

State of Wyoming Consolidated Plan

Wyoming Community Development Authority
Your Partner in Affordable Housing

Public Hearing
August 9, 2010

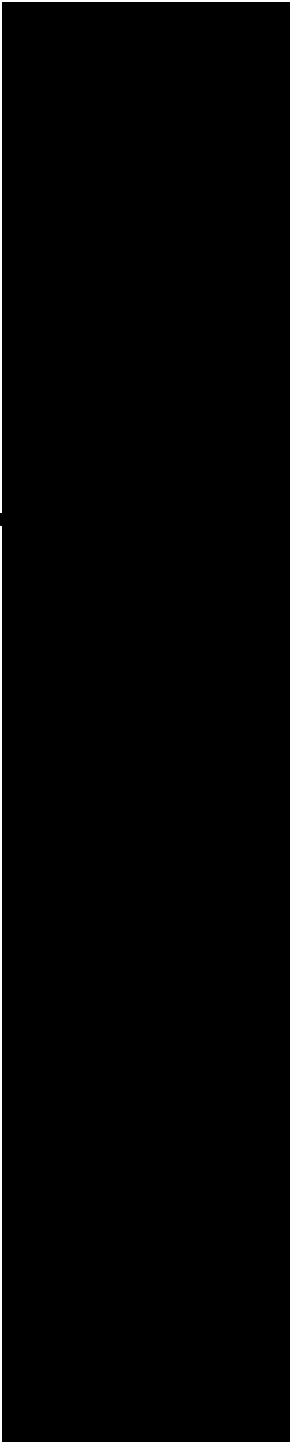


WCDA Administers

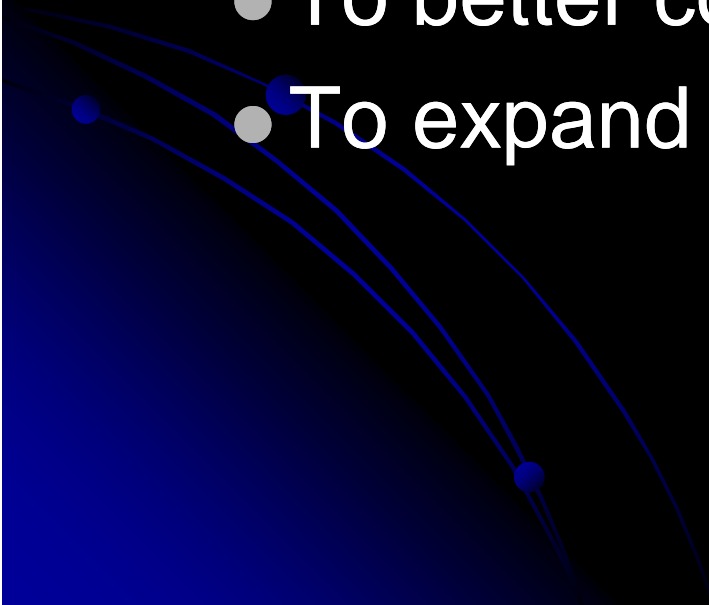
- HOME Investment Partnership Program (HOME)
- Neighborhood Stabilization Program (NSP)



HOME Investment Partnerships Program



Introduction

- Intent of HOME
 - To expand affordable housing
 - To support state/local efforts
 - To better coordinate federal help
 - To expand non-profit capacity
- 


Eligible Applicants

- Incorporated Cities and Towns
- Counties
- Non-Profit Developer
- For Profit Developer
- Housing Authorities
- Projects located in entitlement cities, Cheyenne and Casper, need a letter of consistency

Application Period

- Generally once a year
- For 2011 funding, the application deadline will be January 31, 2011.
- Applications will be available on WCDA website
 - www.wyomingcda.com

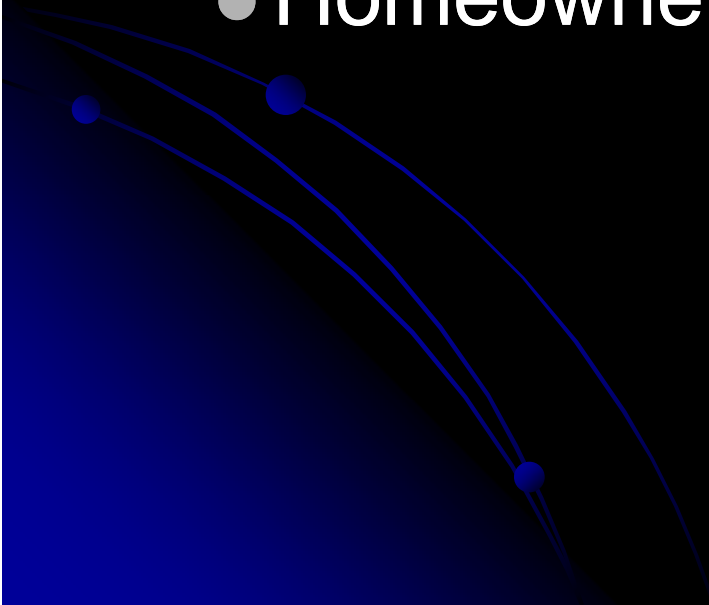
Eligible Activities

- New Construction
 - Acquisition of property
 - Rehabilitation
 - Reconstruction
 - Rental Assistance (not currently offered)
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Prohibited Activities

- Emergency Repairs
- Refinancing of Federally financed or insured projects
- Ineligible properties
 - Public Housing
 - Commercial properties
 - Shelters

Major HOME Programs

- Three Primary Uses of Funds
 - New Construction of Rental Housing
 - Rehabilitation of Rental Housing
 - Homeowner Rehabilitation
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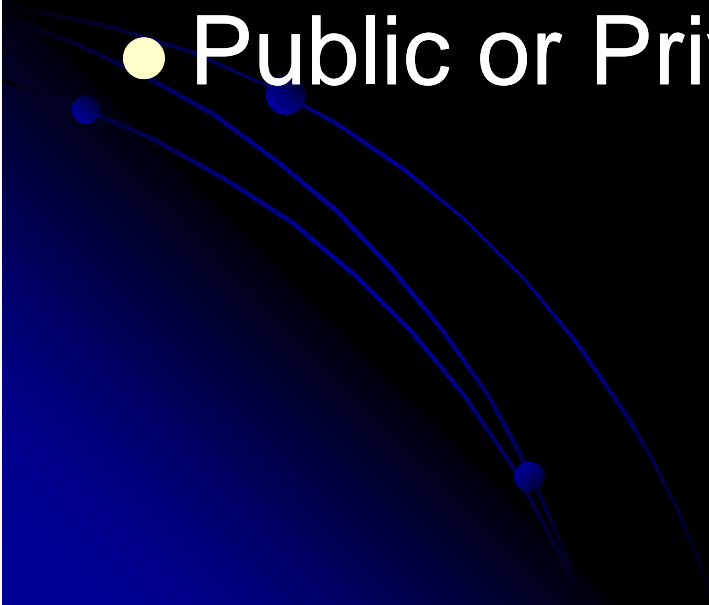
RENTAL HOUSING



Rental Housing: Overview

- Rents are strictly controlled
- All tenants must be below 60% of median income, and most must be below 50%
- Both rent and income requirements are long term (5 to 50 years)
- Maximum subsidy per unit

Rental Housing: Eligible Properties

- One or more buildings
 - Any size or style
 - Single or Multiple Sites
 - Public or Private Ownership
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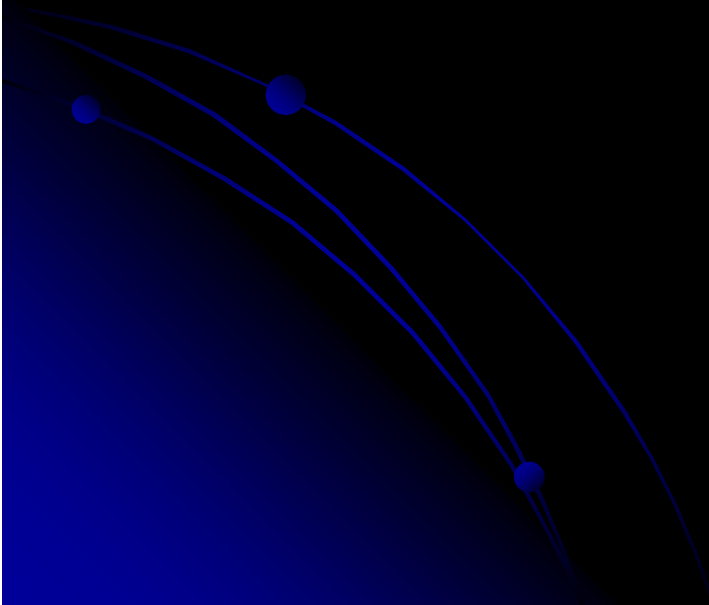
Homeowner Rehab



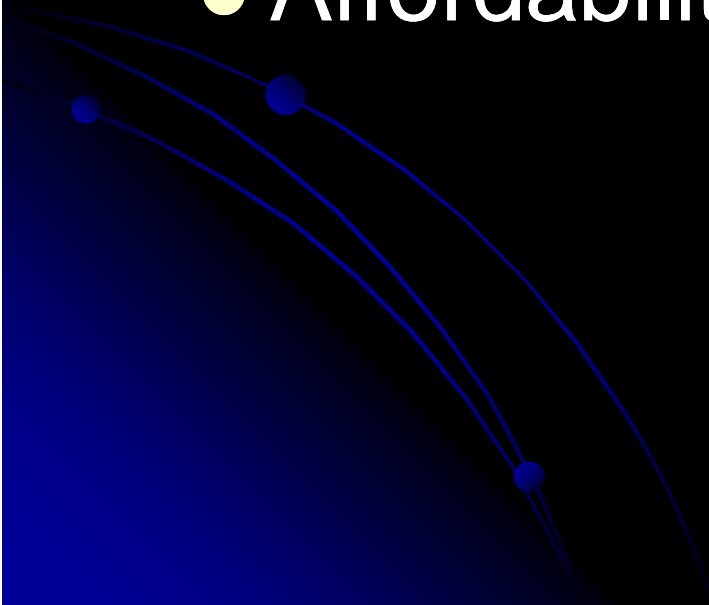
Homeowner Rehab:

Eligible
Applicants

- Cities, Counties, Non-profits may apply for block of funds

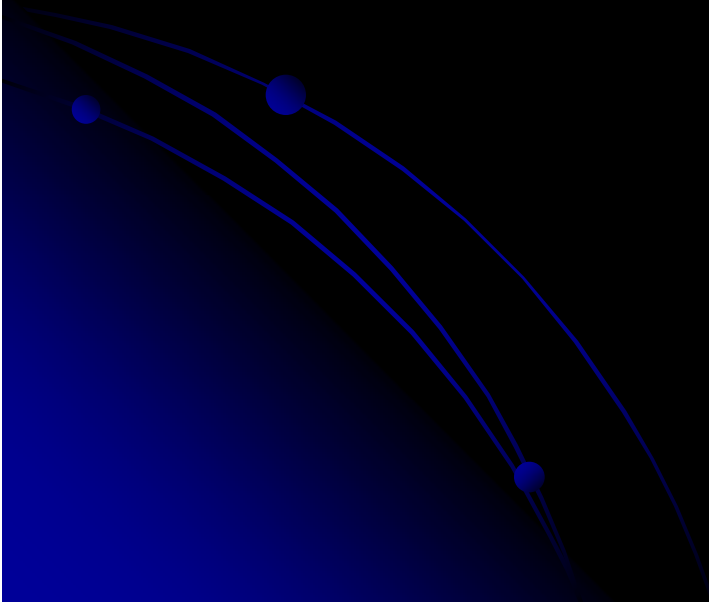


Homeowner Rehab: Restrictions

- Value of home
 - Low-Income Households
 - Rehabilitation Standards
 - Affordability Period
- 

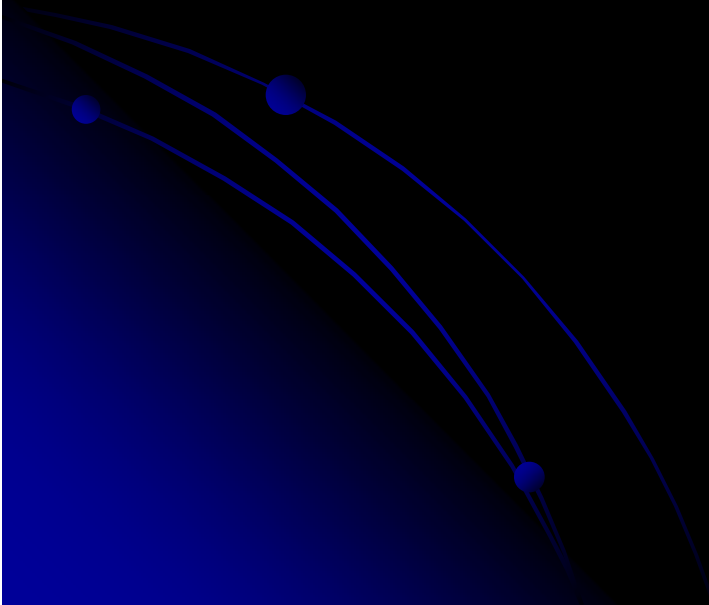
Homeowner Rehab: value

- After Rehab value must be less than the limits published by WCDA
- Do value estimate before rehab work is started



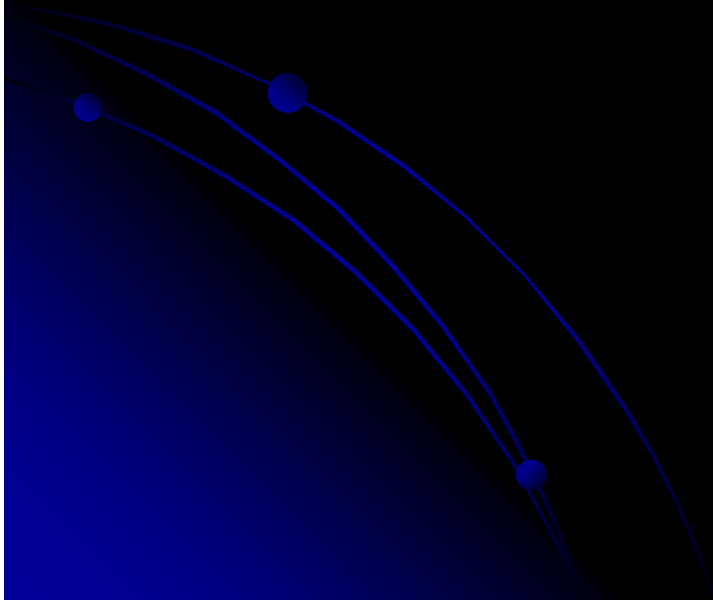
Homeowner Rehab: Owner Income Rules

- Gross Annual income \leq 80% median income



Homeowner Rehab: Rehabilitation Standards

- Once completed must meet Housing Quality Standards (HQS) and All Code requirements
 - Can **NOT** just do emergency repairs



Homeowner Rehab: HUD Affordability Period

\$0 - \$15,000 per unit 5 years

\$15,001 - \$19,999 per unit 10 years

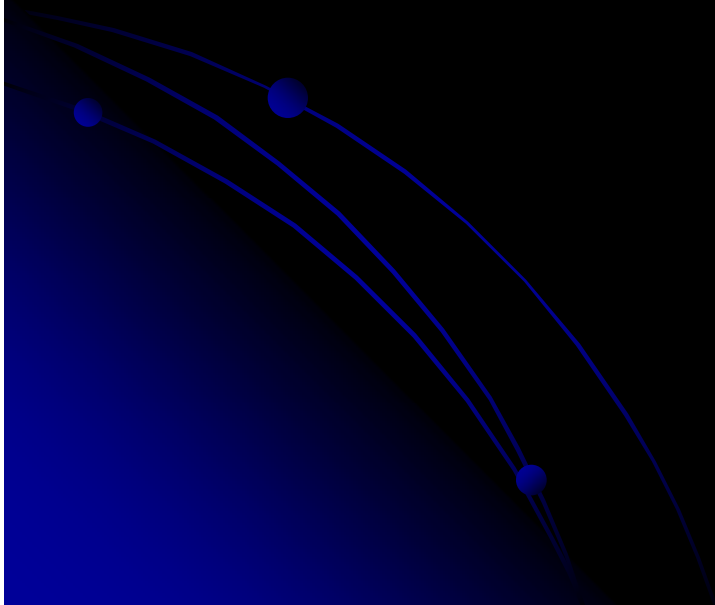
\$20,000 - \$25,000 per unit 20 years



Homeowner Rehab: Affordability Period

If sold during Affordability Period

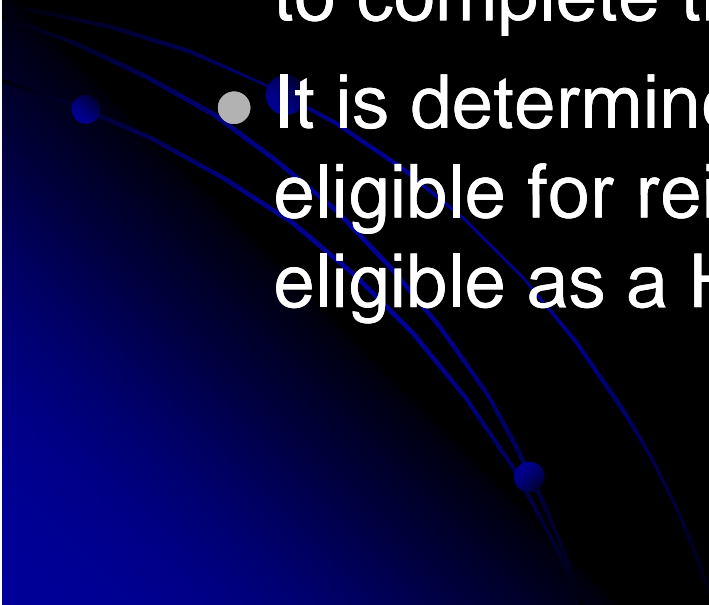
- Return Home \$
- Shared Appreciation



Finalization and/or Cost Over Runs on NSP Properties

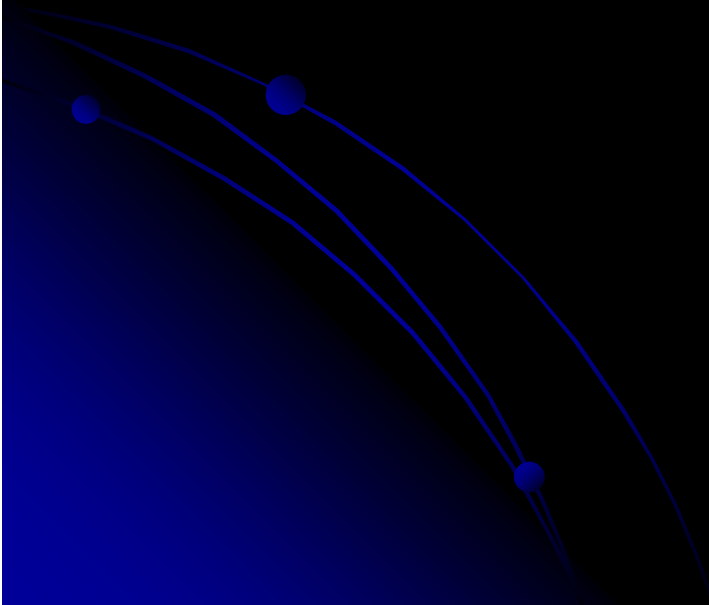


Finalization and/or Cost Over Runs on NSP Properties

- \$1,000,000 Set Aside
 - Funding is available for NSP projects which:
 - There is not sufficient NSP funding remaining to complete the project; or
 - It is determined a portion of the costs are not eligible for reimbursement by NSP, but are eligible as a HOME project
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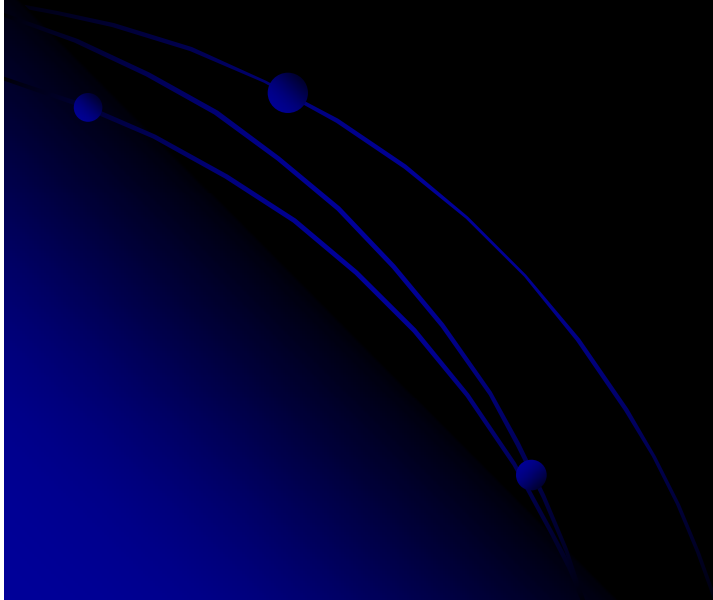
HOME Program: Type of Assistance

- Loans
 - Amortized loans at below market interest rates
 - Deferred loans

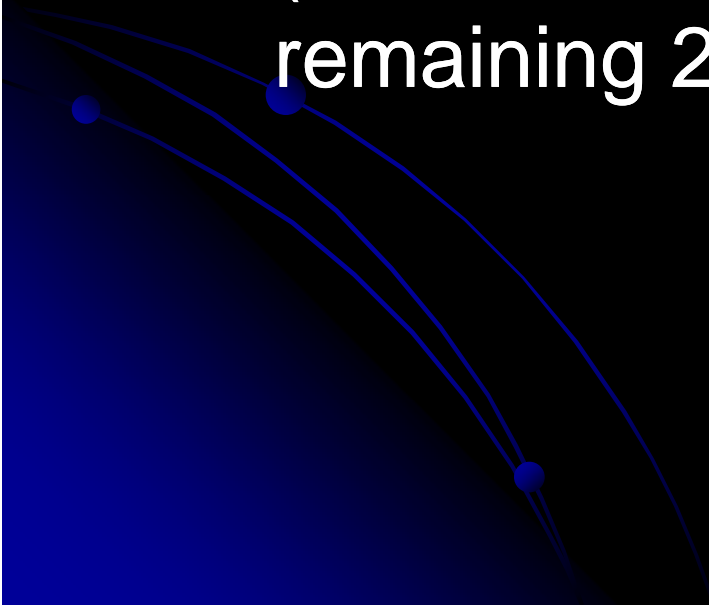


Match Requirements: Overview

- Size of match
- Incurring and meeting match obligations
- Sources of match

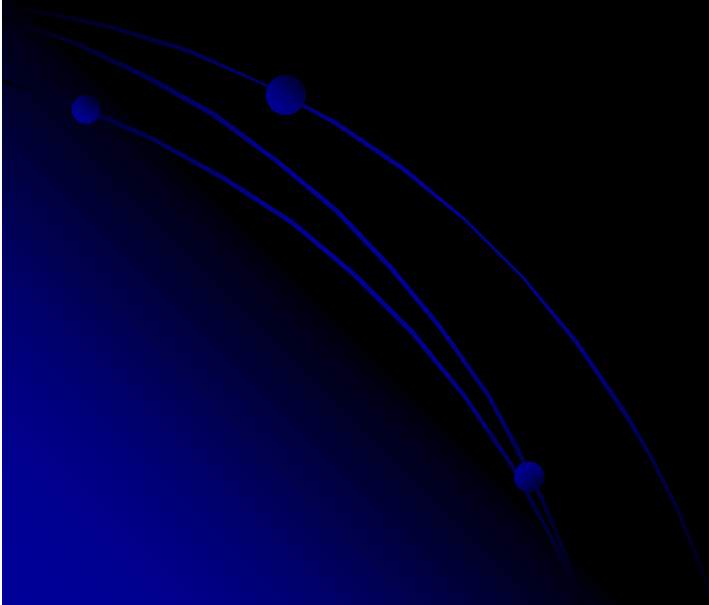


Match: Size of Match

- 25% of HOME funds must be matched with non-federal match
 - 2011 Match requirement 4.5%
 - (WCDA using banked match for remaining 20.5%)
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Match

- Spend \$1 of HOME funds - incur a match obligation

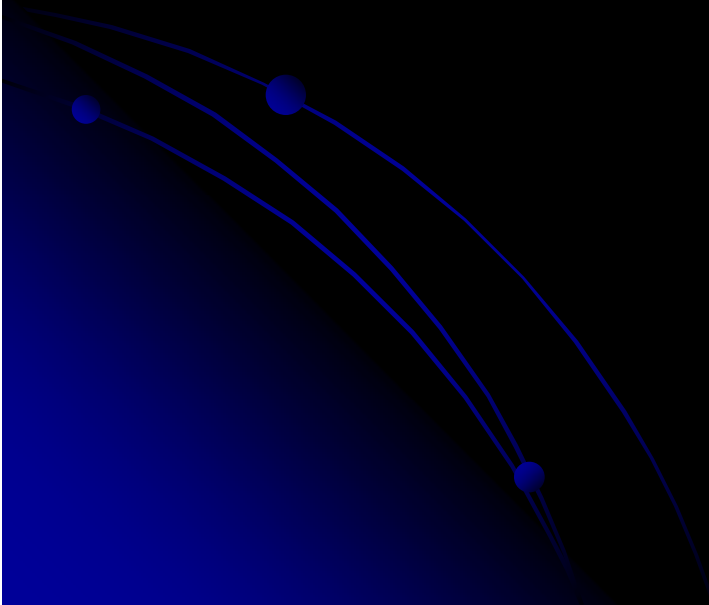


Match: Sources

- Cash (other than owners)
 - Waived taxes, fees, charges
 - Value of donated land
 - Donated materials and labor (\$10.00/hour)
 - State/local mortgage revenue bond proceeds (limited to 25% of match)
- √ **Non-federal sources only**

BMIR loans as Match

- Below Market Interest Rate (BMIR) loans not repayable to HOME are allowed
 - discounted to present value

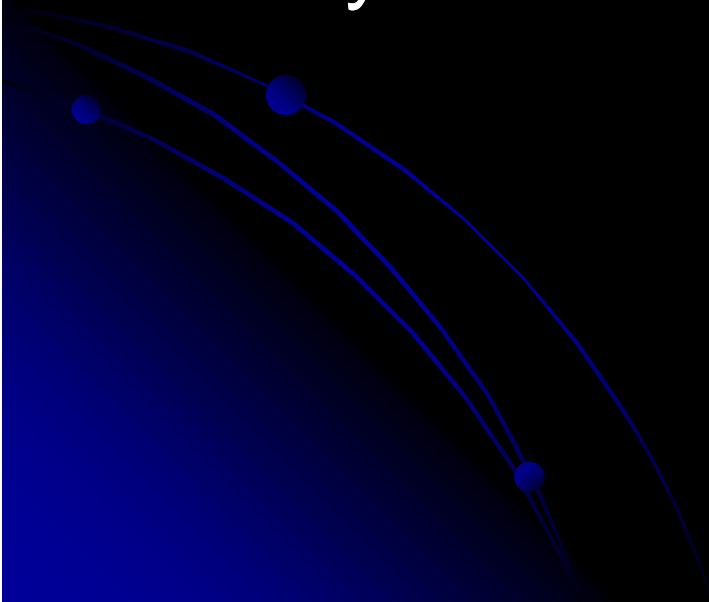


Match: The Answer is “no” to...

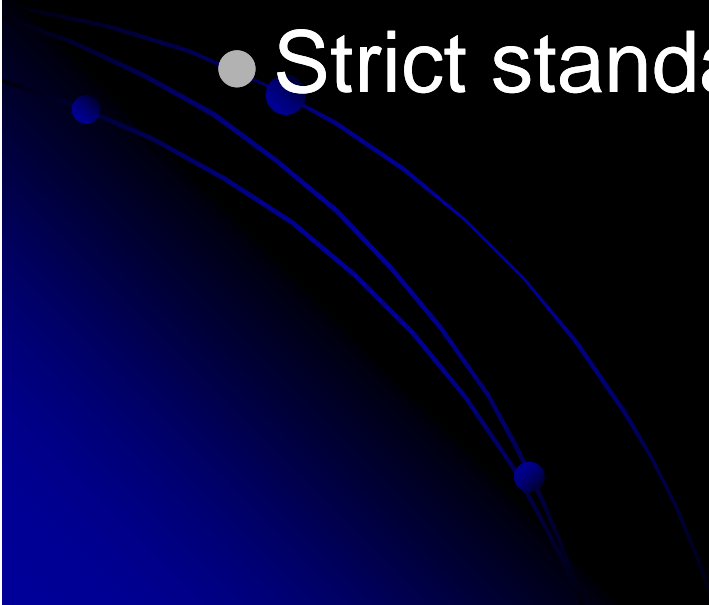
- \$\$\$ from federal grants, includes CDBG
- Monies raised through federal tax credit
- Owner equity
- Administrative costs
- Program income from open federal grant
- Cash contribution from owners

Expenditure Requirements

- Timeliness
- Important Time Frames
 - 24 months to commit
 - 5 years to spend

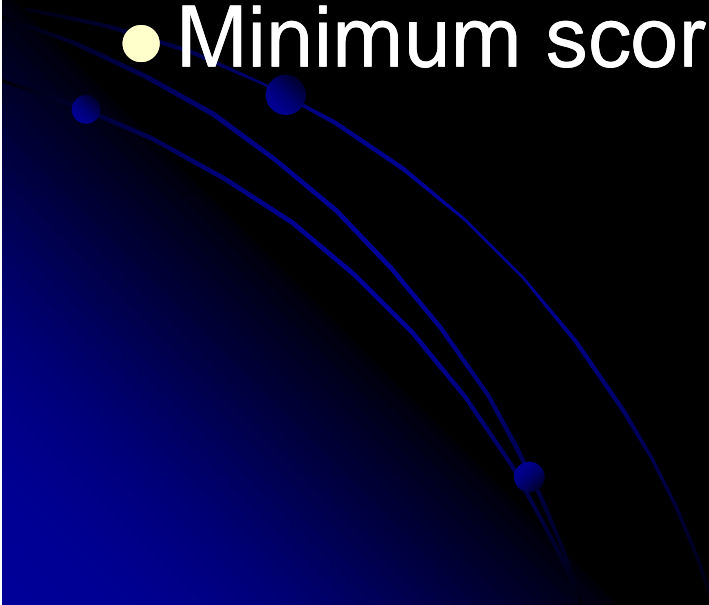


CHDO's

- Community Housing Development Organizations (CHDOs)
 - Minimum 15 percent of HOME funds
 - Develop, sponsor, or own
 - Strict standards to qualify
- 

Reservation Criteria: Scoring

Who receives funding?

- Projects ranked according to the scoring criteria outlined in the Allocation Plan
 - Minimum scoring required for funding
- 

Reservation Criteria: continued

Primary Criteria

Housing Needs 258 pts

Quality of Construction 125 pts

Lower Income Targeting 25 pts

Affordability Levels 36 pts

Extended LI Usage 35 pts

Community Revitalization 5 pts

Min 170 pts

Max 484 pts

Reservation Criteria: continued

Secondary Criteria

- Location 50 pts
 - Inappropriate (negative) 200 pts
- Project Characteristics 86 pts
- Sponsor Characteristics (Negative) 200 pts
- Special Needs Housing 4 pts
- Public Housing Waiting 2 pts
- Families/individuals with children 4 pts

Reservation Criteria: continued

Secondary Criteria (Cont.)

- Local Support 55 pts
 - Support Letter (20)
 - Financial Support (35)
- Management Capacity (Negative) 200 pts
- Project Costs (Negative Points) 1,000 pts
- Equity in Project 20 pts

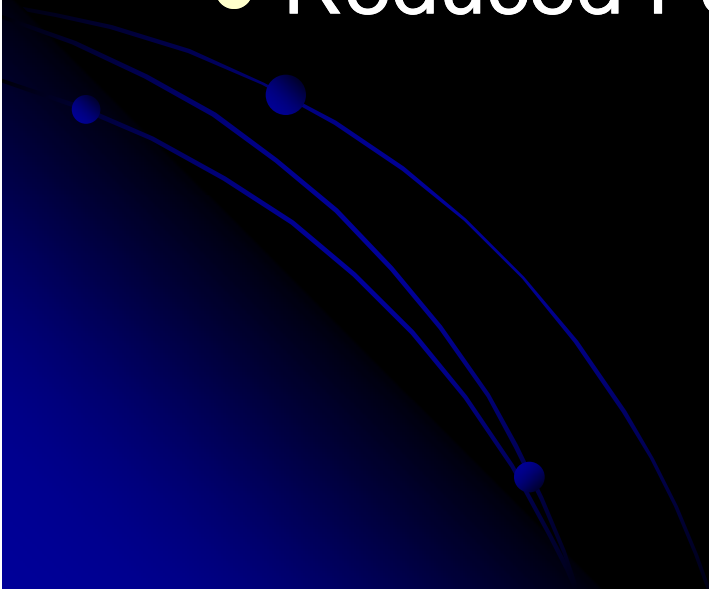
Min 55 pts

Max 221 pts

Reservation Criteria: continued

Tie Breaker Points

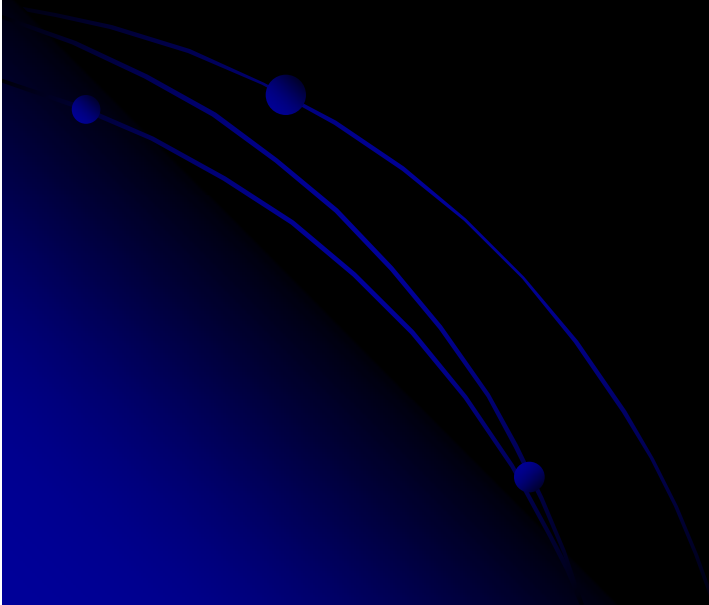
- Reduced Projects Costs 40 pts
- Reduced Fees 30 pts



Reservation Criteria

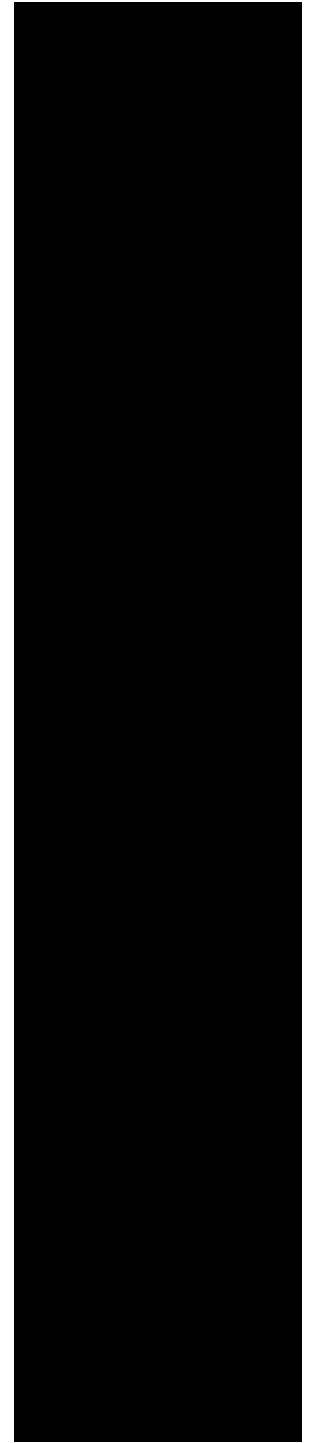
Final Applications will be available on Internet at WCDA's website

- www.wyomingcda.com





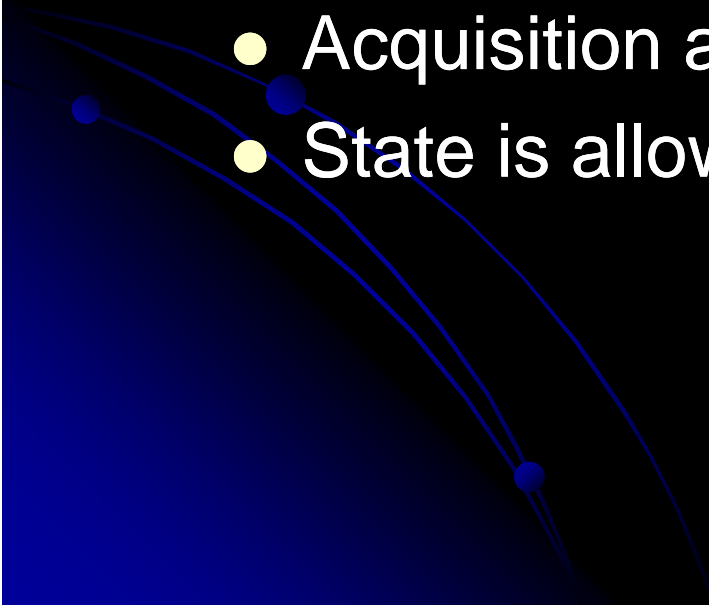
Neighborhood Stabilization Program (NSP)




Neighborhood Stabilization Program

- Housing and Economic Recovery Act of 2008
- \$3.92 Billion Nationally
- \$19.6 Million for the State of Wyoming
- CDBG-like Program Funds
 - To address the problem of abandoned and foreclosed properties
 - 18 month expenditure deadline (Sept 2010)
 - Additional funding being contemplated

NSP Specific Requirements

- Must meet national objective of benefiting low and moderate income persons
 - At least 25% of the total allocation must benefit households at or below 50% of Area Median Income (\$4.9 million)
 - Acquisition at a discounted rate (1%)
 - State is allowed to carryout activities
- 

Cross-cutting Requirements

- Affirmatively furthering fair housing
 - Anti-lobbying
 - Uniform Relocation Assistance and Real Property Acquisition Policies of 1970
 - Compliance with lead-based paint procedures
 - Environmental review
- 

Counties

- Campbell
 - Fremont
 - Laramie
 - Natrona
 - Sweetwater
 - Uinta
- 

Eligible Uses

- Single Family Ownership Opportunities
- Rental Opportunities
- Redevelopment
 - Demolition for Housing
 - Foreclosure Financing Option
 - Land Banking

Single Family Ownership Opportunities

WRAP

WCDA Administers

- Purchase Foreclosed / Abandoned homes
- Rehabilitate
- Sold to households @ < 80% AMI
 - Through a drawing


Single Family Ownership Opportunities

WRAP

WCDA Administers

- Casper
- Cheyenne
- Gillette
- Green River
- Rock Springs

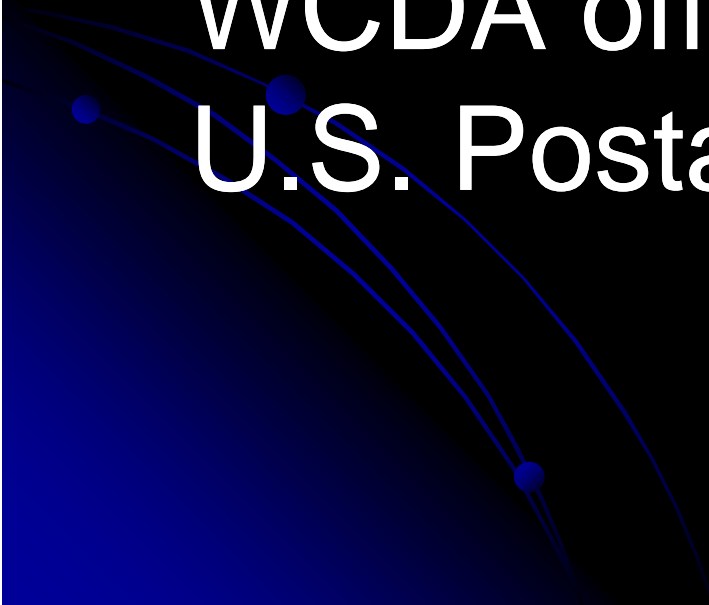
NSP Rental Opportunities Program

- Non-profits, for-profits and Housing Authorities eligible to apply
 - Purchase and rehabilitate vacant, foreclosed residential properties to be used as rental housing
 - Single family or multi-family properties
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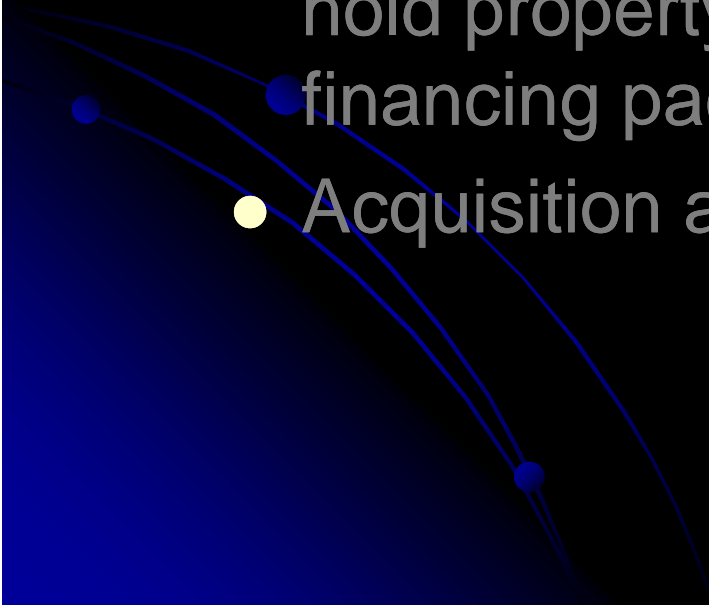
NSP Rental Opportunities Program (ReOpp)

- All ReOpp projects will be underwritten in the same manner as HOME Investment Partnership Program (HOME)

Application for Properties

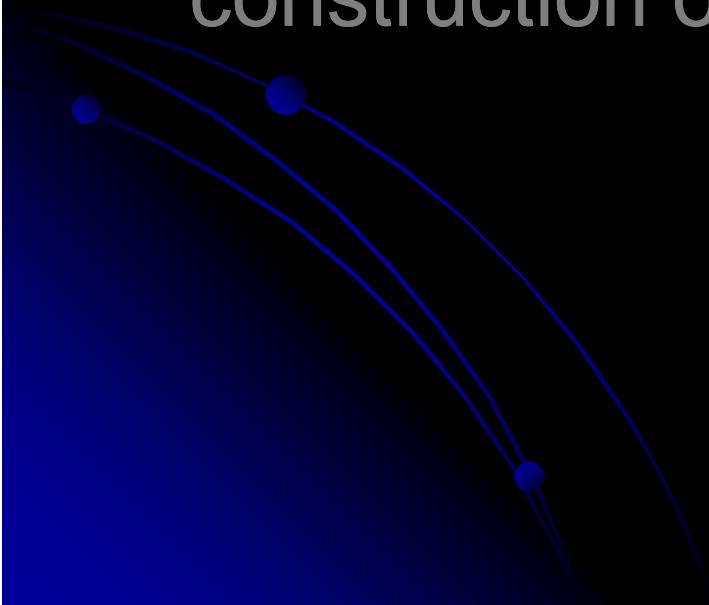
- Application packets for individual households and developers are available at WCDA office, via internet or by U.S. Postal Service.
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Land Banking Program


- Foreclosed properties may be acquired using NSP funds for the purpose of land banking
 - Land banking will allow non-profits and public housing authorities to acquire and hold property until a housing plan and a full financing package can be put in place
 - Acquisition at a discounted rate
- 

Demolition for Housing Program

- Funding for the clearance of a blighted structure, redevelop demolished or vacant properties
- Funding for the clearance of the site and construction of new housing dwelling



Foreclosure Financing Option

- Financing of single family foreclosed property
 - Manufactured homes are not permitted
 - 100% loan to value financing for homebuyer
 - Acquisition at a discounted rate
- 

Changes for 2011

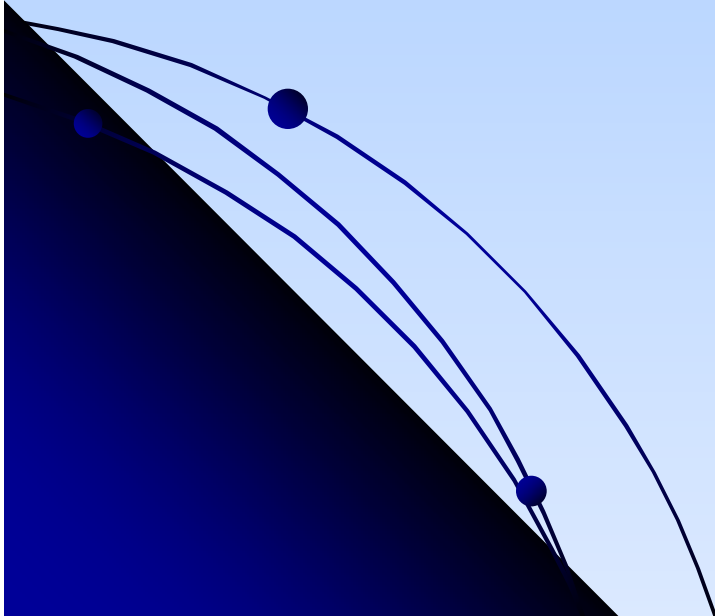
- HOME Run Program is no longer being offered
- \$1,000,000 HOME set aside for NSP cost overruns
- Independent third party capital needs assessment required for all rehab projects
- More emphasis on project location
- Negative points assessed for developer financial instability

Changes for 2011

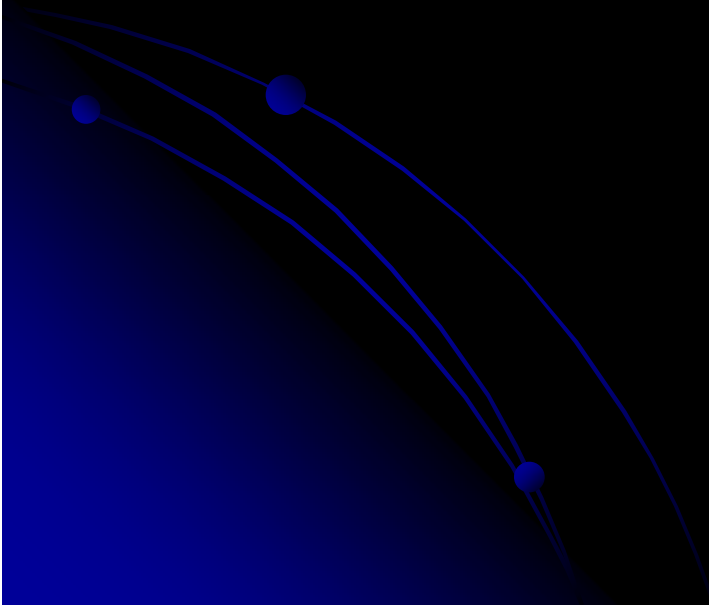
- Increased points for sustainable development and certification
- Size of land must be appropriate for project
- Smaller projects underwritten at increased vacancy rate
- Restricted Reserve Account for Rental projects
- HOME funds amortized over 45 years instead of 40

Changes for 2011

- Change in Market Study requirements
- Maintained NSP description in anticipation of additional funding.



Questions?





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