

**Notice of Funding Availability (NOFA)**  
Tompkins County, New York

*Community Housing Development Fund*

**2021**  
**Open Funding Round**

**Applications Accepted until**  
**Wednesday, December 22, 2021**

## **I. Program Description**

### **A. Purpose and Background**

Tompkins County faces a growing deficit of housing of all types, with a particular need for new housing units for low- to moderate-income households. This deficit requires the development of a substantial number of new housing units and the rehabilitation and retention of units that might otherwise become unaffordable or uninhabitable.

In 2009, Tompkins County, Cornell University, and the City of Ithaca established the Community Housing Development Fund (CHDF), formerly known as the Housing Fund, to help communities, organizations, and housing developers throughout Tompkins County work towards this goal and to better respond to the diverse affordable housing needs of residents. In 2015, and again in 2021, the program was extended for an additional six years in order to continue supporting projects that encourage sustainable, affordable living – projects that consider and mitigate those costs that affect the affordability of living in a housing unit, including the direct cost of the housing unit, as well as transportation and energy costs. The program also seeks to support the development of mixed-income projects with a diversity of income levels among residents. In 2020 and 2021, two other funding partners, the Towns of Dryden and Ithaca, joined as Associate members with a contribution of \$50,000 each to support affordable housing options in their boundaries.

### **B. Eligible Uses of Funds**

Funds can be used for the development of affordable rental or for-sale projects. Projects can be mixed-income or mixed-use, subject to affordability conditions. Eligible expenses include the purchase or underwriting of the direct cost of land, construction costs, rehabilitation costs, or any other development cost that will reduce the overall cost of the housing units developed as long as these housing units remain permanently affordable. This may include expenses involved in the purchase of land such as closing costs, title search, appraisal, and survey of the land, as well as construction costs. An appraisal of the land needs to be completed.

### **C. Eligible Applicants**

Applications may be submitted by any of the following entities:

- 1) 501 (c)(3) not-for-profit organizations incorporated in New York State.
- 2) Tompkins County municipalities, including the City of Ithaca, towns, and villages.
- 3) Public Housing Authorities that serve Tompkins County.
- 4) Private, for-profit developers.

### **D. Grant Term**

All applicants must execute a grant agreement within one year of award notification. If a contract has not been executed within this time period, the applicant may request an extension by letter or email explaining why the extension is needed. This may be granted at the discretion of the Program Oversight Committee.

**Successful applicants must receive building permits before drawing funds.** Grant funds must be drawn down must occur within six months of contract execution.

If the units are not completed within 18 months of grant drawdown, the awardee must repay the grant. Applicants may request an extension by letter or email, explaining the reason why an extension is needed, which may be granted at the discretion of the Program Oversight Committee.

## II. Funding Amounts

### A. Rental Projects

**Overall Project Funding Cap:** A project may apply for a maximum of \$300,000 to construct new or to rehabilitate existing rental housing.

**Units<sup>1</sup> for Households earning 80% AMI or below:** Within the overall project funding cap, a maximum of \$30,000 per affordable unit for newly constructed or rehabilitated rental units.

**Units for Households earning 81-100% AMI:** Within the overall project funding cap, a maximum of \$20,000 may be awarded per affordable unit for newly constructed or rehabilitated rental housing for those earning up to 100% AMI. These units are subject to the rules for Mixed-Income Projects listed in Section II.D.

### B. Owner-Occupied Projects

**Overall Project Funding Cap:** A project may apply for a maximum of \$420,000 to construct new or to rehabilitate existing housing that will be owner-occupied.

**Units for Households earning 80% AMI or below:** Within the overall project funding cap, a maximum of \$60,000 may be awarded per affordable unit for newly constructed or rehabilitated owner-occupied housing.

**Units for Households earning 81-120% AMI:** Within the overall project funding cap, a maximum of \$30,000 may be awarded per affordable unit for newly constructed or rehabilitated owner-occupied housing for households earning up to 120%. These units are subject to the rules for Mixed-Income Projects listed in Section II.D.

### C. LIHTC Rental Projects

Rental projects pursuing 9% LIHTC funding may apply for up to \$100,000. In rare instances the fund may exceed this cap if project metrics dictate such a need. Projects pursuing 4% LIHTC funding are not subject to this overall project funding cap. Project pursuing 4% LIHTC funding will be reviewed based on funding needed to meet the New York State Homes and Community Renewal (HCR) term sheet only after the developer has participated in a technical assistance meeting with HCR staff.

### D. Mixed Income Projects

The Community Housing Development Fund recognizes the value of producing and retaining mixed-income housing that is available to a diversity of residents with a range of incomes, and that mixed-income housing projects that include affordable units should be encouraged. Therefore, units for households earning up to 120% AMI for owner-occupied housing and 100% AMI for rental housing are eligible for program assistance, provided that:

- Projects with 9 or more units: a majority of the units for which an applicant seeks support are reserved for those earning 80% AMI or less.

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<sup>1</sup> Non-traditional housing proposals (e.g. supportive housing group homes, single room occupancy residences, etc.) may consider two bedrooms to equal one unit, if the unit does not provide a private bathroom and kitchen. For questions about project design, please contact the Tompkins County Planning Department at 607-274-5560 or [planning@tompkins-co.org](mailto:planning@tompkins-co.org).

- Projects with 8 or fewer units: at least half of the units for which an applicant seeks support are reserved for those earning 80% AMI or less.

Applications seeking assistance solely for affordable units in a mixed-income project are eligible for funding on a per-unit basis (subject to project caps) of affordable housing provided, regardless of how many market-rate units are part of the overall project.

Applicants are encouraged to carefully reflect on their project funding needs; as demand for available resources exceeds the funding available to this program, the maximum award amounts may not be possible. Please note that when funding is limited, projects that reach lower income levels may be prioritized. The following table is a summary of funding amounts.

Project Type	Maximum Per Unit Award	Maximum Total Award
Rental Units up to 80%AMI	\$30,000	\$300,000
Rental Units 80%AMI-100%AMI*	\$20,000*	\$300,000*
Rental Units Pursuing 9% LIHTC	\$30,000	\$100,000
Rental Units Pursuing 4% LIHTC	See Section II.C	
For Sale Units up to 80%AMI	\$60,000	\$420,000
For Sale Units 80%AMI-120%AMI*	\$30,000*	\$420,000*

\*A majority of funded units must serve households at or under 80% AMI. See Section II.D.

### III. Minimum Eligibility Requirements

A. Location. Project must be located in Tompkins County.

B. Affordability. Project must include units of affordable housing for low and moderate-income households and may request support for affordable units for middle-income households, provided that a majority of supported units are reserved for low and moderate-income households. Low and moderate-income households are defined as households earning 80% or less of AMI for Tompkins County. Middle-income households are defined as those earning 81-120% of AMI for homeowners and 81-100% of AMI for renters in Tompkins County. Income limits are based on annually updated limits set by HUD for Tompkins County.

(<https://www.huduser.gov/portal/datasets/il.html>).

As of the time of this grant cycle, limits are as follows:

#### HUD FY2021 Income Limits for Tompkins County

Household Size	Income Limit (80% AMI)	Income Limit (100% AMI)	Income Limit (120% AMI)
1	\$50,200	\$62,800	\$75,360
2	\$57,400	\$71,700	\$86,040
3	\$64,550	\$80,700	\$96,840
4	\$71,700	\$89,600	\$107,520

Rent and utilities in an apartment or the monthly mortgage payment and housing expenses for a homeowner should not exceed 35% of a household's monthly income to be considered affordable housing.

Special Provision for Sustainable, Affordable Living Project

Consideration may be given to funding projects proposing housing expenses up to 40% of a household's monthly income, only if, the project is deemed a *Sustainable, Affordable Living Project*. These are projects that consider and significantly mitigate the major costs that affect affordability in addition to the direct housing cost: transportation and energy. To acquire funding at these higher percent of income rates, a proposal must exceed the standards set in the selection criteria and provide a comprehensive vision for developing sustainable, affordable living. These characteristics and criteria are described in the Smart Growth and Nodal Development Characteristics document in the application portal.

- C. Long-Term Affordability. Applicant must be able to ensure that housing units are permanently affordable, meaning the units are maintained and monitored as affordable units for a minimum of 49 years and that **the affordability requirement is tied to the property in case of a sale**. Permanent affordability is retained by such measures as income qualifying prospective buyers or renters and limiting the sales price or rent of units; separating the ownership of the land from the ownership of the housing unit, whereby only the housing unit is purchased by the homebuyer, and by restricting the amount of equity that a homeowner can take from the housing unit upon sale (Community Housing Trust model); or other equivalent mechanisms.

All applicants must demonstrate that they have the capability to (1) verify incomes of potential tenants or homebuyers and (2) monitor the rental or sales price of the affordable unit(s) to ensure that housing expenses (rent and utilities in apartment and mortgage payment and other housing costs) do not exceed the housing cost limits of this program.

Applicants whose projects are not held by a community housing trust or subject to long-term affordability regulatory agreements (e.g., LIHTC projects) must provide a legal instrument to ensure that affordability is maintained and monitored for a minimum of 49 years and that the affordability requirement is tied to the property in case of a sale. Proposals for owner-occupied units must provide for these units to be placed in a housing trust that ensures permanent affordability.

- D. Site Control. Applicant must have site control in the form of title, an option to purchase, a long-term lease, or other forms acceptable to the Program Oversight Committee.
- E. Experience. Applicant must have a demonstrated track record in residential real estate development/construction (multi-unit experience where applicable) and/or affordable housing development and/or management. **Applicants who lack experience successfully complying with federal, state, or local grant programs subsidizing housing construction, rehabilitation, or redevelopment projects are discouraged from responding to this NOFA.**

Eligible applicants must meet the following threshold requirements:

- Applicant must have a separate legal entity status (e.g., corporations, partnerships, limited liability companies, charitable organizations, etc.) from an individual person.

- Applicant must have residential real estate development/construction experience commensurate with the scale and complexity of the proposed project.
- For homeownership projects, applicant must have experience and capacity to market affordable units and qualify homebuyers for affordable home purchase.
- For rental housing projects, applicant must have the experience and staff capacity to oversee the marketing, qualification of tenants, management, and ownership of an affordable rental project.
- If an applicant does not have the required experience and capacity with affordable development, they must enter into a joint venture agreement or similar agreement with a partner with the requisite experience at the time of application. This agreement must establish the roles and responsibilities of each entity in the partnership. The executed agreement must be included in the application.

Proposals including supportive housing units (ex. units for individuals who are homeless, have mental health diagnoses, have developmental disabilities, are recovering from substance abuse, are re-entering the community from jail or prison, etc.) must demonstrate that the applicant or applicant's project partner has experience providing supportive services for the residents.

- F. Community Plans. Project must demonstrate alignment with the goals of the Tompkins County Comprehensive Plan (<https://www2.tompkinscountyny.gov/files2/planning/ComprehensivePlan/FINAL-March%2012-low%20res.pdf>), including smart growth/nodal development goals, and the adopted Comprehensive Plan of the host community (if applicable).
- G. Energy Recommendations for New Construction: Project must demonstrate consideration of higher energy efficiency standards and incorporation of renewable energy systems as detailed in the Tompkins County Energy Recommendations for New Construction or comply with local energy codes if they are more stringent. Tompkins County Energy Recommendations for New Construction (2018) can be found in the application portal. Multifamily rental projects with five or more units may be eligible for assistance in considering energy options in their design through the Tompkins County Business Energy Advisors (BEA) Program. More information about this program can be found in the grant application portal and at <http://tompkinscountyny.gov/bea>.
- H. Housing Strategy. Project must demonstrate alignment with the Tompkins County Housing Strategy ([https://www2.tompkinscountyny.gov/files2/planning/housing\\_choices/documents/HousingStrategy\\_Final\\_6-29-17.pdf](https://www2.tompkinscountyny.gov/files2/planning/housing_choices/documents/HousingStrategy_Final_6-29-17.pdf)).

#### **IV. Application Process**

Funds will be awarded to applicants on a competitive basis. The application process is as follows:

1) Notice of Funding Availability (NOFA) - posted at: <http://www.tompkinscountyny.gov/planning/housing-choices-housing-fund> and distributed to an email list of interested parties by the Tompkins County Department of Planning and Sustainability. If you have questions about the NOFA, please contact [planning@tompkins-co.org](mailto:planning@tompkins-co.org) or 607-274-5560.

2) Application Submission and Deadline - All applications, including attachments, must be submitted through Common Grant Application portal. Documents pertaining to the program and templates

required for this application are found in the Common Grant Application portal. Use this link to sign up for an account and start an application-  
<https://www.commongrantapplication.com/register.php?refOrgId=70636&refProgId=686&refProgType=grantsNew>.

An introductory video about how to use the application portal can be found here -  
<https://www.youtube.com/watch?v=xD85LuIZjRM>

**Applications in response to this NOFA may be submitted at any time before 5:00pm on December 22, 2021.**

3) Review Process - Applications will be scored by the Application Review Committee (ARC) appointed by the Program Oversight Committee (POC) using the evaluation criteria outlined in Section V. Applications will be recommended for funding by the ARC to the POC based on scoring and qualitative assessments. The POC may request an interview and/or clarifying information. The POC will be responsible for making funding award recommendations, which will be forwarded to the appropriate funding entity for final approval. Top scoring by the ARC is not a guarantee of recommendation by the POC or of approval by the funding entity.

4) Final Approval - All funding awards must be approved by the funding entity prior to disbursement. **Announcement of a recommendation of award from the Program Oversight Committee is not a guarantee of funding.**

**Funding recommendations from the POC will occur by January 31, 2022.**

5) Contract - Following final approval, successful applicants will be required to execute a funding award contract within one year of award notification and ensure adequate ongoing asset management for a contracted period of project operation.

6) Disbursement – From the date of contract execution, recipients will have six months to draw down grant funds, by submitting building permits to Tompkins County. After receipt of building permits from the award recipient, funds will be requested from funding partners for disbursement to recipient. Recipients have 18 months to complete units from date funds are disbursed.

7) Reporting - Successful applicants may be required to provide periodic and final project reports, verifications, and documentation during the development of the project and during the contracted period of project operation. During the development phase of the project, successful applicants will be required to submit periodic progress reports and meet agreed-upon development timelines. Failure to comply with these requirements may result in the recapture of awarded funds.

## **V. Evaluation Criteria**

Applications for the Community Housing Development Fund that satisfy the eligibility requirements will be evaluated and scored against the following criteria:

### **Criteria Overview**

1. Applicant Experience
2. Project Design
3. Affordability

4. Project Readiness
5. Financial Feasibility
6. Sustainable Development
7. Smart Growth
8. Property Tax Impacts

Although the NOFA and the application indicate that we are looking for as much detail as possible, we recognize that, depending upon the stage in the development process the project is at, the applicant may have a limited amount of firm information on some aspects of the project at the time of application. The applicant is encouraged to provide as much detail as possible regarding aspects of the project that have been firmly established as well as the current intent regarding aspects of the project that are not as well defined. When providing this information, the level of certainty should be indicated, for example by use of wording such as “will provide” where there is a high degree of certainty and “intend to provide” where there is not.