

Appendix A

Funding Programs for Housing

APPENDIX A FUNDING PROGRAMS FOR HOUSING

The completion of the Chester City Comprehensive Plan provides the city council and other government officials with a blue print for revitalizing the city and encouraging reinvestment. However, an important component of any revitalization effort is the improvement and stability of the city's housing stock.

The city must utilize every resource available in encouraging new construction and rehabilitation of older housing units. Listed below is a list of programs that the city government, non-profit organizations and private developers can utilize.

A. FEDERALLY FUNDED PROGRAMS

1. COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM

Description: A city-administered, federal grant program to aid the community in housing and economic development efforts. Eligible activities include acquisition, demolition, public facilities, housing, economic development, architectural barrier removal, public services, code enforcement, and comprehensive planning.

Contact Agency: City of Chester Redevelopment Authority
401 Avenue of the States
Chester, PA 19013

2. HOME PROGRAM

Description: HOME funds may be used for a variety of activities to develop and support affordable housing. The funds from this program may be used for tenant-based rental assistance, assistance to first-time home buyers and existing homeowners, property acquisition, new construction, reconstruction, moderate or substantial rehabilitation, site improvements, demolition, relocation expenses and other reasonable and necessary expenses related to development of non-luxury housing.

Contact Agency: City of Chester Redevelopment Authority
401 Avenue of the States
Chester, PA 19013

3. HOUSING COUNSELING ASSISTANCE PROGRAM

Description: Offers grants to non-profit agencies to provide counseling services to homeowners, home buyers and tenants involved in HUD assisted or insured housing, toward the prevention and reduction of mortgage delinquencies, defaults and foreclosures.

Contact Agency: Philadelphia: Regional Director
HUD
Liberty Square Building
107 S. 7th Street
Philadelphia, PA 19106
(215) 597-2528

4. THE SUPPORTIVE HOUSING PROGRAM

Description: Grants are provided to public and private non-profit entities to promote the development of supportive housing and services. Funds can be used for acquisition, rehabilitation, new construction (under limited circumstances), leasing of structures, operating costs and supportive services costs. This program was created by the Housing and Community Development Act of 1992 and replaces the Supportive Housing Demonstration Program, the Transitional Housing Program and the Permanent Housing for the Handicapped Homeless Program.

Contact Agency: Philadelphia Regional Office
HUD
Liberty Square Building
107 S. 7th Street
Philadelphia, PA 19106
(215) 597-2528

5. SUPPORTIVE HOUSING FOR THE ELDERLY (SECTION 202)

Description: Non-interest bearing capital advances are provided to private, non-profit sponsors to finance the development of elderly housing that also offers supportive services. Funds can be used for acquisition, rehabilitation, new construction, rental assistance and/or support services.

Contact: Philadelphia Regional Office
HUD
Liberty Square Building
107 S. 7th Street
Philadelphia, PA 19106
(215) 597-2528

**6. SUPPORTIVE HOUSING FOR PERSONS WITH DISABILITIES
(SECTION 811)**

Description: Funding is provided to private non-profit organizations to expand housing with supportive services such as group homes, independent living facilities and intermediate care facilities. Funds are provided as capital advances based on HUD published development cost limits and/or as project based rental assistance to cover the difference between the HUD approved operating costs and 30% of the residents adjusted income.

Contact Agency: Philadelphia Regional Office
HUD
Liberty Square Building
107 S. 7th Street
Philadelphia, PA 19106
(215) 597-2528

**7. ASSISTANCE TO NONPROFIT SPONSORS of LOW/MODERATE INCOME
HOUSING (Section 106)**

Description: Provides 18-month, 80% interest-free loans of up to \$50,000 to sponsors of "Section 202" housing for elderly or handicapped persons, to cover preconstruction costs, i.e. surveys, market analysis, site engineering, architectural fees, and organization expenses.

Contact Agency: Philadelphia Regional Director
HUD
Liberty Square Building
105 S. 7th Street
Philadelphia, PA 19106
(215) 597-2528

8. MORTGAGE INSURANCE for REHABILITATION (Section 203)

Description: Provides 30 year mortgage insurance loans by private lenders for the restoration and preservation of existing housing stock. Under the 203K program, the borrower can get just one mortgage loan, at a long term fixed (or adjustable) rate, to finance both the acquisition and the rehabilitation costs of the property.

Contact Agency: Philadelphia Regional Director
HUD
Liberty Square Building
105 S. 7th Street
Philadelphia, PA 19106
(215) 597-2528

9. MORTGAGE INSURANCE for HOUSING in DECLINING NEIGHBORHOOD (Section 223 (e))

Description: Provides long-term mortgage insurance against loss on mortgage loans by private lenders to finance the purchase, rehab or construction of single-or multi-family housing in older declining, but viable urban areas where conditions are such that normal requirements for mortgage insurance cannot be met. The terms of the loans vary according to the HUD/FHA program under which the mortgage is insured.

Contact Agency: Philadelphia Regional Director
HUD
Liberty Square Building
105 S. 7th Street
Philadelphia, PA 19106
(215) 597-2528

10. HOMEOWNERSHIP ASSISTANCE for LOW and MODERATE INCOME FAMILIES (Section 221 (d) (2))

Description: Mortgage insurance to increase home ownership opportunities for low and moderate income families.

Contact Agency: Philadelphia Regional Director
HUD
Liberty Square Building
105 S. 7th Street
Philadelphia, PA 19106
(215) 597-2528

11. SPECIAL CREDIT RISKS (Section 237)

Description: Mortgage insurance and home ownership counseling for low and moderate income families with a credit history that does not qualify them for insurance under normal underwriting standards.

Contact Agency: HUD
Liberty Square Building
105 S. 7th Street
Philadelphia, PA 19106
(215) 597-2528

12. GENERAL RESEARCH & TECHNOLOGY ACTIVITY

Description: Provides research and demonstration grants and contracts to qualified agencies for projects in such HUD Program - related areas as:

- a) fulfilling national housing needs
- b) housing affordability
- c) public finance and urban economic development

Contact Agency: Headquarters: Assistant Secretary
Policy Development & Research
HUD
451 7th Street SW
Washington, DC 20410
(202) 755-6996

B. STATE FUNDED PROGRAMS

1. COMMUNITY SERVICES BLOCK GRANT (CSBG) PROGRAM

Description: The CSBG Program replaced the Economic Opportunity Act Program administered by the Federal Community Services Administration. The program provides funding for services and activities having a potential impact on the causes of poverty in impoverished communities.

Contact Agency: Department of Community Affairs
Bureau of Human Resources
908 State Office Building
Broad & Spring Garden Streets
Philadelphia, PA 19130

2. HOUSING and COMMUNITY DEVELOPMENT PROGRAM

Description: This program provides grants and technical assistance to support projects that create affordable housing and promote community and economic development activities for the benefit of low/moderate income residents. These include projects that revitalize distressed neighborhoods and commercial areas or stimulate the creation and growth of businesses and reduce unemployment through job creation. They are grouped under; housing assistance, community development, economic development.

Contact Agency: Department of Community Affairs
Bureau of Human Resources
908 State Office Building
Broad & Spring Garden Streets
Philadelphia, PA 19130

3. HOMES PROGRAM

Description: This is a low-interest deferred loan fund to support the development of low-income rental housing. The program is highly flexible and may be used for up front write-down assistance, interest rate reductions and on-going rental assistance.

Contact Agency: Pennsylvania Housing Finance Agency (PHFA)
Development Division
2101 North Front Street
Harrisburg, PA 17105
(717) 780-3825/3882

4. CLOSING COST ASSISTANCE PROGRAM

Description: The closing cost assistance program helps qualified borrowers meet the financial requirements for closing costs. Repayment is required only if the property is sold, refinanced, or transferred within the first five years of ownership.

Contact Agency: PHFA
2101 North Front Street
Harrisburg, PA 17105
(717) 780-3825

5. HOMESTART PROGRAM

Description: A loan program which provides low interest, 30 year residential mortgages for both new and existing homes. There are home buyer income eligibility requirements as well as sales price maximums according to county location.

Contact Agency: PHFA
2101 North Front Street
Harrisburg, PA 17105
(717) 780-3825

6. LOW INCOME RENTAL HOUSING TAX CREDIT PROGRAM

Description: This program is to provide incentives for the development of low income rental housing by individual or groups. The program offers direct federal income tax savings.

Contact Agency: PHFA
2101 North Front Street
Harrisburg, PA 17105
(717) 780-3825

7. NEIGHBORHOOD ASSISTANCE PROGRAM

Description: A Pennsylvania state tax credit program that provides financial support for a range of community-based programs which qualify under one or more of the following categories: community services, education, job training, crime prevention or neighborhood assistance. Eligible activities include housing rehabilitation and construction as well as financial assistance in the form of residential utility or heating assistance and emergency housing aid. Businesses which administer approved programs or contribute money or in-kind resources to approved programs of a private non-business and corporate net income taxes. A 70% tax credit is available for "Special Program Priorities" which includes housing rehabilitation and construction.

Contact Agency: PA Department of Community Affairs
908 State Office Building
Broad & Spring Garden Streets
Philadelphia, PA 19130
(215) 560-2256

8. EMPLOYMENT AND COMMUNITY CONSERVATION PROGRAM

Description: Eligible applicants are community organizations, political subdivisions, authorities, corporations, associations or individuals. Grants can be used for: 1) vocational training, counseling and job placement; 2) social service programs that contribute to the economic and social independence of low income persons; 3) community conservation projects in low income neighborhoods; and, 4) housing initiatives including acquisition, rehabilitation, housing counseling or other housing assistance.

Contact Agency: PA Department of Community Affairs
908 State Office Building
Broad & Spring Garden Streets
Philadelphia, PA 19130
(215) 560-2256

C. CITY PROGRAMS

1. HOMEOWNER EMERGENCY REPAIR PROGRAM

Description: This program will provide assistance to correct problems associated with the major systems of a dwelling unit.

Contact Agency: Chester Redevelopment Authority
401 Avenue of the States
Chester, PA 19013
(215) 447-7850

2. HOMEOWNER REHABILITATION PROGRAM - WITHIN SECTION 8 INCOME LIMITS

Description: Program to provide loans and/or grants for the purpose of rehabilitating residential property so it meets minimum code standards.

Contact Agency: Chester Redevelopment Authority
401 Avenue of the States
Chester, PA 19013
(215) 447-7850

3. HOMEOWNER REHABILITATION PROGRAM - OVER SECTION 8 INCOME LIMITS

Description: Rehabilitation is limited to the elimination of identified health and/or safety hazards as defined under slum and blight criteria.

Contact Agency: Chester Redevelopment Authority
401 Avenue of the States
Chester, PA 19013
(215) 447-7850

4. HOMESTEADING PROGRAM

Description: Transfer of Redevelopment Authority owned properties to eligible applicants who qualify under the City's Homesteading Program.

Contact Agency: Chester Redevelopment Authority
401 Avenue of the States
Chester, PA 19013
(215) 447-7850