

CITY OF SOMERVILLE, MASSACHUSETTS
SOMERVILLE AFFORDABLE HOUSING TRUST FUND
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September 18, 2024

CPA FUNDING OPPORTUNITY FOR HOUSING PROGRAMS
FY22 RFP #2 – GENERAL HOUSING PROGRAMS COMMON APPLICATION

RFP Information

Issue Date: September 18, 2024
Closing Date: 12:00 PM October 18, 2024

Contact

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City of Somerville
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City Hall Annex
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Email: pgoldstein@somervillema.gov (preferred form of contact)

Application Deadline

Submit applications by October 18 at 12 pm to pgoldstein@somervillema.gov or mailed to 50 Evergreen Avenue, Somerville, MA 02145 Attn: Paul Goldstein. Please ensure submissions are received on or before the deadline date and time. Late applications will not be reviewed.

**SOMERVILLE AFFORDABLE HOUSING TRUST
CPA FUNDING OPPORTUNITY FOR HOUSING PROGRAMS
FY25 RFP #2 – GENERAL HOUSING PROGRAMS COMMON APPLICATION**

CPA Background

The Somerville Affordable Housing Trust Fund was created in 1989 by city ordinance, and its first programs began in 1991. Its purpose is to preserve and create affordable rental and homeownership units in Somerville and carry out programs to assist homeowners and renters directly. All Trust funded activity must benefit low and moderate-income level households.

In November 2012, Somerville voters overwhelmingly approved a 1.5% Community Preservation Act (CPA) surcharge on net property taxes. The Somerville Community Preservation Committee subsequently voted to empower the Somerville Affordable Housing Trust Fund (the “Trust”), which has over 30 years of experience preserving, creating, and supporting affordable housing in Somerville, to serve as the housing arm of the Committee. Since Fiscal Year 2015, the Trust has administered CPA funds designated for community housing purposes. At its August 8, 2024 meeting, the Trust voted to allocate up to \$400,000 in CPA Trust funds in Fiscal Year 2025 for housing assistance programs.

Housing Programs and CPA Eligibility

This RFP designated for housing programs that either create permanently affordable housing units or provide rental assistance or other financial assistance to income eligible households for the purpose of making housing affordable, resulting in an affordable unit for a defined period. The period of program performance for this funding will be January 1, 2025 to January 1, 2028 or whichever timeframe best suits the applicant’s proposed scope of work.

CPA funds can serve individuals and households up to 100% of Area Median Income (AMI). Eligible uses include:

- *Support* – to provide grants, loans, rental assistance, security deposits, interest-rate write downs or other forms of assistance on behalf of an income eligible household for the purpose of making housing affordable. Payments will be made directly to an entity that owns, operates or manages such housing and must be directly tied to a physical unit through a lease or other legal agreement. CPA funds cannot be used for utility payments, moving costs, or case management.

Priorities, Criteria and Requirements

In addition to meeting the proper AMI level and project use, the following priorities apply:

- preserve or increase the supply of affordable housing in Somerville, and
- help low- to moderate-income households gain access to or retain housing that is generally affordable (where monthly housing costs represent between 30-40% of household income) and sustainable.

The following criteria apply in reviewing applications:

- The program will provide a measurable impact.
- The agency has a demonstrated capacity to carry out the program for which they seek funding.
- The agency demonstrates an ability to continue the program beyond the funding period.
- The agency demonstrates a commitment to conform to the requirements of the MA Department of Revenue (DOR) regarding the use of CPA funds, and to the requirements of the City of Somerville and the Trust for the administration of Trust-funded housing programs.
- Applications from non-profit agencies are preferable.
- The agency must demonstrate ability to collaborate and work with other local agencies, and coordinate referrals in case of limited funding.

- The agency must demonstrate an ability to leverage Trust awarded funding, and to ensure that enough other sources of funds can cover arrears where Trust funding will be committed.

This document is **RFP #2 Common Application**. This application is for use when an agency is seeking funding for a housing program unlike those in other FY25 CPA Housing Program RFPs.

The other RFPs are posted on the Trust's webpage at:

<https://www.somervillema.gov/departments/affordable-housing-trust-fund>.

If more than one proposal is received, the Trust may provide funding for any number of them or choose not to fund any.

Regulatory and Program Requirements

The following program requirements for CPA Trust funded rental housing programs apply:

- In order to show documented need for assistance tenants must be homeless, on the verge of becoming homeless and/or received notice of an impending eviction.
- The agency must determine whether a household is income eligible using 24 CFR Part 5.609 income certification process. See Appendix 1 for Fiscal Year 2025 income limits. Income certification is considered current for 12 months from the date issued. Households with applications over 12 months old will be asked to complete a new application to ensure that the information about household and income are current. Income certification documentation must be kept on file until the end of the contract plus 7 years.
- Unrelated occupants in one unit are counted as members of one household.
- There must be an Agency/Owner subsidy agreement in the format provided by the City in place.
- There must be a lease in place that is signed by both the landlord and the tenant. The signed lease must cover the current term with a start and end date listed. Where a lease does not exist, an Oral Tenancy Certification Form must be used signed by both the landlord and the tenant, which confirms that the tenant will be residing in the unit during the month for which the assistance is being provided. Where ongoing rental assistance is provided, an Oral Tenancy Certification in the format provided by the City must be completed monthly by the landlord and tenant.
- Assistance must be paid directly to the property owner. It cannot be made to the tenant directly or on behalf of a subtenant to a primary tenant.
- The agency will enter into a contract with the Trust and the City of Somerville in the City's standard contract format. The contract will include invoicing and progress reporting procedures.
- The agency will require clients to sign waivers of confidentiality.
- The agency will share completed client application documents including those used by the agency to establish eligibility for each client and those used to determine the sustainability of their tenancy after assistance is provided, in order for the OSPCD Housing Division to monitor compliance.

Additional Information and Application Deadline

Please provide direct responses to each question within this application form, unless otherwise indicated.

Responses are due electronically, via mail or in person by 12:00 PM on October 18, 2024.

The electronic copy should be saved as a PDF and sent by email to Paul Goldstein at pgoldstein@somervillema.gov.

If you have any questions, please do not hesitate to contact Paul Goldstein via email at the email address listed above.

FY25 RFP #2 – COMMON APPLICATION

Housing Program Application for CPA Funds

Date of Application _____

A. Agency Information

1. Agency Name and Address: _____

2. Non-profit designation (if applicable): Yes No
3. Contact name, phone number and email address for program manager:

4. Contact name, phone number and email address for contract manager:

5. Contact name, phone number and email address for invoicing:

6. Agency's DUNS # _____
7. Agency's Tax ID # _____

B. Program Information

8. Amount of request (CPA): _____
9. Describe the overarching program goals and details about the proposed activity (attach additional pages as needed):

10. Provide details about the number of households or individuals you intend to serve.

11. Timeframe for performance:

12. Describe the need within the community for the type of program proposed. List other agencies that may be addressing it. If there are differences between this proposal and the operation of other agencies administering this or a similar program please note the differences. Is there a gap in funding to meet the need within the community? If so describe how the amount/size of the gap is determined/measured.

13. Describe other sources of funding available for the type of program proposed. Describe the degree to which your agency is leveraging other sources.

14. Provide the income level of targeted beneficiary/beneficiaries. See Appendix 1 for Fiscal Year 2025 income limits.

15. Description of who the program will benefit (i.e. veteran population, chronically homeless, fragile elderly, youth aging out of foster care, etc.) and please note the extent to which beneficiaries are Somerville residents):

16. Will your agency provide case management services and quarterly follow-up with clients after assistance is provided using other sources of funding beyond CPA funds? Please describe.

Program Impacts

17. Describe the program’s performance objectives, and how outcomes of the program will be measured and tracked:

18. Note if your agency has previously been funded by the Trust and, if yes, a concise summary of the number of residents served in the prior fiscal year and the impact of the program.

Financial Information

19. Please attach a complete program budget and include the status of all funding source (note any funds pending or already received) and all sources and uses and the amount of funds that will be leveraged.
20. Describe whether the proposed activity will be carried out with or without any other funding from the Trust.
21. If the agency has operated this program in the past, what is the average amount that each tenant contributes to their rent?
22. If the agency has operated this program in the past, what proportion of clients served were tenants in market-rate housing? What percentage of clients served were tenants in affordable housing?

Organizational Capacity

23. Experience and capacity of the agency and staff – please describe staff available to work on the project (and note if staff need to be hired) and describe any similar successful programs operated by the agency and how they relate to other programmatic activities. Does your agency have adequate staffing to manage the program’s administrative requirements?
24. Is your agency monitored by HUD or another funder for housing programs?
Yes No
25. If yes, has the monitoring resulted in any currently open findings?
Yes No
26. Does your agency agree to in person monitoring by OSPCD staff when/if possible?
Yes No

Compliance with Requirements for Use of Funds

27. Does your agency agree to share completed client application documents with the Housing Division? These documents will include those used to establish eligibility for each client according to program requirements, and to those used to determine the sustainability of each client’s tenancy after assistance is provided.
Yes No

Does your agency agree to administer the program in accordance with Trust guidelines, and if necessary, agree to work with OSPCD Housing to implement any new guidance or to ensure uniformity?
Yes No

Does your agency agree to in person monitoring by OSPCD staff when/if possible?
Yes No

Furthering the City of Somerville’s Housing Plans and Objectives

28. Explain how the proposed activities/project addresses a need and/or strategy in City of Somerville’s 5 Year Consolidated Plan (Can be viewed online at www.somervillema.gov).

29. Explain how the proposed activities/project addresses a Goal or Action Step in the SomerVision Comprehensive Plan (Can be viewed online at www.somervillema.gov).

APPENDIX 1 – FISCAL YEAR 2025 INCOME LIMITS

A comprehensive list of Fiscal Year 2025 Income Limits for the City of Somerville is provided on the next page.

Please note:

- The maximum household income limit for CPA-funded housing programs is 100% AMI, adjusted by household size.
- Refer to other AMI thresholds listed for income limits if your program will target very-low, low and/or moderate income households as described in your application.

HOUSING PROGRAM INCOME LIMITS

		2024								
		PMSA Boston, MA Area Median Income								\$148,900
										-0.27%
										Increase from prior
HOUSEHOLD SIZE		1	2	3	4	5	6	7	8	Each Addition ¹ Person
		Person	Person	Person	Person	Person	Person	Person	Person	
HWAP, WAP, LIHEAP & EFSP										
60% of State Median (4)		\$45,392	\$59,359	\$73,326	\$87,294	\$101,261	\$115,228	\$117,846	\$120,465	see footnote 5
Effective: 3/8/2024 Federal FY 2024										
30% AMI CDBG		\$34,300	\$39,200	\$44,100	\$48,950	\$52,900	\$56,800	\$60,700	\$64,650	see footnote 2
30% AMI for HOME		\$34,300	\$39,200	\$44,100	\$48,950	\$52,900	\$56,800	\$60,700	\$64,650	see footnote 2
30% (HOME) effective date 6/1/2024										
Extremely Low Income (CDBG) effective 4/1/2024										
Income Targeting Standard (Sec. 8) effectv. 4/1/2024										
50% AMI CDBG		\$57,100	\$65,300	\$73,450	\$81,600	\$88,150	\$94,700	\$101,200	\$107,700	
50% AMI for HOME		\$57,100	\$65,300	\$73,450	\$81,600	\$88,150	\$94,700	\$101,200	\$107,700	
Very Low Income (HOME) effective date 6/1/2024										
Low Income (CDBG) effective 4/1/2024										
Very Low Income (SEC. 8) effective date 4/1/2024										
60% AMI for HOME		\$68,520	\$78,360	\$88,140	\$97,920	\$105,780	\$113,640	\$121,440	\$129,240	see footnote 2
CME) effective date 6/1/2024										
65% AMI for HOME		\$74,256	\$84,864	\$95,472	\$106,080	\$114,566	\$123,053	\$131,539	\$140,026	
80% AMI CDBG (1)		\$91,200	\$104,200	\$117,250	\$130,250	\$140,700	\$151,100	\$161,550	\$171,950	see footnote 2
80% AMI for HOME (1)		\$91,200	\$104,200	\$117,250	\$130,250	\$140,700	\$151,100	\$161,550	\$171,950	see footnote 2
80% AMI for CPA (7)		\$83,384	\$95,296	\$107,208	\$119,120	\$128,650	\$138,179	\$147,709	\$157,238	
Low Income (HOME) effective 6/1/2024										
Low / Mod (CDBG) effective 4/1/2024										
Low / Mod (SEC. 8) effective 4/1/2024										
Uniform Relocation Act (URA) 49 CFR 24.402(b) 4/1/2024										
Low Income (CPA) effective 4/1/2024										
100% MEDIAN INCOME (3) CPA		\$104,230	\$119,120	\$134,010	\$148,900	\$160,812	\$172,724	\$184,636	\$196,548	see footnote 2
Moderate Income (CPA) effective 4/1/2024										
110% MEDIAN INCOME (3)		\$125,664	\$143,616	\$161,568	\$179,520	\$193,882	\$208,243	\$222,605	\$236,966	see footnote 2
120% MEDIAN INCOME		\$137,088	\$156,672	\$176,256	\$195,840	\$211,507	\$227,174	\$242,842	\$258,509	see footnote 2
140% MEDIAN INCOME (3)		\$159,936	\$182,784	\$205,632	\$228,480	\$246,758	\$265,037	\$283,315	\$301,594	see footnote 2
Somerville Affordable Housing Trust effective 7/1/2024										
Somerville Zoning Ordinance effective 7/1/2024										
		NOTE -- Before copying sheet remove formulas copy lines 41 and 42 paste as numbers								
MassHousing (formerly MHFA)		1-2 persons:		3+ persons:		check www.masshousing.com				
Get The Lead Out - current as of 6/1/2023		\$164,200		\$186,600						
Home Improvement Loan Prgm @ 6/1/2023		\$127,700		\$127,700						
Purchase & Rehab Program -										
140% of 50% MFI (6)		\$80,000	\$91,400	\$102,850	\$114,250	\$123,400	\$132,550	\$141,700	\$150,800	see footnote 2
140% of 80% MFI (6)		\$127,650	\$145,900	\$164,150	\$182,350	\$196,950	\$211,550	\$226,150	\$240,750	see footnote 2
Inclusionary Max. Recert. Income 06/01/24										
		NOTE -- Before copying sheet remove formulas copy lines 41 and 42 paste as numbers								

Footnotes: (1) The 80% Median Income* has been capped by HUD for Boston PMSA. It is actually 87.47% of AMI. True 80% AMI for 4-prsn hhhd is \$118,120
 (2) 9 person household is 140% of 4 person household. Add 8% for each additional person thereafter, round UP to nearest \$50.
 (3) 110%, 120% and 140% incomes are calculated directly on 50% of Median Income, and are rounded to the nearest dollar.
 (4) Program opens for applications in October. Camb/Somerville FA using 60% of State Median for eligibility as of FFY'2024.
 (5) Add 1.973% to 8-person limit for each additional person. Uses State Median Income (\$145,491) not Boston Area Median Income.
 (6) 140% of the then-current 50% or 80% income limit (rounded up to nearest \$0). Only used for Inclusionary Housing recertifications.
 (7) The CPA Low Income Limits are 80% of the area-wide median income and are slightly different from HUD's Low Income figures.
 * The comparison of the capped HUD 80% to true 80% uses the CDBG limits. Until HOME adopts the CDBG limits the comparison may not be accurate for HOME.

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