

City of Seward, NE

Tuesday, April 21, 2015

Regular Session

Item G3

PUBLIC HEARING - 7:00 P.M. - CONSIDERATION OF 2015 NEBRASKA AFFORDABLE HOUSING PROGRAM (NAHP) DOWNPAYMENT ASSISTANCE FUNDING - Jen Olds, SENDD

Consideration of a Resolution authorizing Mayor to execute NAHP Funds application and related documents.

Administrative Report: Following the presentation, public hearing comments, review and discussion, a motion to approve the Resolution authorizing the Mayor to fully execute the NAHP Funds application and related documents would be in order.

Staff Contact:

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that on Tuesday, April 21, 2015, at 7:00 P.M. in the Municipal Building, 142 No. 7th St, Seward, Nebraska; the City Council of Seward will hold a Public Hearing concerning an application to the Department of Economic Development (DED) for a Nebraska Affordable Housing Program (NAHP) Grant. This grant is available for local affordable housing activities.

The City is requesting a total of \$343,140 in NAHP funds to implement a Down-payment Assistance program for Homebuyers. The Homeownership Opportunity Program (HOP) will be available in all ten communities within Seward County (incorporated areas only). The HOP will be implemented by the Seward County Housing Corporation, Inc. (SCHC) under a Sub-recipient Agreement with the City. 100% of the NAHP funds will benefit Low-to-moderate income persons.

Of those NAHP funds, \$210,000 will be available as deferred loans for down-payment assistance (Activity 0520), \$63,000 will be available as conditional grants for minor housing rehabilitation to meet HQS and NDED Minimum Standards for Rehabilitation (Activity 0530), \$48,300 will be available for housing program management costs, including testing for lead paint hazards (Activity 0580) and \$21,840 will be available for project administrative costs (Activity 0181). In addition, it is anticipated that another \$840,000 in private financing will be available from first mortgages, closing costs, etc. There are no plans to displace people as a result of this NAHP assisted project, but the City will adopt a plan for minimizing displacement and for assisting any persons actually displaced.

Nebraska Affordable Housing Program Grant application materials will be available for public inspection at the City Clerk's office during regular working hours. All interested parties are invited to attend this public hearing at which time you will have an opportunity to be heard regarding the grant application. Written and Oral testimony will also be accepted at the public hearing scheduled for 7:00 p.m., Tuesday, April 21, 2015, at the Municipal Building in Seward, Nebraska. Written comments addressed to City Clerk, City Hall, PO Box 38, Seward, Nebraska, 68434 will be accepted if postmarked on or before Monday, April 20, 2015.

Individuals requiring physical or sensory accommodations including interpreter service, braille, large print, or recorded materials, please contact: City Clerk, (402) 643-2928 or, no later than 12:00 noon on Monday, April 20, 2015.

2015 APPLICATION FOR THE NEBRASKA AFFORDABLE HOUSING PROGRAM
 Nebraska Department of Economic Development (DED)

DED USE ONLY	
Date Stamp Below	Application Number
	15-

PART I. GENERAL INFORMATION

Pre-application Number: 15-TFHP-16012

TYPE OR PRINT ALL INFORMATION

<p>1. APPLICANT IDENTIFICATION</p> <p>Name: <u>City of Seward</u></p> <p>Contact person: <u>Bonnie Otte, City Clerk</u></p> <p>Address: <u>PO Box 38</u></p> <p>City/State/Zip: <u>Seward, NE 68434</u></p> <p>Phone: <u>402-643-2928</u></p> <p>Fax: <u>402-643-6491</u></p> <p>Email: <u>bonnie.otte@cityofseward.com</u></p> <p>Tax ID: <u>47-60-06355</u></p> <p>Duns #: <u>156271546</u></p>	<p>3. APPLICATION PREPARER INFORMATION</p> <p>Name: <u>SEND D</u></p> <p>Contact person: <u>David R. Taladay, Executive Director</u></p> <p>Address: <u>2631 O Street</u></p> <p>City/State/Zip: <u>Lincoln, NE 68510</u></p> <p>Phone: <u>402-475-2560</u></p> <p>Fax: <u>NA</u></p> <p>Email: <u>dtaladay@sendd.org</u></p> <p>Application Preparer (check one)</p> <p><input type="checkbox"/> Local Staff <input type="checkbox"/> Out-of-State Consultant</p> <p><input type="checkbox"/> In-State Consultant <input type="checkbox"/> Non-Profit Organization</p> <p><input checked="" type="checkbox"/> Economic Development District</p> <p><input type="checkbox"/> Other _____</p>
<p>2. HOMEBUYER PROGRAM ACTIVITIES (check all that apply)</p> <p><input type="checkbox"/> Construction costs for newly constructed homes</p> <p><input type="checkbox"/> Development subsidy on newly constructed homes</p> <p><input type="checkbox"/> Direct Homebuyer Assistance for newly constructed homes (gap subsidy, down-payment assistance, closing costs)</p> <p><input type="checkbox"/> Infrastructure development</p> <p><input checked="" type="checkbox"/> Direct Homebuyer Assistance for previously existing homes (gap subsidy, down-payment assistance, closing costs)</p> <p><input checked="" type="checkbox"/> Rehabilitation following homebuyer purchase as a support activity to direct homebuyer assistance</p> <p><input type="checkbox"/> Developer purchase of existing homes for rehabilitation and resale</p> <p><input type="checkbox"/> Rehabilitation during developer ownership</p> <p><input type="checkbox"/> Development subsidy on developer purchased and rehabilitated homes</p> <p><input type="checkbox"/> Direct Homebuyer Assistance for developer purchased and rehabilitated homes (gap subsidy, down-payment assistance, closing costs)</p> <p><input type="checkbox"/> Demolition</p>	<p>4. DISTRICT INDICATOR (Select only ONE)</p> <p><input checked="" type="checkbox"/> Congressional District 1</p> <p><input type="checkbox"/> Congressional District 2</p> <p><input type="checkbox"/> Congressional District 3</p> <p>5. SERVICE AREA</p> <p>Area to be served [each municipality and each county]. Please list: Incorporated communities within Seward County</p> <p>Nebraska Legislative District(s) <u>24</u></p> <p>Nebraska Congressional District(s) <u>1</u></p> <p>6. HOUSEHOLD BENEFICIARIES</p> <p># _____ at or below 80% of the Area Median Family Income</p> <p># <u>14</u> at or below 100% of the Area Median Family Income</p> <p># _____ at or below 120% of the Area Median Family Income</p> <p># <u>14</u> Total</p> <p>7. TYPE OF APPLICANT</p> <p><input checked="" type="checkbox"/> Unit of Local Government <input type="checkbox"/> Non-Profit 501(c)(3) CHDO</p> <p><input type="checkbox"/> Local Housing Authority <input type="checkbox"/> Non-Profit 501(c)(4)</p> <p><input type="checkbox"/> Non-Profit 501(c)(3) <input type="checkbox"/> Non-Profit 501(c)(4) CHDO</p>
<p>8. CERTIFYING OFFICIAL:</p> <p><i>To the best of my knowledge and belief, data and information in this application is true and correct, including any commitment of local or other resources. The governing body of the applicant has duly authorized this application. This applicant will comply with all Federal and state requirements governing the use of NAHP funds.</i></p> <p>Signature in blue ink: <u>X</u></p> <p>Typed Name and Title: <u>Joshua Eickmeier, Mayor</u> Date Signed: <u>4/21/15</u></p> <p>Address/City/State/Zip: <u>City Hall, PO Box 38, Seward, NE 68434</u></p>	
<p>9. SUBMIT THE ORIGINAL FULL APPLICATION TO:</p> <p>Nebraska Department of Economic Development Housing Application Coordinator Housing and Community Development 301 Centennial Mall South- PO Box 94666 Lincoln, NE 68509-4666</p>	<p>UPLOAD THE SCANNED COPY OF FULL APPLICATION TO:</p> <p>https://neded.sharefile.com/r/r0f77686a58e46f9a</p> <p><i>Individuals, who are hearing and/or speech impaired and have a TTY, may contact the Department through the Statewide Relay System by calling (800) 833-7352 (TTY) or (800) 833-0920 (voice). The relay operator should be asked to call DED at (800) 426-6505 or (402) 471-3111.</i></p>

**HOMEBUYER PROGRAM
PART II. FUNDING SUMMARY**

Code	Activity	NAHP Funds	Matching Funds ¹	Other Funds ²	Total Funds	Source(s) of Other Funds
0501	Site Improvements					
0502	Streets					
0520	Acquisition of Property					
0521	Acquisition of Vacant Land					
0522	Demolition ³					
0523	Relocation ⁴					
0524	Direct Homebuyer Assistance	210,000.00			\$210,000.00	
0530	Housing Rehabilitation	63,000.00			\$63,000.00	
0531	SF Purchase/Rehab/Resale					
0532	DPA/Rehab					
0541	Conversion					
0541	Reconstruction Single-family					
0542	SF New Construction Homebuyer ⁵					
	Subtotal	\$273,000.00			\$273,000.00	
0580	Housing Management ⁶	27,300.00		4,050.00	\$31,350.00	Inkind
0580a	Hsg. Mgt.: Paint Testing / Risk Assessments/ Clearance Testing ⁷					
	Subtotal	\$300,300.00		\$4,050.00	\$304,350.00	
0181	General Administration ⁸	21,840.00		4,320.00	\$26,160.00	Inkind
1000	TOTAL PROGRAM COSTS	\$322,140.00		\$8,370.00	\$330,510.00	

Clarification for the above activities should be directed to DED.

¹ Nebraska Affordable Housing Program Funds cannot be matched with any other form of Nebraska Affordable Housing Program Funds, including Program Income.

² Other funds cannot include mortgages.

³ Demolition is a support activity and must be done in conjunction with another housing activity.

⁴ Relocation is a support activity and must be done in conjunction with another housing activity.

⁵ New Construction includes the hard costs for acquiring land, constructing homes and development subsidy (the difference between the cost to develop and build the home and the appraised value of the home).

⁶ Housing management recommended maximum is 10% of total NAHP hard costs.

⁷ Paint testing, risk assessments and clearance testing are limited to \$1,500 per unit.

⁸ General Administration recommended maximum is 8% of the total amount of NAHP hard costs.

NOTE: Requests for additional funds (over the recommended maximums) for Housing Management or General Admin must be requested and documented within the final application.

PART III. PROJECT BUDGET AND FINANCING

**Seward County Homeownership Opportunity Program (HOP)
Workforce Housing-Homebuyers Assistance**

Proposed Budget for 2015 NAHP Application

Activity No.	Description	NAHP funds requested	Other funds **	Total costs
0520	Single-family acquisition Direct homebuyer assistance as a downpayment 14-units @ \$15,000/ave..(max. 20%)..... 1st Mortgage and other costs**.(min. 80%)..	\$ 210,000 0	0 0	\$ 210,000
0530	Housing Rehabilitation Construction 7-units @ \$9,000 (max.).....	\$ 63,000	0	\$ 63,000
	Subtotal Project Costs	\$ 273,000	0	\$ 273,000
0580	Housing Administration Program Management.(10% of hard costs)..... Lead Screening/Paint Testing/Risk Assessment.... (14 units @\$1,500/ea)	\$ 27,300 \$ 21,000	4,050 0	\$ 31,350 \$ 21,000
	Subtotal Project Costs w/ Mgt & Lead	\$ 300,300	4,050	\$ 304,350
0181	General Administration..... 8% of hard costs	\$ 21,840	4,320	\$ 21,840
	Total project budget:.....	\$ 322,140.00	8,370	\$ 330,510

** Other funds: In-kind Volunteer Hours to contribute to success of the program. See Exhibit 105 for full description of hours and responsibilities.
*** Additionally, approximately \$800,000 in first mortgages will be leveraged by the program

RESOLUTION NO.

Whereas, the City of Seward, Nebraska, is an eligible unit of a general government authorized to file an application under the Housing and Community Development Act of 1974 as Amended for Small Cities Community Development Block Grant (CDBG) Program, and, Cranston-Gonzalez National Affordable Housing Act of 1990 (HOME Program) funds distributed by the Department of Economic Development through the Nebraska Affordable Housing Program (NAHP).

Whereas, the City of Seward, Nebraska has obtained its citizens' comments on community development and housing needs; and has conducted a public hearing upon the proposed application and received favorable public comment respecting the application which is for an amount of \$322,140 in NAHP funds to implement (with the Seward County Housing Corporation, Inc.) a down-payment assistance program for homebuyers in the incorporated communities within Seward County; and,

NOW, THEREFORE, BE IT RESOLVED BY

THE City Council of Seward, Nebraska that the Mayor be authorized and directed to proceed with the formulation of any and all contracts, documents or other memoranda between the City of Seward, Nebraska and the Nebraska Department of Economic Development so as to effect acceptance of the grant application.

Dated: April 21, 2015

THE CITY OF SEWARD, NEBRASKA

ATTEST:

Joshua Eickmeier, Mayor

Bonnie Otte
Assistant Administrator/
Clerk-Treasurer/
Budget & HR Director

(SEAL)