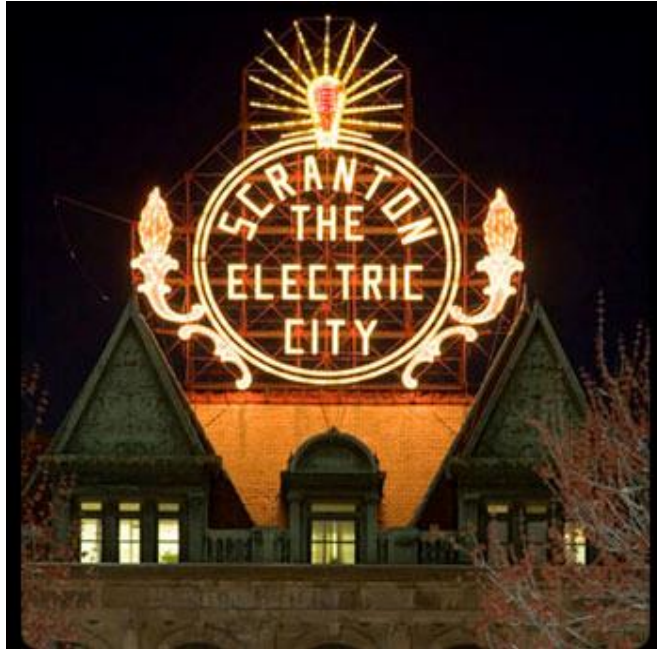


# **City of Scranton**

**Office of Economic and Community Development  
Municipal Building  
340 North Washington Avenue  
Scranton, Pennsylvania 18503**



**2016**

**HOME Investment Partnership Program (HOME)**

**William L. Courtright, Mayor**

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Executive Director**

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**2016**  
**Application For**  
**HOME Investment Partnership Program (HOME)**

**Please submit a separate application for each HOME Program Activity. All applicants must submit one (1) original including cover sheet, narrative (legible), budget forms and copies of the required and support documents. Proposals must be received by the City of Scranton's Office of Economic and Community Development, Municipal Building, 340 North Washington Avenue, Scranton, Pennsylvania 18503 no later than 3:00 P.M. on Friday, August 7, 2015. No late proposals will be accepted.**

**All proposals submitted for consideration must comply with the HOME Program guidelines.**

Note: 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 of Scranton will process requests for this information pursuant to the provisions of the Open Records 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 is authorized under [Title II of the Cranston-Gonzalez National Affordable Housing Act](#), as amended. Program regulations are at [24 CFR Part 92](#). Additional information about the HOME program can be found by visiting the HOME program web pages.

HOME provides formula grants to States and municipalities that communities use-often in partnership with local nonprofit groups to fund a wide range of activities that build, buy, and/or rehabilitate affordable housing for rent or homeownership or provide direct rental assistance to low-income people.

The format of this application is designed primarily to assist affordable housing developers and sponsors in assessing the appropriateness of applying for HOME funds. Only the program's principal features are described here and any applicant for funding is advised to become acquainted with detailed requirements of the program as set forth in the Regulations at 24 CFR Part 92.

## **HOME PROGRAM ACTIVITIES**

**Objectives:** The intent of the HOME Program is to:

1. Provide decent affordable housing to lower income households.
2. Expand the capacity of non-profit housing providers.
3. Strengthen the ability of state and local governments to provide housing, and
4. Leverage private-sector participation.

The HOME Program has a number of basic rules that apply to all program activities. These rules concern:

- The definition of a project;
- The form and amount of subsidy
- Eligible costs;
- The property;
- The applicant or beneficiary;
- The long-term affordability of the project; and
- Applicability of other federal requirements.
- Cost allocation and
- Subsidy layering

### **Organizations Eligible to Apply**

Public or private entities who are housing developers, sponsors or owners and that have project management control capacity are eligible to apply for HOME funds. Examples of eligible entities are:

- Community Housing Development Organizations (CHDO)
- Not-for-profit organizations
- Housing authorities
- Municipalities
- For-profit organizations, private individuals are not eligible to submit project applications directly benefiting themselves. For example: A homebuyer is not eligible to request funds to rehabilitate a property that is used as his or her principal residence. Projects must benefit a group of people and be administered by an agency or organization (i.e., a legal entity). The administrative capacity of the agency or organization is one of the factors considered in the selection of the application.

### **Eligible Uses of HOME funds**

HOME funds may be used for:

- Rehabilitation
- Reconstruction
- New construction
- Conversion of an existing structure from another use to affordable residential housing, Conversion of a structure to commercial use is prohibited.
- Site improvements

- Acquisition of property in need of rehabilitation is eligible as part of either a homebuyer program or a rental housing project
- Acquisition of vacant land only if construction will begin on a HOME project within 12 months of purchase
- Demolition of an existing structure may be funded by HOME only if construction will begin on the HOME project within 12 months

### **Eligible Uses of Improved Properties**

1. Rental of units to low income families or individuals.
2. Sale to low income homebuyers.
3. Rehabilitation of owner-occupied single family dwellings

### **Eligible Project Costs**

City of Scranton's HOME funds may pay for the following costs in association with an eligible activity (other potentially eligible costs are listed in Section 92.206 of the attached HOME Program regulations):

### **HARD COSTS**

#### Rehabilitation

- Correction of substandard conditions;
- Essential improvements including energy related improvements/repairs;
- Improvements to permit use by persons with special needs;
- Lead-based paint hazard abatement;
- Repair or replace major housing systems in danger of failure.

#### New Construction

- Actual costs of construction to meet the municipal code, applicable ordinances, and the Federal Model Energy Code.

#### Rehabilitation and New Construction

- Acquisition of real property;
- Demolition of existing structures;
- Site improvements in keeping with surrounding, standard properties;
- Utility connections.

### **SOFT COSTS**

Reasonable and necessary costs to owner associated with financing and/or development **may** include:

- Architectural, engineering service to prepare plans, drawings, specifications or work write-ups;
- Costs to process and settle financing: origination fees, credit reports, fees for title evidence, recordation and filing legal documents, building permits, attorneys fees, appraisals, cost estimates, builders or developers fees;
- Project audit costs;
- Affirmative marketing and fair housing information services to prospective tenants and homebuyers.

- Relocation expenses for displaced persons, families, businesses or organizations,
- where assistance is required by program regulations or determined appropriate by the program administrators;
- Counseling for first-time home buyers if the individuals become the owners of one of the projects' HOME-assisted units.
- Impact fees.

### **Cost that will not be Funded**

- **HOME funds will not be used to refinance existing debt in any manner or form or to create capital by transferring properties between related or interrelated organizations or corporate affiliates.**
- **HOME funds will not be used for Tenant Based rental Assistance activities**
- **Costs will not be reimbursed if found to be excessive or unnecessary to the creation of decent, affordable housing units**
- **HOME funds will not be used for activities that do not result in the creation of new affordable housing opportunities**
- **HOME funds will not be used for any other activities prohibited by Federal Regulations at 24 CFR Part 92**

### **Program Benefit/Income Targeting**

All HOME funds must benefit households at or below 80% of the median income. Ninety percent (90%) of the units in rental projects must benefit households at or below 60% of median income. Twenty percent (20%) of the units in rental projects of five (5) or more units must benefit households at or below 50% of median income.

The annual gross income of the household in each rental unit must be certified as eligible prior to occupancy and recertified annually. In accordance with the HOME Program regulations, Section 92.203(b)(1), City of Scranton defines "annual income" as provided for under the Section 8 (Part 5) Housing Assistance Payments programs in 24 CFR Part 5, for City of Scranton. The annual gross household income of homebuyers must be certified as eligible within the requirements set forth in Section 92.203 for Scranton, Pennsylvania at the time they are purchasing the unit.

Income limits are established by the United States Department of Housing and Urban Development (HUD) for Scranton, Pennsylvania and published annually. The current income limit guidelines are attached as Appendix A.

### **Period of Affordability**

All HOME assisted units must qualify as affordable housing and remain affordable for a specified period. Affordability will be assured by a deed restriction. To qualify as affordable, units must meet the guidelines for Rental Housing or Homeownership Housing.

The minimum period of affordability for a rehabilitated rental project is determined by the amount of HOME funds invested per unit as follows:

<b>HOME Investment per Unit</b>	<b>Length of the Affordability Period</b>
Less than \$15,000.00	5 Years
\$15,000.00 - \$40,000.00	10 Years
More than \$40,000.00	15 Years
New construction of rental housing	20 Years
Refinancing of rental housing	15 Years

### Maximum HOME Investment

Effective March 17, 2015 CPD-15-003 established alternate maximum per unit subsidy limits for the HOME Investment Partnership Program due to the discontinuation of the Section 221(d)(3) mortgage insurance program. Participating Jurisdictions (PJs) must follow this interim policy until HUD publishes a regulation for effect establishing new maximum per-unit limits for the HOME Program.

Until a new rule can be published for effect, HUD is adopting an interim policy directing PJs to use the Section 234-Condominium Housing basic mortgage limits for elevator-type projects as an alternative to the Section 221(d)(3) limits in order to determine the maximum amount of HOME funds a PJ may invest on a per-unit basis in HOME assisted housing projects. This interim policy remains in effect until the effective date of new final rule provisions amending the existing provisions of 24 CFR 92.250(a).

### Minimum HOME Investment

The minimum investment in a project is \$1,000 times the number of HOME assisted units in the project.

## **PROPERTY REQUIREMENTS**

### **Property Standards**

Before occupancy, housing that is constructed or rehabilitated with HOME funds must meet all applicable local codes, rehabilitation standards, ordinances, and zoning ordinances in existence at the time of project completion.

HOME funded properties must meet certain minimum property standards:

- State and local standards
- Model codes for rehabilitation or new construction
- Rehabilitation standards for rehabilitation work
- International Energy Conservation Code
- Handicapped accessibility – all assisted housing must meet the accessibility requirements of the Fair Housing Act and Section 504 of the Rehabilitation Act of 1973.
- Site and neighborhood standards – 24 CFR 983.6(b) apply only to the new construction of rental housing.
- Subject to lead-based paint hazard reduction regulations promulgated pursuant to sections 1012 and 1013 of the Residential Lead-Based Paint Hazard Reduction Act of 1992 and appearing within title 24 of the Code of Federal Regulations as part 35 (24 CFR 35).

### **Timing Requirements**

- All funds for a given program year must be committed by an executed agreement between the City and applicant for specific housing projects within two (2) years of receipt of the City's allotment. The Commitment Date deadline occurs 24 months after the last day of the month in which HUD notifies the Participating Jurisdiction (PJ) of HUD's execution form HUD-40093 "Funding approval and Home Investment Partnership Agreement" in cells 10 and 13 "Date of Obligation".

- Construction work must commence within six (6) months of commitment (execution of the contract).

### **Property Location**

All HOME Program activities must be located in Scranton, Pennsylvania.

### **ELECTION CRITERIA AND PRIORITIES**

The following criteria and priorities will be applied to determine selection of applicants and projects:

#### **General Criteria**

The application is complete and the proposed project, as described in the application, clearly meets all HOME Program requirements; and

The proposed project is clearly financially feasible and the proposal does not request more HOME funding that is necessary to create non-luxury housing that is affordable to very-low and low-income households; and

The proposal clearly demonstrates that the project will be ready for a HOME funding commitment and can be completed within the timing requirements for the program year; and

Based on the experience demonstrated in the proposal and a track record of successful similar accomplishments, the applicant has the capacity to assure:

- a. Project development (design, financial packaging, construction) in accordance with program requirements; and
- b. Long term property management and maintenance; and on-going control over occupancy for rental properties; or
- c. Compliance with the Fair Housing Act.

Rental housing projects will be selected to fulfill the income benefit requirements: For initial rent-up 90% of funded units will assist households within 60% of median income; and for the life of the project 20% of rental units funded will be occupied by and affordable to households at or below 50% of median income.

Projects that will result in permanent displacement of any family, individual, business, non-profit organization or farm, or their personal property, from the property **will not** be selected for funding.

#### **Priorities**

First priority will be given to viable projects that are currently ongoing such as the City of Scranton's Homebuyers Program and the Owner-Occupied Housing Rehabilitation Program (single family), Rental Rehabilitation Program. Second priority will be given to viable projects developed, sponsored or owned by CHDO's, public or private non-profit organizations.



Any qualified project that is coupled with or otherwise brings in a HOME matching contribution will be listed as a high seniority below the two programs listed above.

### **“MATCH” CONTRIBUTION**

City of Scranton as a participating jurisdiction is required under the HOME regulations to provide “match” contributions to HOME funds. “Match” contributions equal to 25% of the HOME funds expended for projects are necessary. The City may take credit for “match” contributions obtained through projects assisted by the City of Scranton’s HOME Program or through other housing projects that comply with the HOME Program’s definitions for affordability. Priority will be given to proposals that carry eligible dollar for dollar “match” contributions.

### **FORMS OF CONTRIBUTION**

#### **Eligible**

- Cash;
- Grant equivalent of below-market interest rate loan to project not repayable to the City of Scranton;
- Waiver or abatement of taxes, charges or fees customarily imposed by public or private institutions associated with the ownership, transfer or development of real estate;
- Appraised value of donated land or real property;
- On and off site infrastructure improvements required for HOME assisted project and completed no earlier than 12 months before HOME funds are committed;
- The value of site preparation and construction materials and donated site preparation or labor;
- A portion of loans made from proceeds from multi-family affordable housing and single-family project bond financing validly issued by a state or local government;
- “Sweat” equity; and
- Direct costs of support services to residents of HOME Program projects.

#### **Ineligible Match**

- Funds derived from any federal sources;
- Interest rate subsidy attributable to federal tax exemption or value attributed to tax credits;
- Owner equity or investment in a project; and
- Cash or other forms of contributions from applicants for or recipients of HOME assistance or contracts, or investors who own, are working on, or are proposing to apply for, assistance for a HOME-assisted project.

## **General Application Information**

This application is to request HOME funding for eligible costs of rehabilitation, acquisition and/or conversion of existing properties which will be either rented or sold, at affordable rates, to low-income families and/or individuals. Applicants will find it necessary to be familiar with the Federal Rules and Regulations - 24 CFR Part 92 when completing the application forms.

In completing the application, where additional space is needed to provide the required information, add additional pages directly behind the relevant form. Also attach documents directly behind the form on which they are requested. Mark the related form and item number on attachments.

Where requested information is not applicable to the proposed project, indicate "not applicable" at the relevant item. Where information is applicable, but not available, indicate at the relevant item; and also discuss why it is not available and when it will be available.

### **Deadline:**

Applications are due in the Office of Economic and Community Development, Municipal Building, 340 North Washington Avenue, Scranton, Pennsylvania 18503 by 3:00 p.m., on Friday, August 7, 2015. If you have questions regarding this application package, please contact:

Ms. Liza Carroll  
Director of Housing  
Office of Economic and Community Development  
Municipal Building  
340 North Washington Avenue  
Scranton, Pennsylvania 18503  
Phone: 570/348-4216, Ext. 106  
Fax: : 570/348-4123  
FDD : 570/348-4223  
Email: [lskelton@scrantonpa.gov](mailto:lskelton@scrantonpa.gov)

### **INFORMATION REGARDING THE APPLICATION PROCESS:**

Please review the following information regarding the City of Scranton's HOME Investment Partnerships Program.

1. The City of Scranton reserves the right, without limitation, to recommend or reject any and all applications for HOME funding assistance that it believes to be in the best interest of the City. All HOME Program funding are subject to approval from Scranton City Council through an Ordinance.
2. Applicants must submit all information and documents required to complete a thorough underwriting review and due diligence process of the prospective project. The applicant may be required to submit additional financial, historical, legal data that the City may deem necessary at a later date.

3. Implementation of any project funded in full or in part with HOME Program loan funds may not commence without full execution of a project HOME Loan Agreement, Mortgage Note and Deed Restriction documents with the City.
4. City of Scranton will not be responsible for any project costs incurred prior to full execution of a HOME Program Agreement.

### **ADA and Section 504 Compliance:**

In accordance with the Americans with Disabilities Act (ADA), Section 504 of the Rehabilitation Act of 1973, as amended (504), and applicable federal, state and local requirements, activities assisted with federal funds are required to be accessible to individuals with disabilities. Reasonable accommodations must be made whenever a qualified individual with disabilities seeks services. (The term "qualified individuals with disabilities" means a person with disabilities who meets any criteria applicable to all persons seeking the respective services.)

All agencies that are not departments or offices of the local City government applying for HOME assistance from the City for the program year 2012 period agree to:

- Complete and, as part of the Organizational Information Package (or update) section of their funding application(s), submit the 504/ADA Self-evaluated and Assurance of Compliance.

### **Staffing and Other Overhead Costs:**

Any staffing and other overhead costs (technically known as "project delivery" and/or "administrative" costs) associated with activities that are the subject of a funding application, must be made part of the application and must be reasonable in light of the activities to be conducted and result to be achieved. The City will not accept separate applications for staffing and overhead costs, whether or not related to another application.

In general, the City expects staffing and overhead costs to be a "direct charge" nature, supported by time records and other source documents such as invoices, bills and receipts.

### **DUNS Number Requirement**

The federal government requires organizations to provide a DUNS number as part of their grant applications and proposals.

#### **What is a DUNS number?**

Dun and Bradstreet (D&B) is a company that provides business information for credit, marketing, and purchasing decisions. Its "data universal numbering system," known as DUNS, issues unique 9-digit numbers that are used by businesses and the federal government to keep track of more than 70 million businesses world-wide. Some entities, such as states and universities, will also have what is known as "DUNS + 4," which is used to identify specific units within a larger entity.

#### **Why does my organization have to provide it?**

The federal government's Office of Management & Budget has adopted the use of DUNS numbers as a way to keep track of how federal grant money are awarded and disbursed.

**Do all grant applications have to have a DUNS number?**

All organizational applicants are required to provide their DUNS number. Individuals are exempt.

**How do I find out if my organization already has a DUNS number?**

Your executive director, business manager, board treasurer, or accountant is likely to know and be able to provide your organization's DUNS number if you already have one. Organizations applying to the Arts Endowment have been required to have a DUNS number since October 1, 2003. Universities and most colleges, state entities and large organizations also are likely to already have DUNS numbers. If you are not sure, ask the D&B operator when you call to get one (see phone number below).

**Is there a fee for registering for a DUNS number?**

No. D&B should not charge you a fee. You are also not obligated to purchase any of their products.

**What is the easiest way to get a DUNS number if my organization needs one?**

It only takes a day to get a DUNS number from D&B by phone (you may be on hold for a little while), but Internet applications can take up to 30 days! Note that an authorizing official, not a project director, of the organization should request a DUNS number. **Call D&B's special toll-free number for federal grant applicants: 1-866-705-5711.** Tell the operator that you are applying to a federal grant program and need to register for a DUNS number. The process will take about ten minutes. You will be asked to provide the following information (subject to minor changes): Legal name of organization, physical address (and P.O. Box if you have one), telephone number, Web address, name of the authorizing official (e.g., president, director, etc.), the purpose of your organization.

**CITY OF SCRNTON  
HOME FUNDING APPLICATION**

**1. Applicant Name:**

\_\_\_\_\_

**2. Address:**

\_\_\_\_\_

**3. Contact Person:** \_\_\_\_\_ **Title** \_\_\_\_\_

Phone: \_\_\_\_\_ FAX: \_\_\_\_\_

TDD: \_\_\_\_\_ Email: \_\_\_\_\_

**4. Type of Application:** (mark all that apply)

\_\_\_ Acquisition \_\_\_ New Construction \_\_\_ Rehabilitation \_\_\_ Pre-Development Loan

**5. Type of Applicant:** (mark all that apply)

\_\_\_ Non-profit \_\_\_ For-profit \_\_\_ Federal ID# \_\_\_\_\_ DUNS#: \_\_\_\_\_

\_\_\_ Project Sponsor \_\_\_ Project Developer \_\_\_ Project Owner

**6. Project Name:**

\_\_\_\_\_

**Project Location:**

\_\_\_\_\_

**7. Project Cost:**

Total Cost of Project: \_\_\_\_\_ Total # of units in project: \_\_\_\_\_

**HOME Funds Requested:** \_\_\_\_\_

Rental project \_\_\_\_\_ Homebuyer \_\_\_\_\_ Housing Rehabilitation \_\_\_\_\_

**8. Project Description:**

a) Provide a narrative description of the project, including details of the existing neighborhood housing stock, its average age and general condition.

b) Explain the need for the HOME funds and the intended use of the HOME funds. Please identify the total number of units in the project and the number of units that will be designated as HOME units.

c) Describe the targeted population.

d) Households/Persons Benefitting:

\_\_\_\_\_ total # of households      \_\_\_\_\_ total # of persons      \_\_\_\_\_ Unknown at this time

## Application Checklist

Use this sheet to help ensure that you have completed your application properly and that you have provided all materials that must be included in the application.

\_\_\_\_\_ All pages of the application, including attachments.

\_\_\_\_\_ **Only One (1) original** of the application must be submitted.

Application Contents: This application must include the following where applicable:

- \_\_\_\_\_ 1. Application Cover Form: One page; note especially the following:
  - \_\_\_\_\_ a. Name of applicant project manager or contact, mailing address, phone and fax numbers, and email address.
  - \_\_\_\_\_ b. The description of activity (application summary) is typed in space provided.
- \_\_\_\_\_ 2. Application Narrative.
- \_\_\_\_\_ 3. Action Plan: Showing quarterly schedule of planned accomplishments. (For example, how many units will be completed each quarter.
- \_\_\_\_\_ 4. Itemized Project Budget and Budget Narrative

Organizational Information Package: Applicant must also submit this package, which must include the following items (or most recent updates to these items) where applicable:

- \_\_\_\_\_ 1. Articles of Incorporation
- \_\_\_\_\_ 2. State Corporation Commission Certificate and Evidence of Current Renewal
- \_\_\_\_\_ 3. Current Bylaws of the Organization
- \_\_\_\_\_ 4. IRS 501(C) Tax Exemption Determination Letter
- \_\_\_\_\_ 5. Current List of the Organizations Board of Directors
- \_\_\_\_\_ 6. Organizations Most Recent Audit/Financial Statements
- \_\_\_\_\_ 7. Evidence of Insurance
- \_\_\_\_\_ 8. 504/ADA Self-Evaluation and Assurance of Compliance
- \_\_\_\_\_ 9. Organization Business Plan
- \_\_\_\_\_ 10. Board Attendance Certification
- \_\_\_\_\_ 11. Board Financial Commitment Certification
- \_\_\_\_\_ 12. Current Budget of the Organization-Estimated Budget Form
- \_\_\_\_\_ 13. Copy of executed Resolution if required

## **Application Narrative Guidelines**

General Instructions: Respond to each item in the order below. Number and title your responses to correspond with the guidelines.

I. Need for Program/Project:

- A. Explain why this program/project is needed, including any supporting data (indicate sources) regarding the extent of the local need.
- B. Explain why City funding is needed, including funding sought from other sources prior to or concurrently with submitting this application to the City.

II. Current Status of program/Project:

Indicate whether this is a new or existing program/project. If already underway, indicate when activities began, what has been done so far, how many have been served and the funding (and sources) already received. For both new and existing programs/projects, indicate whether the program/project would extend beyond program year 2016.

III. Project Design:

- A. Describe each activity or service that will be conducted in 2016, including methods, and special materials or processes involved, and when and where the activities or services will be conducted.
- B. Identify the staff (name and title) and any consultants involved; the percentage of each staff person's time to be devoted to the program/project; each staff person's salary and benefits (or, for consultants, the total fees) to be charged to the HOME funds; and which parts of the program/project each person or consultant will be responsible for. Information may be provided in a table.
- C. Describe any targeting to particular groups, neighborhoods or defined areas of the City.

VI. Experience:

- A. Indicate how many years your organization has in conducting programs/projects similar to what you are proposing. If this is a new organization, indicate years of experience each of the project's principal staff and consultants have in conducting similar activities.
- B. Provide Information about similar programs/projects you have conducted for the City or other funders during the past three (3) years. Provide each program/projects name and identification number, if any; a brief description of the program/project; the time period when conducted; the funding agency name, contract person and phone number; the planned and expended funding; and planned and actual results.

VI. Evaluation: Describe your plan to maintain awareness of and measure progress toward meeting the program/project's performance objective during the program, including timeliness of your reports to the City, your draws of funds from the City and your funding balance. Indicate any methods, internal reports or other features of your system that you will use for these purposes and your management personnel who will review this information. Describe how you will decide on any adjustments needed, should interim assessments indicate obstacles to achieving project objectives. Identify who will be responsible for submitting periodic reports to the City, and for producing a final report on the overall results, successes and recommendations for improving future projects.

VII: Budget: Provide an itemized project budget for your program/project's activities for the program year 2016. The budget must individually list all planned amounts and sources of funds for this project, including those requested by this application, as well the anticipated dates you will be notified regarding any amount not yet awarded. This budget must also provides an itemized listing of all expenditures for the period including identifying which funding sources will pay for any or all of an expense.

IX. Program Income: The City encourages programs/projects that generate "program income." Such income can result, for example, for sale, rental or use of property purchased or HOME funds or repayment of loans made with HOME funds. This income must be wholly or partly remitted to the City, depending on whether the City provides all or only part of the funding for the program/project generating the income.

- A. Indicate whether you are requesting HOME funds as a loan that you agree to repay under terms to be negotiated with the City. Otherwise, any funding awarded will be a sub grant to your organization, even though others may be receiving assistance from you in the form of loans.
- B. Estimate the amount of program income you anticipate this program/project will generate, and indicate how you determine this amount.



**ENVIRONMENTAL REVIEW**

By submission of this application, the applicant demonstrates a documented interest in using HUD HOME Investment Partnership funding to assist in delivery of the proposed project. As such, you are hereby being advised of the limitations on activities as long as the federal association triggered by the application is in effect.

In accordance with 24 C.F.R. Part 58.22, the applicant agrees to refrain from undertaking any physical activities or choice-limiting actions until the City of Scranton's Office of Economic and Community Development has either notified the applicant that the request for funding has been rejected, or if funded, until the City has issued the sub recipient a written Environmental Notice to Proceed. Choice-limiting activities include, but are not limited to, acquisition of real property, leasing, repair, rehabilitation, demolition, conversion, or new construction. This limitation applies to all parties in the development process, including public or private nonprofit or for-profit entities, or any of their contractors. No federal funds cannot begin until an environmental review has been completed and approved by the City of Scranton.

If the application is successful, any commitment of funds by the City is fully conditioned upon satisfactory completion of the project's environmental review in accordance with 24 CFR Part 58 and related environmental authorities. The applicant is also advised that the provision of funding is further conditioned on the City of Scranton's Office of Economic and Community Development's determination to proceed with, modify, or cancel the project based on the results of the environmental review.

If the application is successful, the applicant must agree to abide by any special conditions, mitigation measures or requirements identified in the City of Scranton's Office of Economic and Community Development's environmental approval and shall ensure that project contracts and other relevant documents will include such special conditions, mitigation measures or requirements.

Until the City of Scranton's Office of Economic and Community Development has either rejected the application for funding, or has approved the environmental review for the project, if awarded funding, neither the applicant nor any participant in the development process, including public or private nonprofit or for-profit entities, or any of their contractors, may commit HUD assistance to the project or activity. In addition, neither the applicant nor any participant in the development process may commit non-HUD funds or undertake an activity that would have an adverse environmental impact or limit the choice of reasonable alternatives (e.g. acquisition of real property, leasing, repair, rehabilitation, demolition, conversion, site clearance, or new construction)

Authorized Representative's Signature

\_\_\_\_\_

Name (please print)

\_\_\_\_\_

Title

\_\_\_\_\_

Date

## **HOME PROGRAM CONFLICT OF INTEREST**

“Home Program” refers to the funding program created under federal law (42 United States Code Sec. 12701, et seq.) whereby the United States Department of Housing and Urban Development (“HUD”) allocates funds to the City of Scranton (“CITY”) to expand the supply of decent, safe, sanitary and affordable housing for low-income families. The purpose of this questionnaire is to comply with the HUD regulations regarding possible conflict of interest (24 CODE of Federal Regulations Sec. 92.356).

### **92.356 Conflict of interest.**

(a) *Applicability.* In the procurement of property and services by participating jurisdictions, State recipients, and sub recipients, 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 apply.

(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 there under, 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 participating jurisdiction, State recipient, or sub recipient which are receiving HOME funds.

(d) *Exceptions: Threshold requirements.* Upon the written request of the participating jurisdiction, 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 participating jurisdiction’s program or project. An exception may be considered only after the participating jurisdiction 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 participating jurisdiction’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 participating jurisdiction has satisfactorily met the requirements of paragraph (d) of this section, HUD will consider the cumulative effect of the following factors, where applicable:

(1) Whether the exception would provide a significant cost benefit or an essential degree of expertise to the program or project which would otherwise not be available;

(2) Whether the person affected is a member of a group or class of low-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 specific assisted 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 participating jurisdiction 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 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 to 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.

I understand that if it is determined that this application for assistance constitutes an actual or potential conflict of interest under applicable federal regulations, this application may be considered for an exception, in which case this application will be publicly disclosed pursuant to procedures adopted by the City of Scranton and approved by HUD. By my signature, below I hereby expressly consent to such public disclosure.

DATE: \_\_\_\_\_

APPLICANT: \_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

**NOTE: IF APPLICABLE EVERY BOARD MEMBER MUST INDIVIDUALLY SIGN A CONFLICT OF INTEREST CERTIFICATION TO BE SUBMITTED WITH THIS APPLICATION – NO EXCEPTIONS ONE PERSON SIGNING ONLY MAY RESULT IN APPLICATION BEING REJECTED.**

**IF THE ORGANIZATIN MUST WAIT UNTIL NEXT BOARD MEETING FOR EACH BOARD MEMBER TO SIGN A CONFLICT OF INTEREST FORM PLEASE EXPLAIN BELOW:**

\_\_\_\_\_  
\_\_\_\_\_

## **OTHER FEDERAL REGULATIONS**

The following subjects are of importance in assessing possible use of HOME funds. References in parenthesis are made to the HOME regulations for more complete information.

### **Non-Discrimination and Equal Access**

No persons in the United States shall on the grounds of race, color, national origin, religion or sex be excluded, denied benefits or subjected to discrimination under any program funded in whole or in part by HOME funds.

Initial\_\_\_\_\_

### **Fair Housing and Equal Opportunity**

Title VI of the Civil Rights Act of 1964, As Amended (42 U.S.C. 2000d et seq.): States that no person may be excluded from participation in, denied the benefits of, or subject to discrimination under any program or activity receiving Federal financial assistance on the basis of race, color or national origin. The regulations implementing the Title VI Civil Rights Act provisions for HUD programs may be found in 24 CFR Part 1.

Initial\_\_\_\_\_

### **Handicapped Accessibility**

The HOME regulations also requires adherence to the three following regulations governing the accessibility of Federally-assisted buildings, facilities and programs

- Americans with Disabilities Act (42 U.S.C. 12131; 47 U.S.C. 155, 201, 218 and 225)
- Fair Housing Act
- Section 504

Initial\_\_\_\_\_

### **Equal Opportunity**

You must comply with the following regulations that ensure equal opportunity for employment and contracting.

- Equal Employment Opportunity, Executive Order 11266, as amended
- Section 3 of the Housing and Urban Development Act of 1968
- Minority/Women's Business Enterprise
- Contracting with minorities and women, and entities owner by minorities and women, in all contracts (See 24 CFR 85.36(e).) The Appendix provides guidance from HUD on acceptable.
- Outreach practice

Initial\_\_\_\_\_

### **Labor Requirements**

You must comply with certain regulations on wage and labor standards. In the case of Davis-Bacon and the Contract Work Hours and Safety Standards Acts, every contract for the construction of housing (rehabilitation or new) that contains 12 or more units assisted with HOME funds triggers the requirements.

- Davis-Bacon and Related Acts (40 USC 276 (A)-7)
- Contract Work Hours and Safety Act, as amended (40 USC 327-333)
- Copeland (Anti-Kickback) Act (40 USC 276c)
- Fair Labor Standards Act of 1938, As Amended (29 USC 201, et. Seq.)

Initial \_\_\_\_\_

**Lead-Based Paint**

All units in a project assisted with HOME funds must comply with the regulations implementation Title X of the 1992 Housing and Community Development Act (24 CFR Part 35).

Initial \_\_\_\_\_

**Displacement/Relocation (92.353)**

Scranton’s policy prohibits assisting housing activities anticipated to result in permanent, involuntary displacement. Temporary relocation is an eligible project cost when undertaken as required by the regulations.

Initial \_\_\_\_\_

**Flood Insurance**

If the property is located in flood plain hazard areas cannot be assisted unless the municipality is participating in the National Flood Insurance Program.

Initial \_\_\_\_\_

**Religious Organizations (92.257)**

a. Organizations that are religious or faith-based are eligible, on the same basis as any other organization, to participate in the HOME program. Neither the federal government nor a state or local government receiving funds under HOME programs shall discriminate against an organization on the basis of the organization’s religious character or affiliation.

b. Organizations that are directly funded under the HOME program may not engage in inherently religious activities, such as worship, religious instruction, or proselytization, as part of the assistance funded under this part. If an organization conducts such activities, the activities must be offered separately, in time or location, from the assistance funded under this part, and participation must be voluntary for the beneficiaries of the assistance provided.

c. A religious organization that participates in the HOME program will retain its independence from federal, state, and local governments, and may continue to carry out its mission, including the definition, practice, and expression of its religious beliefs, provided that it does not use direct HOME funds to support any inherently religious activities, such as worship, religious instruction, or proselytization. Among other things, faith-based organizations may use space in their facilities, without removing religious art, icons, scriptures, or other religious symbols. In addition, a HOME-funded religious organization retains its authority over its internal governance, and it may retain religious terms in its organization’s name, select its board members on a religious basis, and include religious references in its organization’s mission statements and other governing documents.

d. An organization that participates in the HOME program shall not, in providing program assistance, discriminate against a program beneficiary or prospective program beneficiary on the basis of religion or religious belief.

e. HOME funds may not be used for the acquisition, construction, or rehabilitation of structures to the extent that those structures are used for inherently religious activities. HOME funds may be used for the acquisition, construction, or rehabilitation of structures only to the extent that those structures are used for conducting eligible activities under this part. Where a structure is used for both eligible and inherently religious activities, HOME funds may not exceed the cost of those portions of the acquisition, construction, or rehabilitation that are attributable to eligible activities in accordance with the cost accounting requirements applicable to HOME funds in this part. Sanctuaries, chapels, or other rooms that a HOME-funded religious congregation uses as its principal place of worship, however, are ineligible for HOME-funded improvements. Disposition of real property after the term of the grant, or any change in use of the property during the term of the grant, is subject to government-wide regulations governing real property disposition (see 24 CFR parts 84 and 85).

f. If a state or local government voluntarily contributes its own funds to supplement federally funded activities, the state or local government has the option to segregate the federal funds or commingle them. However, if the funds are commingled, this section applies to all of the commingled funds.

Initial \_\_\_\_\_

**Certification of Consistency with the Consolidated Plan – HUD-2991**

I certify that the proposed activity/project in this application is consistent with the jurisdiction’s current, approved Consolidated Plan. (Type or clearly print the following information)

Applicant Name: \_\_\_\_\_

Project Name: \_\_\_\_\_

Location of the Project: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Name of the Federal Program to which the Applicant is applying:

\_\_\_\_\_

Name of Certifying Jurisdiction:

\_\_\_\_\_

Authorized Representative’s Signature

Name (Please print) \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

**CERTIFICATION OF COMPLETENESS**

I do hereby certify that the information contained in this application for HOME Investment Partnership Program (HOME) is complete and accurate. I do also certify that if the information contained herein should change at any time, I will notify Scranton’s Office of Economic and Community Development of such change and await their written response before proceeding with the project.

\_\_\_\_\_  
Authorized Representative’s Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name (please print)

\_\_\_\_\_  
Title



## HOME PROGRAM CONFLICT OF INTEREST QUESTIONNAIRE

“Home Program” refers to the funding program created under federal law (42 United States Code Sec. 12701, et seq.) whereby the United States Department of Housing and Urban Development (“HUD”) allocates funds to the City of Scranton (“CITY”) to expand the supply of decent, safe, sanitary and affordable housing for low-income families. The purpose of this questionnaire is to comply with the HUD regulations regarding possible conflict of interest (24 CODE of Federal Regulations Sec. 92.356).

### A. Are you:

- |   |     |    |              |
|---|-----|----|--------------|
| 1. An Employee of the City of Scranton  | YES | NO | Initial_____ |
| 2. An Agency of the City of Scranton  | YES | NO | Initial_____ |
| 3. Consultant for the City of Scranton  | YES | NO | Initial_____ |
| 4. Officer of the City of Scranton  | YES | NO | Initial_____ |
| 5. Elected Officer of the City of Scranton  | YES | NO | Initial_____ |
| 6. Appointed official of the City of Scranton   | YES | NO | Initial_____ |
| 7. A public agency or nonprofit organization<br>Selected by the City of Scranton to administer<br>The HOME Program on behalf of the City<br>Of Scranton | YES | NO | Initial_____ |

### B. Do you:

- |   |     |    |              |
|---|-----|----|--------------|
| 1. Exercise HOME Program functions or<br>Responsibilities                                       | YES | NO | Initial_____ |
| 2. Have you exercised HOME Program<br>Functions or responsibilities in the past<br>One (1) year | YES | NO | Initial_____ |
| 3. Hold or are you in a position to participate<br>In HOME Program decision-making              | YES | NO | Initial_____ |
| 4. Have you access to gain inside information<br>Regarding HOME Program activity                | YES | NO | Initial_____ |

### C. Do any of the above categories in A and B apply to:

- |  |     |    |              |
|--|-----|----|--------------|
| 1. You   | YES | NO | Initial_____ |
| 2. A family member, i.e. spouse, parent<br>(including steps), child (including steps),<br>Brother or sister (including steps), grandparents,<br>Grandchild | YES | NO | Initial_____ |
| 3. A business associate  | YES | NO | Initial_____ |

### D. Please answer the following question:

Is this application being submitted during your tenure in any position in section A above  
for one year thereafter

YES	NO	Initial_____
-----	----	--------------

**Please note that if you answered “YES” to section A. 4., 5., or 6. Above, i.e., if you are an officer or an elected or appointed official of the City of Scranton, you are ineligible for housing assistance.**

I UNDERSTAND THAT A FALSE STATEMENT ON THIS QUESTIONNAIRE MAY BE GROUNDS FOR REJECTION OF MY APPLICATION FOR ASSISTANCE. IN ADDITION, A FALSE STATEMENT MAY RESULT IN A FINE OR IMPRISONMENT.

DATE: \_\_\_\_\_

APPLIANT: \_\_\_\_\_  
\_\_\_\_\_

I understand that if it is determined that my application for assistance constitutes an actual or potential conflict of interest under applicable federal regulations, my application may be considered for an exception, in which case my application will be publicly disclosed pursuant to procedures adopted by the City of Scranton and approved by HUD. By my signature, below I hereby expressly consent to such public disclosure.

DATE: \_\_\_\_\_

APPLIANT: \_\_\_\_\_  
\_\_\_\_\_