interest or benefit was present before the affected person was in a position as described in paragraph (c) of this section;
 - (5) Whether undue hardship will result either to the PJ or the person affected when weighed against the public interest served by avoiding the prohibited conflict; and
 - (6) Any other relevant considerations.
- (f) **Owners and Developers.**
- (1) No owner, developer or sponsor of a project assisted with HOME funds (or officer, employee, agent, elected or appointed official or consultant of the owner, developer or sponsor) whether private, for-profit or non-profit (including a community housing development organization (CHDO) when acting as an owner, developer or sponsor) may occupy a HOME-assisted affordable housing unit in a project. This provision does not apply to an individual who receives HOME funds to acquire or rehabilitate his or her principal residence or to an employee or agent of the owner or developer of a rental housing project who occupies a housing unit as a the project manager or maintenance worker.
 - (2) **Exceptions.** Upon written request of a housing owner or developer, the participating jurisdiction (or State recipient, if authorized by the State participating jurisdiction) may grant an exception to the provisions of paragraph (f)(1) of this section on a case-by-case basis when it determines that the exception will serve to further the purposes of the HOME Program and the effective and efficient administration of the owner's or developer's HOME-assisted project. In determining whether or grant a requested exception, the participating jurisdiction shall consider the following factors:
 - (i) Whether the person receiving the benefit is a member of a group or class of low-income persons intended to be the beneficiaries of the assisted housing, and the exception will permit such person to receive generally the same interests or benefits as are being made available or provided to the group or class;
 - (ii) Whether the person has withdrawn from his or her functions or responsibilities, or the decision-making process with respect to the specific assisted housing in question;
 - (iii) Whether the tenant protection requirements of §92.253 are being observed;
 - (iv) Whether the affirmative marketing requirements of §92-351 are being observed and followed; and
 - (v) Any other factor relevant to the participating jurisdiction's determination, including the timing of the requested exception.

CONFLICT OF INTEREST DISCLOSURE FORM

The HOME Regulations at 24 CFR 92.356 provide that no person who is an employee, agent, consultant, officer, or elected official or appointed official of the PJ, state recipient or subrecipient and who exercise or have exercised any functions or responsibilities with respect to activities assisted with HOME funds or who are in a position to participate in a decision-making process or gain inside information with regard to these activities, may obtain a financial interest or benefit from a HOME assisted activity, or have an interest in any contract, subcontract or agreement with respect thereto, or the proceeds hereunder, either for themselves or those with whom they have family or business ties, during their tenure or for one year thereafter.

Owners and Developers. No owner, developer or sponsor of a project assisted with HOME funds (or officer, employee, agent, elected or appointed official or consultant of the owner, developer or sponsor) whether private, for-profit or non-profit (including a community housing development organization (CHDO) when acting as an owner, developer or sponsor) may occupy a HOME-assisted affordable housing unit in a project. This provision does not apply to an individual who receives HOME funds to acquire or rehabilitate his or her principal residence or to an employee or agent of the owner or developer of a rental housing project who occupies a housing unit as the project manager or maintenance worker.

A disclosure of the nature of the conflict must be made at the time a proposal for HOME Program funds is submitted to the City of Utica's Department of Urban and Economic Development.

____ I certify that no conflict of interest exists between the City of Utica and

(Name of Organization)

____ I certify that a conflict of interest exists between the City of Utica and

(Name of Organization)

The nature of the conflict of interest is described below (Please identify the individual, employment, and the conflict of interest (their affiliation with your organization):

Signature of Authorized Organization Official

Date

Typed Name and Title

PROPOSAL SUBMITTAL TO THE CITY OF UTICA

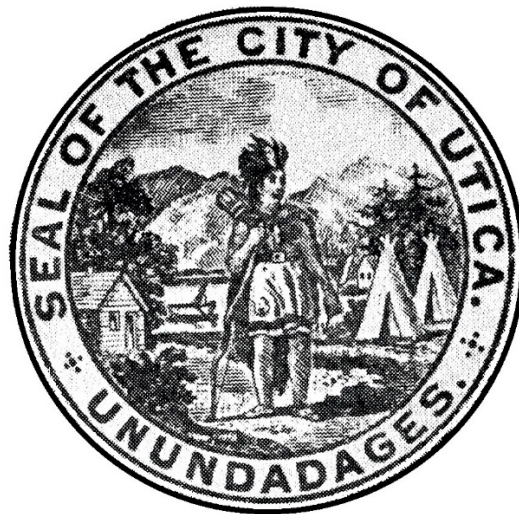
All applicants must submit one (1) original hard copy and one (1) electronic copy of the cover sheet, narrative, and budget forms and any and all other required supportive documentation. Electronic copies can be emailed to mpeek@cityofutica.com with a link to a dropbox or other verified storage host, or may be submitted on a thumb drive.

Proposals must be submitted to the **City of Utica Department of Urban and Economic Development, 1 Kennedy Plaza, Utica, NY 13502**. Any applications for funding received will be reviewed and considered based on availability of funds, need for the program, and any other relevant facts or conditions.

The HOME Program guidelines are subject to change at any time by the U.S. Department of Housing and Urban Development. All proposals submitted for consideration must comply with the HOME Program guidelines. Please call the Housing Development Specialist, Michael Peek, for more information at (315) 792-0181.

CITY OF
UTICA, NEW YORK

DEPARTMENT OF
URBAN & ECONOMIC DEVELOPMENT



HOME INVESTMENT PARTNERSHIPS PROGRAM

PROPOSAL GUIDELINES

2025 – 2026

The HOME Program was created under Title II (the Home Investment Partnerships Act) of the National Affordable Housing Act of 1990. In general, the purposes of the HOME Program are to strengthen public-private partnerships and to expand the supply of decent, safe, sanitary, and affordable housing, with primary attention to rental housing, for very low-income and low-income families.

FY 2025 FUNDS: The Congress has not yet approved HOME Program allocations for FY 2025. The amount of HOME Investment Partnership Program (HOME) funds that the City of Utica received directly from the U.S. Department of Housing and Urban Development (HUD) for program year 2024 (April 1, 2024 to March 31, 2025) was **\$581,856**.

The City of Utica HOME Program funds can be used within the incorporated limits of the City.

MATCHING FUNDS REQUIREMENT: The Matching Funds Requirement for the City of Utica has been suspended by the US Department of Housing and Urban Development (HUD).

ELIGIBLE ACTIVITIES: HOME funds may be used to provide incentives to develop and support affordable rental housing and homeownership affordability through the acquisition (including assistance to homebuyers), new construction, reconstruction, or rehabilitation of non-luxury housing with suitable amenities, including real property acquisition, site improvements, conversion, demolition, and other expenses, including financing costs, relocation expenses of any displaced persons, families, businesses, or organizations; to provide payment of reasonable administrative and planning costs; and to provide for the payment of operating expenses of community housing development organizations. The housing must be permanent or transitional housing. The specific eligible costs for these activities are set forth in Secs. 92.206 through 92.209.

Acquisition: The acquisition of vacant land or demolition must be undertaken only with respect to a particular housing project intended to provide affordable housing.

Conversion: Conversion of an existing structure to affordable housing is rehabilitation, unless the conversion entails adding one or more units beyond the existing walls, in which case, the project is new construction for purposes of this part.

Manufactured housing: HOME funds may be used to purchase and/or rehabilitate a manufactured housing unit, such as a modular home, or purchase the land upon which a manufactured housing is located. Except for existing, owner-occupied manufactured housing that is rehabilitated with HOME funds, the manufactured housing unit must, at the time of project completion, be connected to permanent utility hook-ups and be located on land that is owned by the manufactured housing unit owner or land for which the manufactured housing owner has a lease for a period at least equal to the applicable period of affordability. Mobile homes are not permitted within the City of Utica.

Homeownership: Acquisition with or without rehabilitation. Housing that is for acquisition by a family must meet the affordability requirements of this paragraph.

1. The housing must be single-family housing (1- to 4-family residence, condominium unit, cooperative unit, combination manufactured home and lot, or manufactured home lot).
2. The housing must be modest housing as follows:
 - (i) In the case of acquisition of newly constructed housing or standard housing, the housing has a purchase price for the type of single-family housing that does not exceed 95 percent of the median purchase price for the area.
 - (ii) In the case of acquisition with rehabilitation, the housing has an estimated value after rehabilitation that does not exceed 95 percent of the median purchase price for the area.
 - (iii) If a PJ intends to use HOME funds for homebuyer assistance or for rehabilitation of owner-occupied single-family properties, the PJ may use the Single Family Mortgage Limits under Section 203(b) of the National Housing Act.
3. The housing must be acquired by a homebuyer whose family qualifies as a low-income family and the housing must be the principal residence of the family throughout the period described in this section.
4. **Periods of affordability.** The HOME-assisted housing must meet the affordability requirements for not less than the applicable period specified in the following table, beginning after project completion. The per unit amount of HOME funds and the affordability period that they trigger are described more fully in the resale and recapture sections.

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

5. **Resale and capture.** To ensure affordability, the PJ must impose either resale or recapture requirements, at its option. The PJ must establish the resale or recapture requirements that comply with standards of this section and set forth the requirements in its consolidated plan. HUD must determine that they are appropriate. (see Section 92.254(a)(5)).
6. **Special considerations for single-family properties with more than one unit.** If the HOME funds are only used to assist a low-income homebuyer to acquire one unit in a single-family housing containing more than one unit and the assisted unit will be the principal residence of the homebuyer, the affordability requirements of this section apply only to the assisted unit. If HOME funds also are used to assist the low-income homebuyer to acquire one or more of the rental units in the single-family housing, the affordability requirements of Sec. 92.252 apply to assisted rental units, except that the PJ may impose resale or recapture

restrictions on all assisted units (owner-occupied and rental units) in the single family housing. If resale restrictions, are used the affordability requirements on all assisted units continue for the period of affordability. If the recapture restrictions are used, the affordability requirements on the assisted rental units may be terminated, at the discretion of the PJ, upon recapture of the HOME investment. (If HOME funds are used to assist only the rental units in such a property then the requirements of Sec. 92.252 would apply and the owner-occupied unit would not be subject to the income targeting or affordability provisions of Sec. 92.254.)

7. **Lease-purchase.** HOME funds may be used to assist homebuyers through lease-purchase programs. The housing must be purchased by a homebuyer within 36 months of signing the lease-purchase agreement. The homebuyer must qualify as a low-income family at the time the lease-purchase agreement is signed and at the time the housing is transferred if more than six months have elapsed since the PJ determined that the family was income eligible. If HOME funds are used to acquire housing that will be resold to a homebuyer through a lease-purchase program, the HOME affordability requirements for rental housing in Sec. 92.252 shall apply if the housing is not transferred to a homebuyer within forty-two months after project completion.

Rehabilitation not involving acquisition: Housing that is currently owned by a family qualifies as affordable housing only if:

1. The estimated value of the property, after rehabilitation, does not exceed 95 percent of the median purchase price for the area.
2. The housing is the principal residence of an owner whose family qualifies as a low-income family at the time HOME funds are committed to the housing.

Rental housing: The HOME-assisted units in a rental housing project must be occupied only by households that are eligible as low-income families and must meet the following requirements to qualify as affordable housing. The affordability requirements also apply to the HOME-assisted non-owner-occupied units in single-family housing purchased with HOME funds in accordance with Sec. 92.254.

- a. **Rent limitation.** HUD provides the following maximum HOME rent limits. The maximum HOME rents are the lesser of:
 1. The fair market rent for existing housing for comparable units in the area as established by HUD under 24 CFR 888.111; or
 2. A rent that does not exceed 30 percent of the adjusted income a family whose annual income equals 65 percent of the median income for the area, as determined by HUD, with adjustments for number of bedrooms in the unit. The HOME rent limits provided by HUD will include average occupancy per unit and adjusted income assumptions.
- b. **Additional rent limitations.** In rental projects with five or more HOME-assisted rental units, twenty (20) percent of the HOME-assisted units must be occupied by very-low-income families and meet one of following rent requirements:

1. The rent does not exceed 30 percent of the annual income of a family whose income equals 50 percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger families. HUD provides the HOME rent limits which include average occupancy per unit and adjusted income assumptions. However, if the rent determined under this paragraph is higher than the applicable rent under paragraph (a) of this section, then the maximum rent for units under this paragraph is that calculated under paragraph (a) of this section.
 2. The rent does not exceed 30 percent of the family's adjusted income. If the unit receives Federal or State project-based rental subsidy and the very low-income family pays as a contribution toward rent not more than 30 percent of the family's adjusted income, then the maximum rent (i.e. tenant contribution plus project-based rental subsidy) is the rent allowable under the Federal or State project-based rental subsidy program.
- c. **Initial rent schedule and utility allowance.** The PJ must establish maximum monthly allowances for utilities and services (excluding telephone). The PJ must review and approve rents proposed by the owner for units subject to the maximum rent limitations in paragraph (a) or (b) of this section for which the tenant is paying utilities and services, the PJ must ensure that the rents do not exceed the maximum rent minus the monthly allowances for utilities and services.
- d. **Nondiscrimination against rental assistance subsidy holders.** The owner cannot refuse to lease HOME-assisted units to a certificate or voucher hold under 24 CFR part 982—Section 8 Tenant-Based Assistance: Unified Rule for Tenant-Based Assistance under the Section 8 Rental Certificate Program and the Section 8 Rental Voucher Program or to the holder of a comparable document evidencing participation in a HOME tenant-based rental assistance program because of the status of the prospective tenant as a holder of such certificate, voucher, or comparable HOME tenant-based assistance document.
- e. **Periods of affordability.** The HOME-assisted units must meet the affordability requirements for not less than the applicable period specified in the following table, beginning after project completion. The affordability requirements apply without regard to the term of any loan or mortgage or the transfer of ownership. They must be imposed by deed restrictions, covenants running with the land, or other mechanisms approved by HUD, except that the affordability restrictions may terminate upon foreclose or transfer in lieu of foreclosure. The PJ may use purchase options, rights of first refusal or other preemptive rights to purchase the housing before foreclosure or deed in lieu of foreclosure to preserve affordability. The affordability restrictions shall be revived according to the original terms, if during the original affordability period, the owner of record before the foreclosure, or deed in lieu of foreclosure, or any entity that includes the former owner of those with whom the former owner has or had family or business ties, obtains an ownership interest in the project or property.

Rental housing activity	Minimum Period of Affordability in years
Rehabilitation or acquisition of existing housing	
Per unit amount of HOME 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 housing	20

f. Subsequent rents during the affordability period.

- (1) The maximum HOME rent limits are recalculated on a periodic basis after HUD determines fair market rents and median incomes. HUD then provides the new maximum HOME rent limits to PJs. Regardless of changes in fair market rents and in median income over time, the HOME rents for a project are not required to be lower than the HOME rent limits for the project in effect at the time of project commitment.
- (2) The PJ must provide project owners with information on update HOME rent limits so that rents may be adjusted (not to exceed the maximum HOME rent limits in paragraph (f)(a) of this section) in accordance with the written agreement between the PJ and the owner. Owners must annually prove the PJ with information on rents and occupancy of HOME-assisted units to demonstrate compliance with this section.
- (3) Any increase in rents for HOME-assisted units is subject to the provisions of outstanding leases, and in any event, the owner must provide tenants of those units not less than 30 days prior written notice before implementing any increase in rents.

g. Adjustment of HOME rent limits for a particular project. Changes in fair market rents and in median income over time should be sufficient to maintain the financial viability of a project within the HOME rent limits in this section. HUD may adjust the HOME rent limits for a project, only if HUD finds that an adjustment is necessary to support the continued financial viability of the project and only by an amount that HUD determines is necessary to maintain continued financial viability of the project. HUD expects that this authority will be used sparingly.

h. Tenant income. The income of each tenant must be determined initially in accordance with Sec. 92.203(a)(1)(i). In addition, each year during the period of affordability the project owner must reexamine each tenant's annual income in accordance with one of the options in Sec 92.203 selected by the PJ. An owner of a multifamily project with an affordability period of 10 years or

more who re-examines tenant's annual income through a statement and certification in accordance with Sec. 92.203(a)(1)(ii), must examine the income of each tenant, in accordance with Section 92.203(a)(1)(I), every sixth year of the affordability period. Otherwise, an owner who accepts the tenant's statement and certification in accordance with Section 92.303(a)(I)(ii) is not required to examine the income of tenants in multifamily or single-family family projects unless there is evidence that the tenant's written statement failed to completely and accurately state information about the family's size or income.

i. Over-income tenants.

- (1) HOME-assisted units continue to qualify as affordable housing despite a temporary noncompliance caused by increases in the incomes of existing tenants if actions satisfactory to HUD are being taken to ensure that all vacancies are filled in accordance with this section until the noncompliance is corrected.
- (2) Tenants who no longer qualify as low-income families must pay as rent the lesser of the amount payable by the tenant under State or local law or 30 percent of the family's adjusted income, except that tenants of HOME-assisted units that have been allocated low-income housing tax credits by a housing credit agency pursuant to section 42 of the Internal Revenue code of 1986 (26 U.S.C. 42) must pay rent governed by section 42. In addition, in projects in which the HOME units are designated as floating pursuant to paragraph (j) of this section, tenants who no longer qualify as low-income are not required to pay as rent an amount that exceeds the market rent for comparable, unassisted units in the neighborhood.

- j. Fixed and floating HOME units.** In a project containing HOME-assisted and other units, the PJ may designate fixed or floating HOME units. This designation must be made at the time of project commitment. Fixed units remain the same throughout the period of affordability. Floating units are changed to maintain conformity with the requirements of this section during the period of affordability so that the total number of housing units meeting the requirements of this section remains the same, and each substituted unit is comparable in terms of size, features, and number of bedrooms to the originally designated HOME-assisted unit.

Community Housing Development Organizations (CHDOs). Each PJ receiving HOME funds is required to reserve at least fifteen percent (15%) of the funds for housing to be developed, sponsored or owned by CHDOs. A CHDO is a private nonprofit organization that:

1. Is organized under State or local laws;
2. Has no part of its net earnings inuring to the benefit of any member, founder, contributor, or individual;
3. Is neither controlled by, nor under the direction of, individuals or entities seeking to derive profit or gain from the organization. A community housing development organization may be sponsored or created by a for-profit entity, but:

- (i) The for-profit entity may not be an entity whose primary purpose is the development or management of housing, such as a builder, developer, or real estate management firm;
 - (ii) The for-profit entity may not have the right to appoint more than one-third of the membership of the organization’s governing body. Board members appointed by the for-profit entity may not appoint the remaining two-thirds of the board members; and
 - (iii) The community housing development organization must be free to contract for goods and services from vendors of its own choosing.
4. Has a tax exemption ruling from the Internal Revenue Service under section 501(c) (3) or (4) of the Internal Revenue Code of 1986 (26 CFR 1.501(c)(3)-1);
1. Does not include a public body (including the participating jurisdiction). An organization that is State or locally chartered may qualify as a CHDO; however, the State or local government may not have the right to appoint more than one-third of the membership of the organization’s governing body and no more than one-third of the board members may be public officials or employees of the PJ or State recipient. Board members appointed by the State or local government may not appoint the remaining two-thirds of the board members.
6. Has standards of financial accountability that conform to 24 CFR 84.21, “Standards for Financial Management Systems;”
7. Has among its purposes, the provision of decent housing that is affordable to low- and moderate-income persons, as evidenced in its charter, articles of incorporation, resolutions or by-laws;
8. Maintains accountability to low-income community residents, by:
- (i) Maintaining at least one-third of its governing board’s membership for residents of low-income neighborhoods, other low-income community residents, or elected representative of low-income neighborhood organizations. For urban areas, “community” may be a neighborhood or neighborhoods, city, county or metropolitan area; for rural areas, it may be a neighborhood or neighborhoods, town, village, county, or multi-county area (but not the entire State); and
 - (ii) Providing a formal process for low-income program beneficiaries to advise the organization in its decisions regarding design, siting, development, and management of affordable housing;
9. Has demonstrated its capacity for carrying out activities assisted with HOME funds. An organization may satisfy this requirement by hiring experienced key staff members who have successfully completed similar projects, or a consultant with the same type of experience and a plan to train appropriate key staff members of the organization; and

10. Has a history of serving the community within which the housing to be assisted with HOME funds is to be located. In general, an organization must be able to show one (1) year of serving the community before HOME funds are reserved for the organization. However, a newly created organization formed by local churches, service organizations or neighborhood organizations may meet this requirement by demonstrating that its parent organization has at least one (1) year of serving the community.

Up to five percent (5%) of a PJ's allocation may be used for the operating expenses of CHDOs. Operating expenses means reasonable and necessary costs for the operation of the CHDO. These funds may not be used to pay operating expenses incurred by a CHDO acting as a subrecipient or contractor under the HOME Program. Operating expenses means reasonable and necessary costs for the operation of the CHDO. Such costs include salaries, wages, and other employee compensation and benefits; employee education, training, and travel; rent; utilities; communication costs; taxes; insurance; equipment; materials and supplies. The requirements and limitations on the receipt of these funds by CHDOs are set forth in Sec. 92.300 (e) and (f).

In addition, up to ten percent (10%) of a PJ's CHDO set-aside may be used for project-specific technical assistance, site control and seed money loans.

ELIGIBLE PROJECT COSTS: HOME funds may be used to pay the following eligible costs:

- a. **Development hard costs.** The actual cost of constructing or rehabilitating housing. These costs include the following:
 - (1) For new construction, costs to meet the applicable new construction standards of the PJ and the Model Energy Code referred to in 92.251;
 - (2) For rehabilitation, costs:
 - (i) To meet the property standards in 92.251
 - (ii) To make essential improvements, including energy-related repairs or improvements, improvements necessary to permit use by persons with disabilities, and the abatement of lead-based paint hazards, as required by Sec 92.355, and to repair or replace major housing systems in danger of failure; and
 - (3) For both new construction and rehabilitation costs:
 - (i) To demolish existing structures;

- (ii) To make utility connections including off-site connections from the property line to the adjacent street; and
 - (iii) To make improvements to the project site that are in keeping with improvements of surrounding, standard projects. Site improvements may include on-site roads and sewer and water lines necessary to the development of the project. The project site is the property, owned by the project owner, upon which the project is located.
- (3) For both new construction and rehabilitation of multifamily rental housing, costs to construct or rehabilitate laundry and community facilities which are located within the same building as the housing and which are for the use of the project residents and their guest. [92.206(a)]
- b. **Refinancing costs.** The cost to refinance existing debt secured by housing that is being rehabilitated with HOME funds. [92.206(b)]
- c. **Acquisition costs.** Costs of acquiring improved or unimproved real property, including acquisition by homebuyers. [92.206(c)]
- d. **Related soft costs.** Other reasonable and necessary costs incurred by the owner or PJ and associated with the financing, or development (or both) of new construction, rehabilitation or acquisition of housing assisted with HOME funds. These costs include, but are not limited to:
 - (1) Architectural, engineering or related professional services required to prepare plans, drawings, specifications, or work write-ups.
 - (2) Cost to process and settle the financing for a project, such as private lender origination fees, credit reports, fees for title evidence, fees for recordation and filing of legal documents, building permits, attorneys' fees, private appraisal fees and fees for an independent cost estimate, builders or developers fees.
 - (3) Costs of a project audit that the PJ may require with respect to the development of the project.
 - (4) Costs to provide information services such as affirmative marketing and fair housing information to prospective homeowners and tenants as required by 92.351.
 - (5) For new construction or rehabilitation, 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

(not to exceed 18 months) and which may only be used to pay project operating expenses, scheduled payments to a replacement reserve, and debt service. Any HOME funds placed in an operating deficit reserve that remain unexpended after the period of project-rent may be retained for project reserves if permitted by the PJ.

- (6) Staff and overhead costs directly related to carrying out the project, such as work specifications preparation, loan processing inspections, and other services related to assisting potential owners, tenants, and homebuyers, e.g., housing counseling, may be charged to project costs only if the project is funded and the individual becomes the owner or tenant of the HOME-assisted project. For multi-unit projects, such costs must be allocated among HOME-assisted units in a reasonable manner and documented.
 - (7) For both new construction and rehabilitation, costs for the payment of impact fees that are charged for all projects within a jurisdiction.
 - (8) Costs of environmental review and release of funds in accordance with 24 CFR Part 58 which are directly related to the project. [92.206(d)]
- e. **Community housing development organization costs.** Eligible costs of project-specific assistance are set forth in 92.301. [92.206(e)]
- f. **Relocation costs.** The cost of relocation payments and other relocation assistance to persons displaced by the project are eligible costs.
- (1) Relocation payments include replacement housing payments, payments for moving expenses, and payments for reasonable out-of-pocket costs incurred in the temporary relocation of persons.
 - (2) Other relocation assistance means staff and overhead costs directly related to providing advisory and other relocation services to persons displaced by the project, including timely written notices to occupants, referrals to comparable and suitable replacement property, property inspections, counseling, and other assistance necessary to minimize hardship. [NOTE: It is the policy of the City of Utica not to displace individuals, families, businesses, non-profit organizations or farms.] [92.206(f)]

- g. Costs relating to payment of loans.** If the HOME funds are not used to directly pay a cost specified in this section, but are used to pay off a construction loan, bridge financing loan, or guaranteed loan, the payment of principal and interest for such a loan is an eligible costs only if:
- (1) The loan was used for eligible costs specified in this section, and
 - (2) The HOME assistance is part of the original financing for the project and the project meets the requirements of this part.
- h. Costs of administering tenant-based rental assistance program.**
- i. Staff and overhead.** Staff and overhead costs directly related to carrying out the project, such as work specifications preparation, loan processing, inspections, and other services related to assisting potential owners, tenants and homebuyers (e.g., housing counseling); and staff and overhead costs directly related to providing advisory and other relocation services to persons displaced by the project, including timely written notices to occupants, referrals to comparable and suitable replacements property, property inspections, counseling, and other assistance necessary to minimize hardship. These costs may be charged as administrative costs or as project costs, at the discretion of the PJ. [92.207(b)]
- j. Public information.** The provision of information and other resources to residents and citizen organizations participating in the planning, implementation, or assessment of projects being assisted with HOME funds. [92.207(c)]
- k. Fair housing.** Activities to affirmatively further fair housing in accordance with the PJ's certification under 24 CFR part 91. [92.207(d)]
- l. Indirect costs.** Indirect costs may be charged to the HOME program under a cost allocation plan prepared in accordance with OMB Circulars A-87 or A-122 as applicable. [92.207(e)]
- m. Other Federal requirements.** Cost of complying with the Federal requirements in subpart H of the part. Project-specific environmental review costs may be charged as administrative costs or as project costs in accordance with 92.206(d)(8), at the discretion of the PJ. [92.207(g)]

PROHIBITED ACTIVITIES: HOME funds may not be used to:

1. Provide project reserve accounts, except as provided in 92.206(d)(5), or operating subsidies;
2. Provide tenant-based rental assistance for the special purposes of the existing Section 8 program, in accordance with section 212(d) of the Act;
3. Provide non-federal matching contributions required under any other Federal program;
4. Provide assistance authorized under section 9 of the 1937 Act (annual contributions for operation of public housing);
5. Carry out activities authorized under 24 CFR part 968 (Public Housing Modernization);
2. Provide assistance to eligible low-income housing under 24 CFR part 248 (Prepayment of Low Income Housing Mortgages), except that assistance may be provided to priority purchasers as defined in 24 CFR 248.101;
7. Provide assistance (other than tenant-based rental assistance or assistance to a homebuyer to acquire housing previously assisted with HOME funds) to a project previously assisted with HOME funds during the period of affordability established by the PJ in the written agreement under 92.504. However, additional HOME funds may be committed to a project up to one (1) year after project completion (see 92.502), but the amount of HOME funds in the project may not exceed the maximum per-unit subsidy amount established under 92.250.
8. Pay for the acquisition of property owned by the PJ, except for property acquired by the PJ with HOME funds, or property acquired in anticipation of carrying out a HOME project; or
9. Pay for any cost that is not eligible under 92.206 through 92.209.

ELIGIBLE PERSONS: All housing developed with HOME funds must serve low- and very low-income families. According to HUD, low- and very low-income persons are defined as those residents of a household whose total annual income does not exceed eighty percent (80%) of the median family income for the area. Low-income figures for the City of Utica are as follows:

FY 2024 Low Income Limits*:	Extremely Low Income	Very Low Income	Low Income
Persons in Household	30% MFI	50% MFI	80% MFI
1	\$18,450	\$30,800	\$49,250
2	\$21,100	\$35,200	\$56,250
3	\$25,820	\$39,600	\$63,300
4	\$31,200	\$43,950	\$70,300
5	\$36,580	\$47,500	\$75,950
6	\$41,960	\$51,000	\$81,550
7	\$47,340	\$54,500	\$87,200
8	\$52,720	\$58,050	\$92,800

*Note: HUD income limits are subject to change. FY2025 Income Limits have not yet been approved at the time of this application release.

OTHER FEDERAL REQUIREMENTS

- (a) The Federal requirements set forth in 24 CFR part 5, subpart A, are applicable to participants in the HOME program. The requirements of this subpart include: nondiscrimination and equal opportunity; disclosure requirements; debarred, suspended or ineligible contractors; and drug-free workplace.
- (b) The nondiscrimination requirements at section 282 of the Act are applicable. These requirements are waived in connection with the use of HOME funds on lands set aside under the Hawaiian Homes Commission Act, 1920 (42 Stat. 108). (part 92.350)

Affirmative Marketing: Minority Outreach Program.

The participant must follow the City’s affirmative marketing plan. (part 92.351)

Environmental Review.

- (a) **General.** The environmental effects of each activity carried out with HOME funds must be assessed in accordance with the provisions of the National Environmental Policy Act of 1969 (NEPA) and the related authorities listed in HUD’s implementing regulations at 24 CFR parts 50 and 58.

- (b) The jurisdiction (e.g. the PJ or State recipient) or insular area must assume responsibility for environmental review, decision-making, and action for each activity that it carries out with HOME funds, in accordance with the requirements imposed on a recipient under 24 CFR part 58. No funds may be committed to a HOME activity or project before the completion of the environmental review and approval of the request for release of funds and related certification, except as authorized by 24 CFR part 58. (part 92.352.)

Acquisition, Displacement and/or Relocation.

Acquisition: Provide details of any land acquisition necessary for this project, including size of property, zoning designation, flood plain designation, location of property, availability of water and sewer service, and costs of providing water and sewer services if not available, the value of property, a list of all taxing jurisdictions, applicable taxes, current tax rates, and any liens and encumbrances. Documentation of current ownership should be provided and an appraisal if available. The results of any existing studies and reports regarding the property or project also should be included.

Applicants are encouraged to have all necessary land acquisitions completed prior to applying for HOME Program funds. If land acquisition is a part of the project proposal, the Community Development Department **must be contacted prior to submitting the proposal** in order to comply with the Federal Uniform Relocation Assistance and Real Property Acquisitions Policies Act of 1970. Foremost, among the provisions of this Act is the requirement that a general informational notice must be sent to property owners and tenants at the time that the HOME Program application is submitted to the City. The applicant must contact the Community Development Department at (281) 341-4410 to obtain the exact format for the notices that must be provided to owners, renters, tenants, and businesses effected by the acquisition of the property. In addition, the proposal also will have to address the costs associated with these requirements such as appraisals, utility, moving, and any other relocation costs.

Displacement and/or Relocation: The permanent displacement of homeowners, tenants, businesses, nonprofit organizations, or farms for HOME -funded projects is discouraged. If permanent displacement is necessary, it must comply with federal regulations. In addition, certain restrictions apply to the demolition of buildings that could be used to provide housing for low- and moderate-income persons. If a proposed project includes

displacement, this information must be included in the proposal. If displacement is a part of the project proposal, please contact the Community Development Department at (281) 341-4410 **prior** to submitting the proposal. (part 92.353)

Labor.

(a) General.

(1) Every contract for the construction (rehabilitation or new construction) of housing that includes 12 or more units assisted with HOME funds must contain a provision requiring the payment of not less than wages prevailing in the locality, as predetermined by the Secretary of Labor pursuant to the Davis-Bacon Act (40 U.S.C. 276a-276a-5) to all laborers and mechanics employed in the development of any part of the housing. Such contracts also must be subject to the overtime provisions, as applicable, of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-332).

(3) The contract for construction must contain these wage provisions if HOME funds are used for any project costs in part 92.206, including construction or non-construction costs, of housing with 12 or more HOME-assisted units. When HOME funds are only used to assist homebuyers to acquire single-family housing, and not for any other project costs, the wage provisions apply to the construction of the housing if there is a written agreement with the owner or developer of the housing that HOME funds will be used to assist homebuyers to buy the housing and the construction contract covers 12 or more housing units to be purchased with HOME assistance. The wage provisions apply to any construction contract that includes a total of 12 or more HOME-assisted units, whether one or more than one project is covered by the construction contract. Once they are determined to be applicable, the wage provisions must be contained in the construction contract so as to cover all laborers and mechanics employed in the development of the entire project, including portions other than the assisted units. Arranging multiple construction contracts within a single project for the purpose of avoiding the wage provisions is not permitted.

(4) PJs, contractors, subcontractors, and other participants must comply with regulations issued under these acts and with other Federal laws and regulations pertaining to labor standards and HUD Handbook 1344.1 (Federal Labor Standards Compliance in Housing and Community Development Programs), as applicable. PJs must require certification as to compliance with the provisions of this section before making any payment under such contract.

(b) Volunteers. The prevailing wage provisions of paragraph (a) of this section do not apply to an individual who receives no compensation or is paid expenses, reasonable benefits, or a nominal fee to perform the services for which the individual volunteered and who is not otherwise employed at any time in the construction work. See 24 CFR 70.

- (c) **Sweat Equity.** The prevailing wage provisions of paragraph (a) of this section do not apply to members of an eligible family who provide labor in exchange for acquisition of a property for homeownership or provide labor in lieu of, or as a supplement to, rent payments. (part 92.354)

Lead-Based Paint.

Housing assisted with HOME funds is subject to the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4821-4846, the Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851-4556), and implementing regulations at part 35, subparts A, B, J, K, M and R of this title. (part 92.355)

Conflict of Interest. (see pages 18-21 of application) (part 92.356)

Consultant Activities.

No person providing consultant services in an employer-employee type relationship shall receive more than a reasonable rate of compensation for personal services paid with HOME funds. In no event, however, shall such compensation exceed the limits in effect under the provisions of any applicable statute (e.g. annual HUD appropriations acts which have set the limit at the equivalent of the daily rate paid for Level IV of the Executive Schedule, see the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1997, Pub. L. 104-204 (September 26, 1996)). Such services shall be evidenced by written agreements between the parties which detail the responsibilities, standards, and compensation.

Consultant services provided under an independent contractor relationship are not subject to the compensation limitation of Level IV of the Executive Schedule. (part 92.358)

Full and Open Competition.

To help ensure that consulting services are procured in a manner that is fully and openly competitive, the procurement of consulting services shall be conducted in a manner that provides full and open competition. 24 CFR 85.36(c)(1) identifies the following among the situations considered to be restrictive of competition:

- (i) Placing unreasonable requirements on firms in order for them to qualify to do business,
- (ii) Requiring unnecessary experience and excessive bonding,
- (iii) Noncompetitive pricing practices between firms or between affiliated companies,
- (iv) Noncompetitive awards to consultants that are on retainer contracts,
- (v) organizational conflicts of interest,
- (vi) Specifying only a “brand name” product instead of allowing “an equal” product to be offered and describing the performance of other relevant requirements of the procurement, and
- (vii) Any arbitrary action in the procurement process.

Section 84.43, which covers the subject of competition for non-profit organizations, provides, in part: “All procurement transactions shall be conducted in a manner to provide, to the maximum extent practical, open, and free competition.”

Procurement of Engineering and Architectural Services.

It has come to our attention that some applicants are entering into professional service agreements to have a Request for Proposals (RFP) prepared at no expense in exchange for the guarantee of a contract award if the applicant is successful in receiving grant funds. Some of these agreements even go so far as to commit the applicant to hiring a consultant firm on all future HOME and other grants. **These pre-contractual agreements are not in compliance with federal and state procurement provisions, which are designed to promote maximum open and free competition. Failure to comply with federal procurement guidelines may prevent an applicant from receiving HOME Program funding.**

Contracts for professional services are exempt from federal procurement provisions **only when these services are paid for with local funds.** Even if local funds will be used to pay for professional services, The City of Utica strongly recommends that applicants follow federal procurement guidelines to ensure a competitive process, adequate scope of work, and compliance with all applicable state laws and regulations. **If the procurement guidelines are not followed when using federal funds for professional services, subsequent budget modifications and amendments involving HOME Program funds for these services may not be approved.**

Subrecipient Contracts/Memorandums of Agreement.

All subrecipients must execute an agreement with The City of Utica. The agreement will specify the activities approved to be funded with HOME funds, a project budget, and the general conditions that must be met in order to access HOME funds. Prior to the execution of the agreement, all subrecipients are expected to submit any changes and/or additional documentation that they may have received subsequent to the completion of their application or requested by the City. Any funds spent before an agreement is signed and approved by Commissioners Court cannot be reimbursed from HOME funds. In addition, any consultants such as architects, engineers or other consultants must be hired following procurement guidelines or these approved costs cannot be reimbursed from HOME funds.

In the event that a subrecipient should subsequently lose their ability to proceed with their project, make any material alterations to the project without City approval, or fail to satisfy the representation made in the application, the City reserves the right to terminate all funding and pursue all rights and remedies available to it under the Grant Agreement and/or any other subsequent controlling documents.

Monitoring.

HUD regulations require the City to conduct reviews of their subrecipient agencies and contractors. Thus, the City may, at any time, inspect and monitor the records and work of the proposed project so as to ascertain the level of project completion, quality of work performed, compliance with the approved plans and specifications, property standards, and program rules and requirements. Any unsatisfactory findings in any of the above-mentioned areas may result in termination of funding.

At a minimum HOME program records must be retained for five years from the last day of the fiscal year in which the last expenditure report for the subgrantee is submitted to the grantee.

Performance Monitoring.

Subrecipients will assist the City in measuring program impact to determine the extent to which the eligible activities yield the desired outcome in the community or in the lives of persons assisted. Subrecipients will assist the City in selecting indicators that relate to the local goals established in the City's Consolidated Plan.

The City of Utica will monitor the performance of subrecipients against goals and performance standards stated in the subrecipient's contract. Substandard performance as determined by the City will constitute non-compliance with the subrecipient's contract. If action to correct such substandard performance is not taken by the subrecipient within a reasonable period of time after being notified by the City, agreement suspension or termination procedures will be initiated.